



浙能锦江环境

ZHENENG JINJIANG ENVIRONMENT

ZHENENG JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED

***Pursuing Sustainable
Development***

ANNUAL REPORT 2023



CONTENTS

目录

1	Corporate Profile	公司简介
2	Corporate Information	公司信息
4	Chairman's Message	主席致辞
11	Financial Highlights	财务概况
13	Corporate Milestones	企业大事记
17	Operations and Financial Review	经营和财务回顾
32	Our WTE Network in the PRC	中国垃圾焚烧发电网络
35	Our Overseas WTE Network	海外垃圾焚烧发电网络
36	Corporate Structure	公司结构
38	Board of Directors	董事会
42	Key Management	管理层
43	Sustainability Report	可持续性报告
104	Corporate Governance Report	公司治理报告
141	Financial Contents	财务目录
236	Statistics of Shareholdings	股权数据
239	Notice of Annual General Meeting	年度股东大会通知

Zheneng Jinjiang Environment Holding Company Limited (“**Zheneng Jinjiang Environment**” or the “**Company**”) is a forerunner and leading operator in China’s **waste-to-energy** (“**WTE**”) industry. In 1998, the Company established the first WTE facility in China employing differential-density circulating fluidised bed technology, making it the first domestic WTE operator to develop and industrialise this technology. The Company has a proven track record in investment, construction, operations, and management of WTE facilities.

On 3 August 2016, the Company was successfully listed on the Mainboard of the Singapore Exchange marking a significant milestone in its growth journey. On 21 August 2019, Zhejiang Provincial Energy Group Co., Ltd (“**Zheneng Group**”) became its largest controlling shareholder. Subsequently, 25 November 2019, the Company rebranded from “China Jinjiang Environment Holding Company Limited” to “Zheneng Jinjiang Environment Holding Company Limited”. This strategic move positioned the Company as Zheneng Group’s primary platform for circular economy development and a key catalyst for Zheneng Group’s green transition.

Zheneng Jinjiang Environment stands as one of the leading WTE industry players in the People’s Republic of China (“**PRC**”), notable for its superior waste treatment capabilities and broad geographical presence. The Company strives to be a promoter and leader in the localisation of WTE technology, and as an enhancer and integrator in the utilisation of fluidised bed technology and moving grate technology. The Company also aspires to be an outstanding manager in operating WTE facilities. At present, the Company is transitioning from a singular focus on waste incineration plant to a diversified portfolio that includes the treatment of sludge, kitchen waste, animal carcasses and many other fields to provide clean energy like green electricity, steams and hot water. Leveraging the cross-business synergies and digitally empowered development, the Company aims to build an urban ecological complex, positioning itself as the “heart of the city” and “the heart of industry”. Dedicated to sustainable and high-quality growth, the Company is determined to fulfil the increasing desires for environmental improvements, contributing to the enhancement of people’s lives.

浙能锦江环境控股有限公司（以下简称“**浙能锦江环境**”或“**公司**”）是中国垃圾焚烧发电行业的先行者和引领者。1998年，公司在中国建立了第一家异重循环流化床垃圾焚烧发电厂，是中国首家开发异重循环流化床技术并使之工业化的垃圾焚烧发电运营企业。公司具有成熟的投资、建设、运营和管理经验。

2016年8月3日，公司在新加坡证券交易所主板成功挂牌上市，是发展过程中的重要里程碑。2019年8月21日，浙江省能源集团有限公司（“**浙能集团**”）入股，成为公司最大控股股东；同年11月25日，公司由“中国锦江环境控股有限公司”更名为“浙能锦江环境控股有限公司”，成为浙能集团循环经济发展的主要平台和转型发展的重要抓手。

浙能锦江环境垃圾处置能力及地域覆盖范围均居行业前列，公司力争在国产化垃圾焚烧发电技术方面做推广者和引领者，在流化床技术和炉排炉技术应用方面做整合提升者，在垃圾发电企业运行方面做优秀管理者。当前公司正由单一垃圾焚烧厂，逐步延伸产业链，涉足污泥、餐厨/厨余垃圾处理、病死动物无害化处理等多个领域，对外提供绿色电力、蒸汽、热水等清洁能源，发挥协同循环优势，依托存量、外延拓展，数字赋能、融合发展，努力融入城市和谐发展，着力打造城市生态综合体，成为“城市之心”“工业之心”，坚定不移走绿色高质量发展之路，满足人民日益增长的对美好生活的环境需求。

Corporate Information

公司信息

BOARD OF DIRECTORS

Wei Dongliang
(Executive Chairman)

Wang Ruihong
(Executive Deputy Chairman and Deputy General Manager)

Jin Ruizhi
(Executive Director and Chief Financial Officer)

Ang Swee Tian
(Lead Independent Director)

Ni Mingjiang
(Independent Director)

Kan Yaw Kiong (Ernest)
(Independent Director)

Liang Weiwen
(Non-Executive and Non-Independent Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

Kan Yaw Kiong (Ernest) (Chairman)
Ang Swee Tian (Member)
Liang Weiwen (Member)

NOMINATING COMMITTEE

Ang Swee Tian (Chairman)
Wei Dongliang (Member)
Ni Mingjiang (Member)

REMUNERATION COMMITTEE

Ang Swee Tian (Chairman)
Ni Mingjiang (Member)
Kan Yaw Kiong (Ernest) (Member)
Liang Weiwen (Member)

JOINT COMPANY SECRETARIES

Hoon Chi Tern (LLB (Hons))
Toh Li Ping, Angela (ACIS)

REGISTERED OFFICE

Grand Pavilion
Hibiscus Way, 802 West Bay Road
P.O. Box 31119, KY1-1205
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

1 Yinxiu Road
Level 19, Tower A, Hangyue Commercial Center
Gongshu District, Hangzhou City
Zhejiang Province, People's Republic of China 310011

2 Venture Drive
#15-19 Vision Exchange
Singapore 608526

LEGAL ADVISER TO THE COMPANY AS TO SINGAPORE LAW

Rajah & Tann Singapore LLP
9 Straits View
#06-07 Marina One West Tower
Singapore 018937

LEGAL ADVISER TO THE COMPANY AS TO PRC LAW

Zhejiang Sunshine Law Firm
15F, Block C, World Trade Center
No.122 Shuguang Road, Hangzhou city,
Zhejiang Province 310007
People's Republic of China

Jingtian & Gongcheng
34th Floor, Tower 3, China Central Place
77 Jianguo Road, Chaoyang District
Beijing 100025
People's Republic Of China

LEGAL ADVISER TO THE COMPANY AS TO CAYMAN ISLANDS LAW AND BRITISH VIRGIN ISLANDS LAW

Walkers (Singapore) Limited Liability Partnership
3 Church Street
#16-02 Samsung Hub
Singapore 049483

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
7 Straits View
#12-00 Marina One East Tower
Singapore 018936

Partner-In-Charge:
Mr Tham Tuck Seng
(Appointed since the financial year ended
31 December 2020)

SHARE REGISTRAR AND SHARE TRANSFER AGENT

Boardroom Corporate & Advisory Services Pte Ltd
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

董事

韦东良 (执行董事长)
 王瑞红 (执行副董事长和副总经理)
 金睿智 (执行董事和首席财务官)
 汪瑞典 (首席独立董事)
 倪明江 (独立董事)
 简耀强 (独立董事)
 梁伟文 (非执行和非独立董事)

审计及风险管理委员会

简耀强 (主席)
 汪瑞典 (会员)
 梁伟文 (会员)

提名委员会

汪瑞典 (主席)
 韦东良 (会员)
 倪明江 (会员)

薪酬委员会

汪瑞典 (主席)
 倪明江 (会员)
 简耀强 (会员)
 梁伟文 (会员)

联席公司秘书

洪啟騰 (法学学士 (荣誉))
 卓丽萍 (新加坡特许秘书行政管理人员学会成员)

注册办公室

Grand Pavilion
 Hibiscus Way, 802 West Bay Road
 P.O. Box 31119, KY1-1205
 Cayman Islands

主要业务地点

中国 浙江省杭州市拱墅区
 隐秀路1号杭悦商业中心
 写字楼A座19楼
 (邮编: 310011)

探险大道2号
 #15-19 愿景楼
 新加坡邮区 608526

公司的新加坡法律事务法律顾问

新加坡立杰有限责任合伙律师事务所
 海峡景9号
 #06-07 滨海盛景西座
 新加坡邮区 018937

公司的中国法律事务法律顾问

浙江阳光时代律师事务所
 中国浙江省杭州曙光路122号
 世贸中心C座15楼
 邮编: 310007

北京市竞天公诚律师事务所
 中国北京朝阳区建国路77号
 华贸中心3号写字楼34层
 邮编: 100025

公司的开曼群岛法律事务和英属维尔京群岛法律事务法律顾问

汇嘉开曼群岛律师事务所
 新加坡三教堂街
 #16-02 三星中心
 新加坡邮区 049483

独立审计师

普华永道会计师事务所有限合伙
 海峡景7号
 #12 滨海盛景东座
 新加坡邮区 018936

合伙人: 谭德成
 (任命自截止2020年12月31日的财政年度起)

股票过户登记处和股票过户代理人

宝德隆企业 & 咨询服务私人有限公司
 1 海滨大道
 #14-07 吉宝湾大厦
 新加坡邮区 098632

Chairman's Message

主席致辞



Dear Shareholders:

On behalf of Zheneng Jinjiang Environment Holding Company Limited (“**Zheneng Jinjiang Environment**” or the “**Company**”, together with its subsidiaries, the “**Group**”), I would like to express my heartfelt gratitude for your interest and support for the Group. Your trust and partnership are essential to facilitate our commitment to green and sustainable growth.

Industry Overview

2023 was a pivotal year as it marked the first year for fully adhering to the spirit of the 20th National Congress of the Communist Party of China, as well as a transitioning year for implementing the 14th Five-Year Plan. Moreover, 2023 stood as an important year of heightening the battle against pollution and furthering the development of a beautiful China, serving as a landmark year in ecological and environmental advancements.

The Chinese government has accelerated its green transition agenda, strengthening its efforts to prevent and manage environmental pollution, thereby improving the stability, sustainability, and diversity of ecosystem. In the meantime, China is proactively advancing towards its carbon peak and carbon neutrality targets, driving green transformation across economic and social spheres. These efforts include carbon emission reduction, pollution management, and sustainable business expansion, all of which contribute to the collective efforts of building a beautiful China.

尊敬的各位股东：

首先，本人谨代表浙能锦江环境控股有限公司（“**浙能锦江环境**”或“**公司**”，及其附属公司，统称为“**集团**”），感谢各位对集团的关心与支持，是你们的信任与陪伴，助力集团绿色可持续发展。

行业分析

2023年是全面贯彻党的二十大精神的关键之年，是实施“十四五”规划承前启后的关键一年，是深入打好污染防治攻坚战、推进美丽中国建设的重要一年，也是生态环境领域具有里程碑意义的一年。

中国政府加快发展方式绿色转型，深入推进环境污染防治，提升生态系统多样性稳定性持续性，积极稳妥推进碳达峰碳中和工作，推动经济社会发展绿色转型，协同推进降碳、减污、扩绿、增长，建设美丽中国。

The green energy market is an important force to promote clean and low-carbon energy transformation. The Chinese government continues to promote green certificates and green electricity trading, actively guide green electricity consumption, improve the green electricity market operation system, and promote the whole society to adopt green and low-carbon production methods. At the same time, the government actively advocates the concept of environmental, social and governance (“ESG”), promotes and guides more enterprises to assume the responsibility of green development, and promotes the realization of comprehensive sustainable development.

The WTE market grew steadily in 2023. The Chinese government launched multiple initiatives to boost the construction of domestic WTE facilities at the county level, aiming to swiftly rectify deficiencies and strengthen areas of weakness in county-level waste incineration capabilities. Counties that are able to meet the requirements are urged to construct such WTE facilities. Furthermore, the government initiated the construction of pilot counties for the rural energy revolution, encouraging these areas to refine their waste collection and disposal mechanisms. This strategy seeks to catalyse a fast and seamless transition towards cleaner, low-carbon energy solutions in rural locales, thereby fostering an overall improvement in the rural living environment.

In response to global warming, the Chinese government has made further efforts to address climate change by issuing the “Key Tasks for Combating Climate Change (2023-2025)” and the “Action Plan for Methane Emission Management”. It also facilitated the successful conclusion of the second compliance cycle of the national carbon emission trading market (for the years 2021 and 2022), established and launched the national carbon market management platform, and issued and implemented the “Management Methods for Voluntary Greenhouse Gas (“GHG”) Emission Reduction Trading (Trial)”. The launch of the national voluntary GHG emission reduction trading market marked the initial formation of an integral carbon trading system in China. In addition, China has actively participated in global climate negotiations and environmental management, seeking bilateral and multilateral dialogues and contributing to drive the positive outcomes at the United Nations Climate Change Conference in Dubai (“COP28”).

绿色市场是推动能源清洁低碳转型的重要力量，中国政府持续推广绿证、绿电交易，积极引导绿色电力消费，完善绿电市场运营体系，推动全社会形成绿色低碳生产方式。同时，积极倡导环境、社会和公司治理 (“ESG”) 理念，推动并引导更多企业承担绿色发展责任，带动实现全面可持续发展。

2023年，垃圾焚烧发电市场平稳发展，中国政府颁布多项举措，大力推进县级地区生活垃圾焚烧处理设施建设，加快补齐县级地区生活垃圾焚烧处理设施短板弱项，要求具备条件的县级地区，应建尽建生活垃圾焚烧处理设施。同时，开展农村能源革命试点县建设，推动各地健全农村生活垃圾收运处置体系，以点带面加快农村能源清洁低碳转型，实现农村人居环境整治提升。

面对全球气候变暖的议题，中国政府深入推进应对气候变化相关工作，印发《应对气候变化重点任务(2023-2025)》《甲烷排放控制行动方案》，推动全国碳排放权交易市场第二个履约周期(2021、2022年度)顺利收官，建成全国碳市场管理平台并上线运行，印发实施《温室气体自愿减排交易管理办法(试行)》，启动全国温室气体自愿减排交易市场，标志着中国完整碳市场体系初步形成。此外，深度参与全球气候谈判、全球环境和气候治理，推动联合国气候变化大会(COP28)取得积极成果，积极稳妥开展双多边环境与气候交流。

Chairman's Message

主席致辞



In September 2023, during the visit to Heilongjiang Province, Xi Jinping, the General Secretary of the Communist Party of China and the President, first introduced the concept of “new quality productivity”. The subsequent year, the Government Work Report delivered at the Second Session of the 14th National People’s Congress made a pivotal call for the construction of a modern industrial system and the acceleration of the development of new quality productivity. The “new quality productivity” refers to green productivity. In this context, the WTE industry is expected to drive the green and low-carbon transformation. This involves strengthening the efficient and sustainable use of biological resources, pushing forward the research, development, and application of energy-saving and carbon-reducing technologies, and accelerating the development of a green and low-carbon supply chain. Together, these efforts aim to solidify a foundation for sustainable and low-carbon growth.

Business Review

In FY2023, the Group navigated the challenges of overcapacity, tightening environmental regulations, and diminishing government sponsorships with resilience and adaptability. We rallied around shared convictions, fortified our foundations, and ventured into uncharted markets. With a commitment to innovation and risk mitigation, we not only solidified our business fundamentals but also elevated our competitive edge, well-positioned for a stronger emergence going forward.

2023年9月，中共中央总书记、国家主席习近平在黑龙江考察调研期间首次提到“新质生产力”。2024年十四届全国人大二次会议《政府工作报告》更是提出，大力推进现代化产业体系建设，加快发展新质生产力。新质生产力本身就是绿色生产力，在此背景下，垃圾焚烧发电行业将加快绿色低碳转型发展，加强生物资源高效可持续利用，促进节能降碳先进技术研发应用，加快形成绿色低碳供应链，打造绿色低碳发展高地。

业务回顾

2023财年，面对市场产能过剩、环保态势趋严、政策红利消退等困难挑战，集团上下联动、统一思想、凝聚共识，强内功、拓市场、聚合力，深化创新，化解风险，提升集团生存力、竞争力、发展力、持续力。



Stable growth and development defined the FY2023 for the Company. The Group took multiple measures to aggressively pursue new markets within the circular economy, leveraging sectors like steam supply and slag treatment to adeptly navigate the challenges posed by diminishing governmental support. The Group's agile management practices and the swift recalibration of our strategies enabled it to overcome growth bottleneck in existing projects and fast-track the development of new projects. As such, the Group is able to remain flexible to adapt to market volatility, thereby enhancing its core competitiveness.

In FY2023, the Group continued to prioritise technological innovation, diligently exploring new opportunities such as recycling of fly ash, solar energy, industrial gas separation, green methanol and disposal of used tires, while adhering to the "four-step" strategy of digital transformation. Notably, the introduction of AI-driven smart incineration and a thermal power cloud significantly alleviated the workload of operational staff. This led to significant improvements in environmental control and operational efficiency. Building on the existing framework, the second phase of intelligent and smart control management aims to enhance the precision and effectiveness of business operations analysis further. With the Kunming Jinjiang WTE Facility in Yunnan Province as a pilot, the Group is looking to adopt digital twin technology to improve equipment management efficiency. Moreover, the Group is fully transitioning to adopt an e-commerce platform for procurement, effectively managing costs and mitigating risks in procurement processes.

In FY2023, the Group strengthened its risk mitigation practices with a view towards adhering to the commitment to Zero safety accidents and its "Zero-tolerance" stance on corruption. By proactively identifying and addressing potential threats, the Group reaffirms its dedication to social responsibility, furthering our journey towards sustainable development.

2023财年，集团发展稳中有进，多措并举，大力拓展协同循环新市场，以供热、炉渣等市场拓展有效对冲国补退坡等带来的不利影响，强化企业经营管理，及时调整业务计划，存量项目发展突破增长瓶颈期，增量项目快速度过培育期，有效应对市场变化，有效提升企业竞争力。

2023财年，集团一以贯之重视技术创新，努力探索储备飞灰资源化利用、光伏、空分制工业气体、绿色甲醇、废旧轮胎处置等新业态、新技术，坚持数字改革“四步走”战略。AI智能焚烧及热电云大幅降低运行人员劳动强度，环保管控及运行效益得到大幅提升，实现弯道超车；智慧管控二期在原有系统上，进一步提升经营分析准确性和有效性；以云南省五华垃圾发电厂为试点，开拓性探索数字孪生，提升设备管理效率；全面推广电商采购平台，有效控制采购成本并防范风险。

2023财年，集团念好风险防范紧箍咒，以“0”发生的目标进行安全环保管理，以“零容忍”的态度对待廉政反腐，以“时时放心不下”的责任感，持续做好安全环保工作，以“钉钉子”精神全面排查并防范风险，为集团高质量发展保驾护航。

Chairman's Message

主席致辞

As of 31 December 2023, the Group has invested in 27 WTE facilities, 3 kitchen waste treatment facilities, and 8 waste resource recycling facilities in operation in 13 provinces, autonomous regions and centrally-administered municipalities in China with a total waste treatment capacity of 44,405 tonnes per day and a total installed capacity of 915 MW. In addition, Zheneng Jinjiang Environment has an additional 6 projects under construction and 17 projects in the preparatory stage in China and overseas. Taking into consideration all its projects in operation, under construction and in the planning phase, the Group's total waste treatment capacity will reach 63,270 tonnes per day.

Social responsibility

Zheneng Jinjiang Environment is committed to the mission of "Making Cities More Beautiful and Environments More Natural". The Group is dedicated to becoming an outstanding guardian of urban environment, transforming towards a community-friendly enterprise through the development of low-carbon, efficient, neat and beautiful garden-like factories. It aims to establish itself as an ecological hub central to both urban and industrial landscapes, seamlessly integrating into cities by providing green energy and renewable resources.

In FY2023, the Group treated a total of 12.766 million tonnes of domestic waste and generated approximately 4.012 billion kilowatt-hours of green electricity - enough to power 2.96 million households. These waste recycling efforts translated to a reduction of around 1.82 million tonnes of standard coal, a decrease in carbon dioxide emissions by 4.53 million tonnes, and a conservation of approximately 42,000 mu of land.

截至2023年12月31日，集团在中国境内13个省、自治区和直辖市投资并运营27家垃圾焚烧发电厂，3个餐厨垃圾处理项目和8个垃圾资源化设施，垃圾处理能力达44,405吨/日，装机容量达915MW；另外，浙能锦江环境在境内外有6个在建项目和17个筹建项目；待所有在建、筹建项目全部建成后垃圾处理能力将达到63,270吨/日。

社会责任

浙能锦江环境始终秉承“让城市更美丽 让环境更自然”的使命，致力于成为卓越的城市环境守护者，以低碳、高效、清洁、美丽的花园式工厂，化“邻避”为“邻利”，努力打造生态综合体，成为城市之心、工业之心，努力融入所在城市并为其提供绿色能源及可再生资源。

2023财年，集团累计处理了1,276.6万吨生活垃圾，产生近40.12亿千瓦时的绿色电力，可满足约296万户居民的生活用电需求。经折算集团在2023财年共节约标准煤约182万吨，减少二氧化碳排放453万吨，至少为地球节约了近4.2万亩土地。





In July 2023, Beijing, Tianjin and Hebei, where several of the Group's facilities located, were severely impacted by heavy rainfalls due to Typhoon "Doksuri", which elevating the risks of urban waterlogging and flood. In response to the emergence, the Group reactivated its flood defence protocols and executed anti-flood measures on a timely basis. In addition, the Group purchased and delivered essentials such as instant noodles, instant porridges and mineral water to Zhuozhou, the disaster area in Hebei Province, demonstrating its strong social responsibility as a major player in the environmental protection industry.

2023年7月，受台风“杜苏芮”北上影响，京津冀遭遇了极端强降雨过程，城市内涝风险加剧，防汛形势严峻。面对汛情，集团在京津冀地区的项目严阵以待，紧急启动防汛预案，有条不紊开展防汛抗洪工作。与此同时，集团充分发挥环保企业的社会责任与担当，逆行而上，紧急采购急需物资，派员绕过洪水障碍，将载着方便面、八宝粥和矿泉水等物资送到受灾最为严重的涿州。

Furthermore, Zheneng Jinjiang Environment is committed to sustainable development, endeavouring to maintain market integrity, environmental balance and diligently safeguard consumers' legal rights. In line with this commitment, its subsidiaries collaborate closely with local authorities to combat the circulation of counterfeit and inferior cigarettes. Through the public disposal of such items, the Group not only demonstrates its determination against fraudulent products but also showcases its dedication to social stewardship within the eco-friendly sector.

此外，浙能锦江环境致力于绿色发展并努力维护环境秩序和市场环境，切实保护消费者合法权益，旗下企业积极配合当地政府部门，打击假冒伪劣卷烟，通过公开销毁的方式加强对假冒伪劣产品的打击力度，向社会公众清晰、有力的传递出坚决维护市场环境秩序的决心，践行环保企业社会责任。



Chairman's Message

主席致辞

Leveraging platforms such as WeChat official account and video channels, Zheneng Jinjiang Environment actively engaged the public through a blend of online and offline activities to enhance social awareness of environmental protection. In the year 2023, a total of approximately 15,000 people visited our facilities. Among these facilities, the Jilin Xixiang WTE Facility in Jilin Province stood out and was honoured “Polaris Cup” the “2023 Outstanding Environmental Education Base for Science Popularisation”, a testament to its excellent efforts in environmental education.

Future Outlook

Commitment to Sustainable Growth

Amidst the volatile market environment, Zheneng Jinjiang Environment will be firm in confidence, regardless of difficulties, plan ahead and remain resilient and agile. With our strengthened technical capabilities and greatly improved operational efficiency, the Group is well positioned to progressively navigating through the near-term headwinds and get back on the right track for long-term growth.

Ushering FY2024, Zheneng Jinjiang Environment will continue its efforts in commissioning its project pipeline, capturing new growth opportunities, and promoting healthy competition in the market. These efforts form the cornerstone of our strategy to fulfil our long-term ambitions.

Heartfelt Thanks and Well Wishes

Zheneng Jinjiang Environment's successes are built on the dedication and hard work of our employees, backed by the unwavering trust and support from our shareholders and business partners. On behalf of the board and management, I would like to extend our heartfelt gratitude to everyone for your participation in our journey. As we look ahead, let us carry forward this spirit of collaboration and commitment to excellence. Together, we will continue to break new ground, inspire change, and make a positive impact on the world around us.

2023财年，浙能锦江环境以微信公众号、视频号等为载体，以线上+线下有机结合的形式，积极向公众开放，助力社会公众全面加强环保意识，2023财年，共计约1.5万人次走进浙能锦江环境，践行绿色环保理念。吉林省长春垃圾发电厂作为集团在环保宣教方面的杰出代表，获评“北极星杯”2023年度“优秀环保科普教育基地”。

未来展望

百舸争流 奋楫笃行 共绘高质量发展美丽图景

市场瞬息万变，时间关乎生存。面对困难挑战，浙能锦江环境将坚定信心、攀登突破，既要做时间的手，争分夺秒，先发制人，也要做时间的朋友，循序渐进、久久为功，鼓足精气神，跑出加速度！

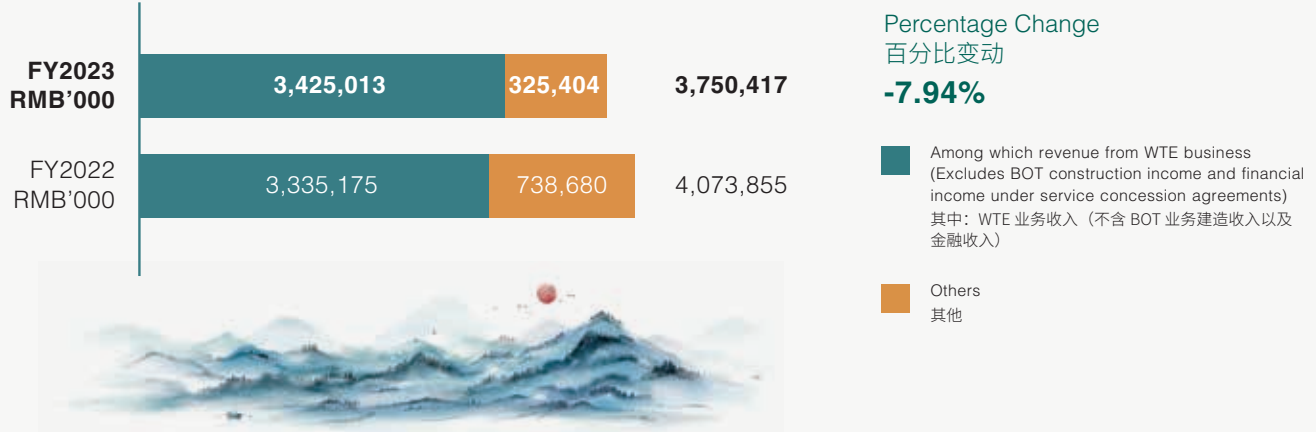
“志不求易者成，事不避难者进”，2024财年，浙能锦江环境将再接再厉、着眼长远，真抓实干、不折不扣完成好既定目标任务，捕捉新机遇，拥抱高质量，形成“百舸争流、千帆竞发”的良好局面，将一幅幅“规划图”变成一个个美丽的“实景图”！

衷心感谢和良好祝愿

过去一年，浙能锦江环境发展的每一步都离不开全体同仁的努力，也得益于各位股东、商业伙伴给予公司的长期关注、信任与支持。在此，本人谨代表浙能锦江环境董事会与管理层，向各位表示衷心的感谢！展望未来，让我们继续发扬这种合作精神，追求卓越，共同努力，继续开拓新天地。祝愿全球各地天更蓝，水更清！

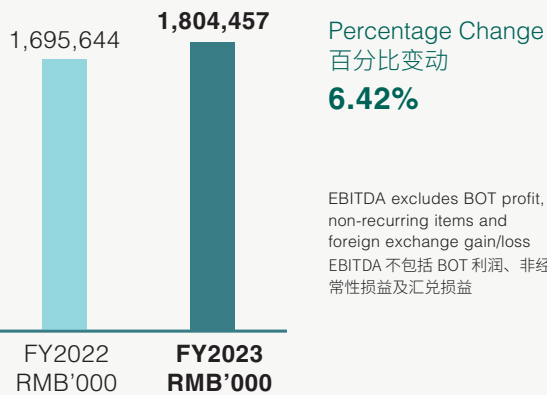
Results 业绩

Revenue 收入



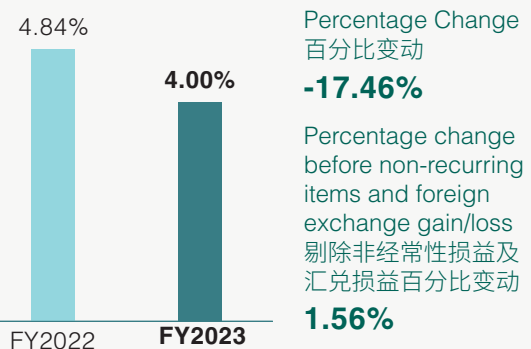
EBITDA

除利息、税项、折旧及摊销前盈利



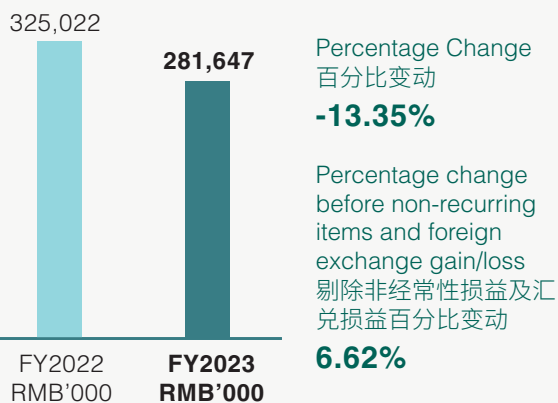
Return on shareholders' equity

股东资金回报



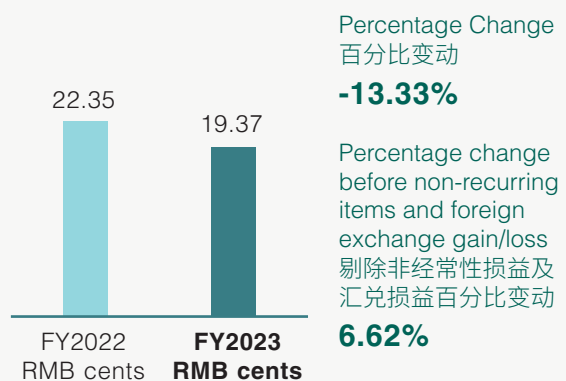
Profit attributable to equity holders of the Company

本公司权益持有人应占盈利



Basic earnings per share

每股基本盈利



Financial Highlights

财务概况

Financial Position 财务状况

Total assets 总资产

21,472,891 **21,948,010**

Percentage Change
百分比变动
2.21%

FY2022
RMB'000

FY2023
RMB'000

Equity attributable to equity holders of the Company 本公司权益持有人应占权益

6,712,009 **7,046,708**

Percentage Change
百分比变动
4.99%

FY2022
RMB'000

FY2023
RMB'000

Total liabilities 总负债

14,598,184 **14,779,097**

Percentage Change
百分比变动
1.24%

FY2022
RMB'000

FY2023
RMB'000

Net asset value per share 每股净资产值

472.81 **493.04**

Percentage Change
百分比变动
4.28%

FY2022
RMB cents

FY2023
RMB cents

2023



FIRST QUARTER OF 2023
2023 年第一季度

- Zheneng Jinjiang Environment was awarded the “Polaris Cup” 2022 Social Benefit Low Carbon Brand Award.
- The Gaobeidian Resource Recycling Project in Hebei Province received its first waste shipment from Zhuozhou city, Hebei Province, marking the project’s first venture into processing domestic waste sourced from outside its region since its inception.
- 浙能锦江环境荣获“北极星杯”2022 社会效益低碳品牌奖项
- 河北省高碑店资源化项目成功完成第一车河北省涿州市垃圾入库，这是项目建成运行以来第一次接收域外生活垃圾

Corporate Milestones

企业大事记

SECOND QUARTER OF 2023 2023 年第二季度

- The Jinghong Jiasheng WTE Facility in Xishuangbanna, Yunnan Province successfully completed a “72+24” hour full-load trial operation, boosting the Group’s operational waste treatment capacity by 750 tonnes per day. This facility is the first solid waste incineration power generation project in Xishuangbanna.
- The unit of expansion project of Hohhot Jiasheng WTE Facility in Inner Mongolia has been put into operation, increasing the installed capacity in operation by 12MW.
- Zheneng Jinjiang Environment was awarded the status of “Top Ten Enterprises with Comprehensive Strength in China’s Domestic Waste Incineration Industry” by China Association of Urban Environment Sanitation.
- Zheneng Jinjiang Environment convened its FY2022 Annual General Meeting and released its FY2022 Annual Report.
- 云南省西双版纳景洪垃圾发电厂通过“72+24”小时满负荷试运行，增加运营中的垃圾处理能力 750 吨 / 日；这是西双版纳州首个生活垃圾焚烧发电项目
- 内蒙古呼和浩特垃圾发电厂扩建项目机组投运，增加运营中的装机容量 12MW
- 浙能锦江环境荣获中国城市环境卫生协会授予的“中国生活垃圾焚烧行业综合实力十强企业”称号
- 浙能锦江环境召开 2022 年度股东大会，发布 2022 财年年度报告





THIRD QUARTER OF 2023
2023 年第三季度

- Zheneng Jinjiang Environment hosted the opening ceremony and the first plenary meeting for the Green Development Committee of Zhesang Research Center (the “**Green Committee**”). The Green Committee gathered 19 participants from the green development industry in Zhejiang Province, and the Company serves as the director unit.
- The Group was recognised as the “2023 Top 500 Global New Energy Companies”, which was jointly issued by China Energy News and China Institute of Energy Economics.
- A supplementary concession agreement for the expansion of Wuhan Jinjiang WTE Facility was signed with Wuhan Jiangxia District Urban Management Law Enforcement Bureau and Wuhan City Management Law Enforcement Committee, increasing its daily waste treatment capacity by 3,000 tonnes. This increase, together with the existing capacity of 2,500 tonnes per day, elevates the facility’s total capacity to 5,500 tonnes per day.
- 浙商研究中心绿色发展委员会（“**绿色委**”）揭牌仪式暨第一次全体会议在浙能锦江环境隆重举办，绿色委汇聚了 19 家来自浙江省绿色发展行业的佼佼者，浙能锦江环境为绿色委主任单位
- 集团继续蝉联中国能源报和中国能源经济研究院联合发布的“2023 全球新能源企业 500 强”
- 湖北省武汉市武昌垃圾发电厂改扩建项目顺利与武汉市江夏区城市管理执法局、武汉市城市管理执法委员会共同签署特许经营协议补充协议，该协议明确在先前确定的 2,500 吨 / 日处理规模的基础上，新增处置规模 3,000 吨 / 日，最终整体形成 5,500 吨 / 日垃圾处理规模



Corporate Milestones

企业大事记



FOURTH QUARTER OF 2023 2023 年第四季度

- Zheneng Jinjiang Environment and the Republic of Indonesia (“**Indonesia**”) State Power Company signed the power purchase agreement for the Indonesia Palembang WTE project.
- The Zhongwei Kitchen Waste Treatment Project in Ningxia Hui Autonomous Region received first waste shipment, marking its entry into trial operation.
- The Shijiazhuang Jiasheng WTE Facility in Hebei Province was officially commissioned. This will increase the Group’s operational waste treatment capacity and installed capacity by 1,600 tonnes per day and 80MW respectively.
- Zheneng Jinjiang Environment was awarded “2023 Top 50 Environmental Enterprises in China”, which was issued by the China Environment Chamber of Commerce.
- 浙能锦江环境与印度尼西亚共和国（“**印尼**”）国家电力公司签署印尼巨港垃圾焚烧发电项目售电协议
- 宁夏回族自治区中卫餐厨垃圾处理项目迎来首车垃圾进厂，标志着该项目顺利投产，正式进入试运行阶段
- 河北省石家庄垃圾发电厂正式投运，增加运营中的垃圾处理能力 1,600 吨 / 日，增加装机容量 80MW
- 浙能锦江环境蝉联由全国工商联环境商会颁发的“2023 中国环境企业 50 强”荣誉

Steady Development

As the COVID-19 pandemic prevention and control came to an end in FY2023, the overall demand of the ecological environment governance market has been stabilising and recovering driven by various factors. The market is shifting from pollution control to resource recycling and green development. Zheneng Jinjiang Environment believes that preserving the natural environment is essential for sustainable economic development and human well-being. The Company has drawn out a blueprint for a new future and are confident in overcoming the bottleneck for growth as we prepare for a future growth.

In FY2023, we continued to maintain good communication with the local governments and partners, actively seeking opportunities to develop new and existing projects. We managed to increase the waste treatment fee at Tangshan Jiasheng WTE Facility in Hebei Province upwards from RMB60 per tonne to RMB100 per tonne, as well as at Linzhou Jiasheng WTE Facility in Henan Province from RMB55 per tonne to RMB75 per tonne, with effect from 1 January 2024. Additionally, the Gaobeidian Resource Recycling Project in Hebei Province signed the waste terminal treatment agreement with Zhuozhou city, expanding the scope of its waste treatment services. Following the renovation of Tianjin Sunrise WTE Facility, we received a central budget of RMB20 million for pollution control and energy conservation in FY2023. The Group also signed our first pollution discharge right leasing agreement with Taihe Industrial Heat Limited for our Zhongwei Green Energy WTE Facility in Ningxia Hui Autonomous Region, which marks the success of Zhongwei City in implementing reforms for the compensated use and trading of pollution discharge rights. Through pollution discharge right trading, the facility is estimated to save approximately RMB1 million in production costs annually.

书写新答卷 公司发展稳中有进

2023 财年，新冠疫情防控转段，生态环境治理市场受多重因素影响整体需求企稳回升，生态环保市场主线正由污染治理向资源循环利用、绿色发展方向切换，浙能锦江环境牢固树立和践行“绿水青山就是金山银山”理念，擘画蓝图启新程，接续奋斗开新局，努力突破存量增长“瓶颈”，打造发展“二次增长曲线”。

2023 财年，集团旗下企业与当地政府和合作伙伴保持良好沟通，主动争取，实现在现有运营上的新发展。河北省唐山垃圾发电厂垃圾处置费由人民币 60 元/吨上调至人民币 100 元/吨；河南省林州垃圾发电厂生活垃圾处置费由人民币 55 元/吨上调至人民币 75 元/吨，自 2024 年 1 月 1 日起生效；河北省高碑店资源化项目签署涿州垃圾终端处置协议，扩大垃圾处置服务范围；天津垃圾发电厂改建项目获得 2023 年污染治理和节能减碳专项（污染治理方向）中央预算资金人民币 2000 万元；宁夏回族自治区中卫垃圾发电厂与中卫市泰和实业热力有限公司签订中卫市首单排污权租赁协议，这标志着中卫市成功推行排污权有偿使用与交易改革取得成效，通过排污权交易，中卫垃圾发电厂每年可节省生产成本约人民币百万元。



Operations and Financial Review

经营和财务回顾



In FY2023, the Group made good progress expanding capacity with all the intended projects being completed on schedule. Three WTE facilities (including reconstruction and expansion projects) and one kitchen waste treatment project were commissioned. The Jinghong Jiasheng WTE Facility in Xishuangbanna, Yunnan Province conducted a successful “72+24” hours of full-load trial operation, which translates to an increase in waste treatment capacity by 750 tonnes per day and installed capacity of 18MW. In addition, the expansion project of Hohhot Jiasheng WTE Facility in Inner Mongolia, which the Group has a stake in, also added 12MW of installed capacity. The Shijiazhuang Jiasheng WTE Facility in Hebei Province was successfully commissioned, increasing our waste treatment capacity by 1,600 tonnes per day and installed capacity by 80MW. Meanwhile, the Zhongwei Kitchen Waste Treatment Project in Ningxia Hui Autonomous Region started trial operation which increased our waste treatment capacity of 100 tonnes per day. In total, Zheneng Jinjiang Environment increased its waste treatment capacity by 2,450 tonnes of waste treatment capacity per day to a total of 44,405 tonnes (including kitchen waste treatment projects) as of 31 December 2023. Notably, the capacity increment for FY2023 was 59% greater than in FY2022. Installed electricity generation capacity rose by 110MW to 915MW at the end of 2023.

We also made steady progress for our ongoing projects. We commenced construction for the expansion project of Wuhan Jinjiang WTE Facility and the supporting resource recycling and kitchen waste treatment projects in Wuhan city, Hubei Province. Zheneng Jinjiang Environment currently has four WTE projects, one kitchen waste treatment project and one resource recycling project under construction in China and overseas. Upon completion, these will increase our waste treatment capacity by 4,665 tonnes per day and installed electricity generation capacity by 176MW.

集团的项目建设正按照既定计划目标有序推进，3个垃圾焚烧发电设施（含改建和扩建项目）和1个餐厨垃圾处理项目在2023财年新投运：云南省西双版纳景洪垃圾发电厂通过“72+24”小时满负荷试运行，增加运营中的垃圾处理能力750吨/日，增加装机容量18MW；公司参股的内蒙古呼和浩特垃圾发电厂扩建项目机组投运，增加运营中的装机容量12MW；河北省石家庄垃圾发电厂正式投运，增加运营中的垃圾处理能力1,600吨/日，增加装机容量80MW；宁夏回族自治区中卫餐厨项目顺利开工并投产进入试运行阶段，增加垃圾处理能力100吨/日。综上，于回顾年内，浙能锦江环境在中国国内新增垃圾处理能力2,450吨/日及装机容量110MW，新增垃圾处理能力较2022财年增长约59%。截至2023年12月31日，运营中的生活垃圾处理设施的垃圾处理能力（含已运行的餐厨项目）达44,405吨/日，装机容量为915MW。

我们正在进行的项目也取得了稳步进展，湖北省武汉市武昌垃圾发电厂改扩建项目及配套资源化和厨余项目于2023财年正式开工建设，截至2023年12月31日，浙能锦江环境在国内外有4个在建垃圾发电项目、1个在建餐厨垃圾处理项目和1个在建资源化项目正在稳步推进中，待投运后将新增垃圾处理能力4,665吨/日及装机容量176MW。



The Group is committed to expanding the waste treatment capacity of existing projects to enhance overall market competitiveness. In FY2023, we obtained approval to upgrade and expand the Yinchuan Zhongke WTE Facility (Phase 3) with two furnaces and two generators to be installed. This will alleviate pressure on municipal solid waste incineration treatment in Yinchuan City, Ningxia Hui Autonomous Region, and promote harmless treatment and resource utilisation of domestic waste. In stage one of this phase 3 expansion, one furnace and one generator will be installed, adding a waste treatment capacity of 850 tonnes per day. In addition, we signed a supplementary agreement to the concession agreement for the expansion project of Wuhan Jinjiang WTE Facility in Wuhan City, Hubei Province which added 3,000 tonnes of waste treatment capacity per day, higher than the 2,500 tonnes per day originally slated for, bringing the total waste treatment capacity to 5,500 tonnes per day. We have obtained the approval of the relocation project of Xingjin WTE Facility in Zhengzhou City, Henan Province, and we also signed a cooperation framework agreement on kitchen waste treatment with the local government for the Zibo Green Energy WTE Facility in Zibo City, Shandong Province with a waste treatment capacity of 200 tonnes per day. As of 31 December 2023, Zheneng Jinjiang Environment has 15 WTE projects and 2 kitchen waste treatment projects in the preparatory stage in China and overseas, which are undergoing active preparatory work. This will increase the waste treatment capacity by 14,200 tonnes per day and the installed electricity generation capacity by 261MW upon completion.

In summary, the waste treatment capacity will reach 63,270 tonnes per day while installed electricity generation will reach 1,352MW after all domestic and overseas facilities, including projects in operation, projects under construction and projects in preparation are completed.

集团致力于拓展存量项目处理能力，提升整体市场竞争力。2023 财年，为有效缓解宁夏回族自治区银川市城市生活垃圾焚烧处理压力，推进生活垃圾无害化处理和资源化利用，银川垃圾发电厂取得生活垃圾发电提升扩建项目（三期一阶段）核准批复，规划建设规模为二炉二机，本期一阶段建设一炉一机，垃圾处理能力 850 吨 / 日；湖北省武汉市武昌垃圾发电厂改扩建项目顺利签署特许经营协议补充协议，该协议明确在先前确定的 2,500 吨 / 日处理规模的基础上，新增处置规模 3,000 吨 / 日，最终整体形成 5,500 吨 / 日垃圾处理规模；河南省郑州市荥阳垃圾发电厂迁建项目取得核准批复；山东省淄博市淄川垃圾发电厂与当地政府签订厨余垃圾处理合作框架协议，旨在进一步提升淄博市厨余垃圾分类处理能力，处理规模 200 吨 / 日。截至 2023 年 12 月 31 日，浙能锦江环境在国内外共有 15 个筹建的垃圾发电项目和 2 个筹建的餐厨 / 厨余垃圾项目，正按计划积极推进开工前各项准备工作，待投运后将新增垃圾处理能力 14,200 吨 / 日及装机容量 261MW。

综上，待境内外所有在运项目、在建项目及筹建项目全部建成后的垃圾处理能力将达到 63,270 吨 / 日，装机容量 1,352MW。

Operations and Financial Review

经营和财务回顾

Promote digital integration to drive productivity

In FY2023, driven by the “Carbon peak and Carbon Neutrality” goal, the industry is shifting towards a new phase of coordinated pollution reduction and carbon reduction trajectory. Zheneng Jinjiang Environment has been keeping pace with the scientific and technological revolution and industrial transformation, leveraging new innovations to improve our competitive advantages.

Zheneng Jinjiang Environment implemented a four-step strategy including production-level autonomous driving, equipment-level digital twins, facility-level intelligent management, and enterprise-level business brain. The Group also rolled out AI-led intelligent waste incineration projects to optimise operations. We have developed a comprehensive automation form of more than 20 subsystems. Besides that, we are making progress for the second phase of the control system to improve our reporting function with most of the 12 models having undergone preliminary testing. At the same time, the pilot implementation of the equipment-level digital twins in Kunming Jinjiang WTE Facility in Yunnan Province has significantly improved our ability to analyse equipment status and practise smart operation and maintenance management.

Zheneng Jinjiang Environment actively developed refined management and efficient collaboration, leveraging our professional advantages within the industry to enable coordinated development upstream and downstream, thereby boosting high-quality enterprises. Six of our subsidiaries were accredited the “National High-tech Enterprise” status and one subsidiary received the Provincial-level Specialised Enterprise title. To date, a total of 16 subsidiaries have been accredited as “National High-tech Enterprise” and 6 subsidiaries received the Provincial-level Specialized Enterprise title.

推进数智融合，驱动新质生产力

2023 财年，在“双碳”目标引领下，环保产业内涵逐步打开，环保产业将从过去的“治污”为主，进入减污、降碳、协同、增效新阶段。浙能锦江环境紧跟新一轮科技革命和产业变革的步伐，充分用好科技浪潮的“科技红利”，大力提升公司科技创新能力，把科技的力量转化为经济和产业竞争优势。

2023 财年，浙能锦江环境持续推进“生产级自动驾驶 - 设备级数字孪生 - 电厂级智慧管理 - 企业级经营大脑”四步走战略，推广 AI 智能垃圾焚烧项目并对其进行优化升级，不断完善系统应用中存在的问题，查漏补缺，目前已发展到超过 20 个子系统的全面自动化形态；全面推进管控系统二期建设，健全报表功能，12 个模型大部分已经初步上线测试，具备蓝图设计功能；同时启动实施云南省五华垃圾发电厂试点设备孪生，显著提高了管理人员对设备状态分析和智慧运维管理的能力。

2023 财年，浙能锦江环境积极发展精细化管理及高效协作，发挥行业内的专业优势，赋能上下游协同发展，助推企业高质量发展。浙能锦江环境旗下 6 家企业获得“国家高新技术企业”称号（含 5 家复审通过企业），1 家企业也荣获省级专精特新企业称号。至此，浙能锦江环境旗下已有 16 家企业获得国家高新技术企业认定，6 家企业荣获省级专精特新企业称号。



In FY2023, Zheneng Jinjiang Environment continued to emphasize technological innovation via collaboration with the industry, academia and research. As a result, we have obtained a total of 45 patents, including 3 invention patents and 42 utility patents for the period under review. In total, we have 389 patents and software copyrights, including 57 invention patents, 320 utility model patents and 12 software copyrights.

At the same time, we focus on practicality when it comes to implementing the “circular economy”. Zheneng Jinjiang Environment conducts various technological innovations including research and explores new business opportunities such as the utilisation of leachate biogas, fly ash treatment, waste tyres disposal, and industrial gas separation. These new technologies are emphasized to cope with the national subsidy decline as well as reduce operating costs. This continuous expansion into new business areas and the number of major projects that comply with industrial policies will promote diversification for the Group.

Major Economic Indicators and Financial Summary

In FY2023, against the background of intensified competition, Zheneng Jinjiang Environment continued to strengthen its WTE business by focusing on seven major aspects, including new projects, operational efficiency, equipment maintenance, cost management, energy saving, expansion in steam supply market, and talent recruitment. We have identified the “bottlenecks” of our development by analysing our current operational standing and the market dynamics. This approach is expected to guide us in seeking new catalysts for long-term growth. For the period under review, the Group’s waste treatment capacity increased by 1.1% year-on-year (“y-o-y”) to 12.766 million tonnes and on-grid electricity supplied increased by 7.4% y-o-y to 3.125 billion kWh, maintaining our advantageous position.

2023 财年，浙能锦江环境持续建立以企业为主体、产学研深度融合的技术创新体系，深化专利价值挖掘和培育，于年内新取得 45 项专利，其中发明专利 3 项、实用专利 42 项；累计取得 389 个专利及软著，其中 57 个发明专利，320 个实用新型专利，12 个软件著作。

同时，浙能锦江环境以实效出发，以深化落实“协同循环”为导向，储备积累各类技术创新，对垃圾渗滤液沼气利用、飞灰资源化、废旧轮胎处置、空分制工业气体等新兴业态调研和论证，并对成熟技术开展以点带面按计划推广应用，以应对国补退坡及降低经营成本，不断拓宽新业态，储备一批符合产业政策的重大项目，促进集团投资和经营多元化。

主要经济指标及财务摘要

2023 财年，浙能锦江环境继续深耕垃圾焚烧发电业务，在行业竞争加剧背景下，围绕资源拓展、运行管理、设备维护、成本管控、节能技改、供汽市场开发以及人才梯队建设等 7 大方面，基于企业发展现状及市场发展趋势，找准企业发展“瓶颈”，上下协同，激发存量企业发展新活力。报告期内，集团垃圾处理量同比增长 1.1% 达 1,276.6 万吨，供电量同比增长 7.4% 达 31.25 亿度，继续保持优势地位。

Operations and Financial Review

经营和财务回顾

In FY2023, the Group's operating revenue was RMB3.750 billion, which was a 7.9% y-o-y decrease as build-operate-transfer (“**BOT**”) construction revenue declined. Revenue for the WTE business rose 2.7% y-o-y to RMB3.425 billion on the increase in core revenue as a result of the expansion of the steam supply business and the improvement in quality and efficiency in existing WTE facilities. Revenue from construction services and financial income provided under BOT concession agreements (“**BOT Construction**”) decreased by RMB332 million y-o-y to RMB306 million for FY2023 due to the Expansion Project of Yunnan Green Energy WTE Facility and Jinghong Jiasheng WTE Project in Xishuangbanna Dai Autonomous Prefecture, Yunnan Province were mostly completed in the previous year and were basically completed during the reporting period. Project technical and management services, equipment selection and sale and EMC business decreased by RMB82 million y-o-y to RMB19 million for FY2023 as sales volume dropped. The Company will remain focussed on its main business going forward to maintain its earnings resiliency, and the revenue contribution of each segment is as follows: the WTE business (excluding revenue from construction services provided under BOT concession agreements) accounted for 91% of total revenue, BOT Construction accounted for 8%, and project technical and management services, equipment selection and sale and the EMC business accounted for 1%. Between FY2018 and FY2023, the gross profit contribution of WTE business (excluding revenue from construction services provided under BOT concession agreements) has increased from 53% to 92%, providing us with a more resilient income stream.

In terms of its bottom line, net profit attributable to equity holders (“**net profit**”) for FY2023 was RMB282 million. During the FY2023, the Company recorded a total impairment loss of RMB272 million mainly due to difficulties and uncertainty encountered in the progress of power plant projects in India and foreign exchange gain of RMB5.66 million. Excluding the non-recurring items and foreign exchange impact, net profit would have been RMB561 million, a y-o-y increase of RMB35 million or 6.6%, mainly due to (1) the increase in gross profit from WTE business (excluding revenue from construction services provided under BOT concession agreements) by 2.8% which amounted to RMB28 million. The continued increase in the WTE business ratios led to a 1.7% increase in the Group's gross margin; (2) other income increased by RMB83 million y-o-y, mainly including increase in gain on sales of scrap materials, value added tax refund, bank interest income, and others; (3) the above increase was partially offset by the administrative expenses increased by RMB21 million as a result of the official commencement of operations of new power plants and gross profit from non-WTE business decreased by RMB56 million.

集团 2023 财年营业收入达到人民币 37.50 亿元，较上年下降 7.9%，主要是 BOT 建造收入减少所致。其中，垃圾焚烧发电业务实现收入人民币 34.25 亿元，较上年同期增长 2.7%，主要是公司存量电厂供汽业务拓展及提质增效使得核心营收增加；BOT 特许服务及项目建设业务实现收入人民币 3.06 亿元，较上年同期减少人民币 3.32 亿元，主要是云南省西山垃圾发电厂扩建项目、西双版纳傣族自治州景洪垃圾发电厂建造大部分在上年完成，本报告期内基本结束；项目技术与管理服务、设备选型和销售和 EMC 业务实现收入人民币 0.19 亿元，较上年减少人民币 0.82 亿元，主要是业务量较上年减少。公司持续坚持聚焦主业原则，各板块营业收入比重为：WTE 业务收入占营业收入 91%，BOT 业务收入占营业收入 8%，EMC 业务收入占营业收入 1%。WTE 业务毛利占比在集团业务占比由 2018 财年 53% 稳步提升至 2023 财年的 92% 水平，公司盈利质量和持续性更好。

利润方面，归属于股东的净利润为人民币 2.82 亿元。报告期内公司主要因印度项目推进困难而存在不确定性计提减值人民币 2.72 亿元、汇兑收益为人民币 566 万元。若剔除非经及汇兑影响后公司归属于股东的净利润为人民币 5.61 亿元，较上年同比增加人民币 0.35 亿元，增幅 6.6%，主要由于 (1) WTE 业务毛利增加人民币 0.28 亿元，增幅 2.8%。WTE 业务比重持续增加，使得公司综合毛利率上升 1.7%；(2) 其他收入同比增加人民币 0.83 亿元，主要是炉渣及废铁销售收入、增值税退税收入、银行存款利息收入等增加；(3) 管理费用随新电厂运营增加人民币 0.21 亿元及非 WTE 业务毛利较上年减少人民币 0.56 亿元等部分抵消了综合收益的增加。

As part of our efforts to reward our shareholders, the Board has recommended final cash dividend of 1.30 Singapore cents for FY2023 which will translate to a payout of 36.1% based on basic and diluted earnings per share for FY2023.

As of 31 December 2023, the Company's total assets amounted to RMB21.948 billion and its net assets amounted to RMB7.169 billion. Net assets per share increased 4.3% to RMB4.930 at the end of FY2023, versus RMB4.728 at the end of FY2022. The Company's liabilities to assets ratio stood at 67%. The Company has been strictly controlling the amount of liabilities to ensure that our liabilities to assets ratio and related liabilities indicators are manageable.

In FY2023, the Company's net cash inflow from operating activities (excluding the BOT business expenditures classified as intangible assets amounting to RMB212 million) was RMB1.535 billion, mainly due to an increase in operating income. The net cash outflow in investment activities (including intangible asset expenditure of BOT project) was RMB1.075 billion, primarily for the construction of BOT projects (including Expansion Project of Yunnan Green Energy WTE Facility and Jinghong Jiasheng WTE Project in Xishuangbanna Dai Autonomous Prefecture, Yunnan Province and other projects), construction of the Tianjin Sunrise WTE Facility, Zhuji Bafang Power Plant in Zhejiang Province, Baishan Green Energy WTE Facility in Jilin Province, Shijiazhuang Jiasheng WTE Facility in Hebei Province and others. The net cash outflow from financing activities was RMB627 million.

The Company adopts the principle of prudence in cash and financial management, properly managing risks and reducing capital cost. Operating capital mainly comes from internal cash, operating cash flow and loans from financial institutions. Meanwhile, the Company effectively controls capital expenditure and ensures the stable development of the business. As of 31 December 2023, the Company's cash position remained stable with a cash balance of RMB462.0 million.

Strategy and Target

Under the "Carbon Peak and Carbon Neutrality" policy, Zheneng Jinjiang Environment is riding on this concerted push for the construction of a new energy system and the development of energy technology innovation. Zheneng Jinjiang Environment will adopt an open and practical mindset to strengthen our business and market awareness. We are setting clear objectives to develop tailored solutions for each facility based on past and current context as a collective guided by the "strategy, assessment, and team" ethos. We will also conduct stringent performance reviews and focus on human capital development to maintain a high-quality management team thereby increasing the competitiveness of the Group.

作为我们回报股东的一部分，董事会已建议就2023财年派发年末现金股息新币1.30分，按2023财年基本及稀释后每股收益计算，派息率为36.1%。

截止2023年12月31日，公司总资产为人民币219.48亿元，净资产为人民币71.69亿元，每股净资产人民币4.930元，较2022年底的每股净资产人民币4.728元增加4.3%，公司资产负债比率为67%，公司一直严格控制负债水平，确保资产负债率以及相关负债指标在合理范围内。

公司2023财年经营活动所得（不含BOT项目的无形资产支出人民币2.12亿元）净现金流入为人民币15.35亿元，主要得益于收益增加引起的现金流增加；投资活动（含BOT项目的无形资产支出人民币2.12亿元）净现金流出为人民币10.75亿元，主要用于云南省西山垃圾发电厂扩建项目、西双版纳傣族自治州景洪垃圾发电厂等BOT项目实施，天津垃圾发电厂、浙江省诸暨八方电厂、吉林省白山垃圾发电厂和河北石家庄垃圾发电厂等支出；融资活动净现金支出为人民币6.27亿元。

公司对现金及财务管理采取审慎原则，妥善管理风险及降低资金成本，运营资金主要来自自有现金、运营现金流及金融机构贷款，同时公司对资本开支进行有效控制，并确保业务的稳定发展。截止2023年12月31日，公司现金状况维持稳健，持有现金结余人民币4.62亿元。

目标策略

“双碳”体系下，浙能锦江环境迎来了新能源体系建设和能源科技创新发展的历史机遇。浙能锦江环境将努力把握实际，打破“围墙文化”，增强市场意识，强化经营意识、长期思维。公司将锚定航标，一厂一策精准绘制“作战地图”，基于经营历史及现状，共同谋划未来发展，以“定战略、定考核、定团队”为基础，实行管理团队淘汰制，鼓励先进，淘汰落后，强化激励，进一步解放思想、释放活力，对标先进同行，增强目标导向、问题导向、结果导向，提升企业在市场化环境中的竞争力。

Environmental and National Policy

In February 2023, the National Development and Reform Commission (“**NDRC**”), the Ministry of Finance, and the National Energy Administration issued the “Notice on Matters Related to the Participation of Central Government-Subsidised Green Electricity Projects in Green Electricity Trading” (NDRC[2023] No. 75). The notice emphasises on the “steady promotion of green electricity projects eligible for national renewable energy subsidies to participate in green electricity trading”, and prioritises subsidies for these power generation projects. The trading price for green electricity products is determined through a centralised bidding system. Our subsidized projects include units #1 and #2 of Xiaoshan Jinjiang WTE Facility in Zhejiang Province, units #1 and #2 of Zhuji Bafang Power Plant, and unit #1 and #3 of Tianjin Sunrise WTE Facility. Additionally, our unit #3 of Yunnan Green Energy WTE Facility, which is not currently subsidised, is eligible for green certification or green electricity trading. At present, our Xiaoshan Jinjiang WTE facilities and Tianjin Sunrise WTE facilities have obtained the green electricity certifications, placing us in a favourable position for sustainable growth. Additionally, our other facilities that are on the verge of completing national subsidy projects also qualify to participate in green certification or green electricity trading.

In March 2023, the Department of Ecology and Environment of Zhejiang Province issued the “Recommended List for the Co-disposal of General Industrial Solid Waste with Municipal Solid Waste Incineration Facilities (First Batch) (Draft for Soliciting Opinions)”. The list was officially released in July 2023 and includes a variety of industrial solid waste. Using existing WTE facilities to co-incinerate industrial solid waste can increase capacity utilisation. All our projects in Zhejiang Province meet the conditions which signal a potential increase in revenue streams and capacity optimisation for the Company.

环境及国家政策

2023年2月，国家发改委、财政部、国家能源局下发了《关于享受中央政府补贴的绿电项目参与绿电交易有关事项的通知（发改体委〔2023〕75号）》，指出“稳步推进享受国家可再生能源补贴的绿电项目参与绿电交易”，并为这些发电项目优先发放补贴。直接交易价格由发电企业与电力用户通过双边协商、集中撮合等方式形成。向电网企业购买的绿电产品以挂牌、集中竞价等方式形成交易价格。集团旗下补贴到期的浙江省萧山垃圾发电厂#1和#2机组、诸暨八方电厂#1和#2号机组、天津垃圾发电厂#1、#3机组可参与到绿证/绿电交易，目前萧山垃圾发电厂和天津垃圾发电厂已取得绿色电力证书，占得有利先机。同时，对于即将满额度完成国家补贴的项目，也具备条件积极争取绿证/绿电相关交易。

2023年3月，浙江省生态环境厅发布《生活垃圾焚烧设施协同处置一般工业固体废物推荐名录（第一批）（征求意见稿）》，并于7月正式发布该名录，多种工业固废被列入推荐名录。利用现有生活垃圾焚烧厂掺烧工业固废，既可有效利用生活垃圾焚烧设施产能，又能协同处置工业固废。集团旗下浙江省内的所有项目，均具备掺烧一定比例固废的条件，为进一步提高多种收入来源，扩大多种经营和优化产能提供有力支撑。



In July 2023, the Ministry of Ecology and Environment (“**MEE**”) issued a notification regarding the solicitation of opinions on the “Management Measures for Voluntary Greenhouse Gas Emission Reduction Trading (Trial)”. This signifies that following the resumption of the carbon trading quota market in 2021, MEE is accelerating to resume the China Certified Emission Reductions (“**CCER**”) programme. Following the resumption of the CCER programme, enterprises engaged in environmental protection activities and disclose emission reduction targets may potentially benefit from increased revenue sources.

In August 2023, the National Development and Reform Commission, the Ministry of Finance, and the National Energy Administration issued the “Notice on Promoting Full Coverage of Green Power Certificates for Renewable Energy to Promote the Consumption of Renewable Energy Electricity” (the “**Notice**”). The Notice mandates the comprehensive coverage of green power certificates for all renewable energy sectors, outlining their usage, issuance mechanism, and trading methods. It also defines green certificates as the sole proof of renewable energy environmental attributes, eliminating the distinction between solar, wind, and other renewable energy sources. The Notice also provides a policy basis for WTE facilities to participate in green electricity and green certificate trading, providing a channel for increasing electricity income for projects affected by the absence of national subsidies. The Group has been actively studying the salient terms of the Notice and filing for qualification review for some of our projects including Xiaoshan Jinjiang, Tangshan Jiasheng, Leting Jinhuan, Wuhan Jinjiang, Wuhan Green Energy, Lianyungang Sunrise, Wuhu Jinjiang, and Baishan Green Energy.

2023年7月，生态环境部发布《关于公开征求〈温室气体自愿减排交易管理办法（试行）〉意见的通知》。这意味着，继2021年碳交易配额交易市场重启之后，生态环境部重启CCER的步伐继续加快。在CCER重启之后，环保企业如能积极参与相关减排指标的申报，则有可能在现有的商业模式基础上增加公司的收入来源。

2023年8月，国家发展改革委、财政部、国家能源局发布《关于做好可再生能源绿色电力证书全覆盖工作促进可再生能源电力消费的通知》（“《通知》”）。《通知》明确要求将可再生能源绿色电力证书全覆盖至所有可再生能源行业，规定了绿证的使用范围、核发机制、交易方式等，同时首次将绿证明确定义为“可再生能源环境属性的唯一证明”，不再区分光伏、风电与其他可再生能源，赋予绿证全新含义和功能，从此进入“全面绿证”阶段。《通知》的发布也为生活垃圾焚烧发电参与绿电交易和绿证交易提供了政策依据，为国补退坡项目增加电力收入提供了渠道。《通知》发布后，集团积极研究，组织萧山、唐山、乐亭、武昌、汉口、连云港、芜湖、白山等企业完成建档立卡审核。



Operations and Financial Review

经营和财务回顾

In August 2023, the Communist Party of Zhejiang Provincial Committee and the People's Government of Zhejiang Province issued the "Implementation Opinions on Deepening the Battle against Pollution" (the "**Opinions**"). The Opinions state that by 2025, there should be continued improvement in the ecological environment with the completion of national control targets for the total reduction of major pollutants and the carbon dioxide ("**CO₂**") emission per unit of GDP. This will lead to the completion of "waste-free" cities in all district-level cities and 60% of counties, which mitigates environmental risks as well as enhance the quality and stability of ecosystems. In addition, the construction of "waste-free" cities will lead to an increase in the proportion of waste incineration. As such, Zheneng Jinjiang Environment is proactively advancing the fly ash resource recycling projects in various subsidiaries, such as Zhuji Bafang Power Plant, Wenling Green Energy WTE Facility, Wuhu Jinjiang WTE Facility, etc.

In September 2023, the National Energy Administration issued the "Notice on the Issuance of Green Power Certificates for Renewable Energy" (National Energy Development New Energy [2023] No. 64), which specifies the parameters of green certificate issuance. Entities which are entitled to new green certificate issuance include distributed project owners and enterprises for market-oriented hydropower, biomass power generation (including WTE generation), geothermal power generation, and ocean energy power generation that commenced operation in 2023.

In November 2023, the General Office of the State Council forwarded the notice from the National Development and Reform Commission and the Ministry of Finance (State Office Letter [2023] No.115) (the "**Guiding Opinions**") on the "Guiding Opinions on Standardising the Implementation of the New Framework for Cooperation between the Government and Private Capital. The Guiding Opinions encourage prioritising private enterprises as sole owners for projects with a high degree of marketisation and weak public attributes. In addition, qualified state-owned enterprises are also encouraged to participate in the revitalisation of existing assets through a franchise model, forming a positive investment cycle. As we are partially state-owned, Zheneng Jinjiang Environment has the potential to capitalise on the benefits and expand our businesses.

2023年8月，中共浙江省委、浙江省人民政府发布《关于深入打好污染防治攻坚战的实施意见》（“《意见》”），意见明确，到2025年，生态环境持续改善，主要污染物总量减排和单位GDP二氧化碳排放完成国家下达的控制目标，所有设区城市和60%的县（市、区）完成“无废城市”建设，环境风险得到有效管控，生态系统质量和稳定性持续提升，生态环境治理体系更加完善，生态文明建设实现新进步，全域建设“无废城市”。无废城市建设将进一步增加垃圾焚烧比例，在政策引领下，浙能锦江环境正在积极推进浙江省诸暨八方和温岭、安徽省芜湖等企业的飞灰资源化项目。

2023年9月，国家能源局印发了《关于可再生能源绿色电力证书核发有关事项的通知》（国能发新能源〔2023〕64号），明确绿证核发工作，意味着新增的绿证核发对象为分布式项目业主、2023年投产的市场化水电、生物质发电（含生活垃圾焚烧发电）、地热能发电、海洋能发电企业。

2023年11月，国务院办公厅转发了国家发改委、财政部《关于规范实施政府和社会资本合作新机制的指导意见》的通知（国办函〔2023〕115号）（“《指导意见》”）。《指导意见》鼓励优先选择民营企业参与，对市场化程度高、公共属性弱的项目，应由民营企业独资或控股；此外，也鼓励符合条件的国有企业通过特许经营模式规范参与盘活存量资产，形成投资良性循环。浙能锦江环境既有国有企业和民营企业的双重性质，新机制的实施将有利于公司业务的进一步拓展。

The WTE industry in China has entered the era of “Operations Reign Supreme”. In recent years, the waste treatment capacity has steadily increased, the environmental management level has significantly improved, and the social and environmental benefits have become apparent. The progress we have made is providing foundational and systematic support for our collective fight against pollution and promoting harmonious co-existence between humans and nature.

Zheneng Jinjiang Environment places a great emphasis on refined operations through technological innovation aimed at lowering costs, enhancing quality, and increasing efficiency. By focusing on existing WTE facilities and coordinating with related enterprises, we target to explore new market opportunities and catalyse industrial restructuring to elevate the Group to new heights.

Major Risks and Uncertainties

Due to a confluence of factors such as advanced government planning, waste classification, waste reduction, and new production facilities in recent years, we are seeing capacity underutilisation in both existing and new WTE facilities, leading to idle capacity. This is further exacerbated by the gradual shift in demand for WTE from urban areas to rural areas. In response to that, we are focusing on two markets: “resources” and “products”. We aim to utilise the synergy between waste incineration facilities to promote co-incineration of municipal sludge, biogas residue, general industrial waste, and other waste, thereby sharing and utilising our capacities more effectively.

In the National Renewable Energy Subsidies (“**National Subsidies**”) reduction policy for WTE facilities, there are uncertainties around the timing for certain older biomass power projects to be included in the National Subsidies catalogue. As a result, we witnessed a significant decline in the average bidding price for newer biomass power projects, down to RMB0.58 per KWh. In the post-subsidy era, the government has been implementing policies of green certificates, green electricity, and CCER for WTE facilities. However, there is still a time gap between the introduction of various transaction policies and the actual implementation. Zheneng Jinjiang Environment will continue to improve our operational efficiency through digitalisation and cost optimisation while we explore emerging business opportunities and aim to secure new business projects.

中国垃圾焚烧发电行业已进入“运营为王”的时代，近年来焚烧处理能力稳步提高、环境管理水平显著提升、社会与环境效益逐步显现，为深入打好污染防治攻坚战、实现人与自然和谐共生的中国式现代化提供了基础性和系统性支撑。

浙能锦江环境坚持推进精细化运营，通过技术创新，以降本、提质、增效作为发展内生驱动力，以存量垃圾发电厂为核心辐射规划布局关联企业，积极探索新的蓝海市场，寻求产业结构调整，实现转型升级，推动集团高质量发展。

主要风险及不确定性

近年来，受政府超前规划、垃圾分类和垃圾资源减量、新产能投产释放等因素影响，城市生活垃圾焚烧处理设施的日趋饱和，存量及新增电厂产能利用率不足，产能闲置问题凸显，垃圾焚烧发电市场需求逐步下沉到县域甚至村镇。为了缓解垃圾发电厂“吃不饱”的状况，集团将抓好“资源”和“产品”两个市场，发挥协同处置功能，推动掺烧市政污泥、沼渣、一般工业垃圾等废弃物，实现垃圾处理能力共享共用。

垃圾焚烧发电厂国补退坡政策中，存量非竞争性项目纳入国补目录时间存在不确定性，存量竞争性项目国补竞价均价0.58元/度，降幅明显。国补退坡后时代，政府就垃圾电厂推进实施绿证、绿电、CCER等政策，但各项交易政策推出与实际落地存在时间差。浙能锦江环境将持续提升精细化、数字化、智能化运营管理水平，增强垃圾焚烧发电效率和垃圾焚烧炉的运营稳定性，降低运营管理成本，同时研究、调研、探索并有序拓展新兴业态项目，力争开发落地新业态项目。



As previously disclosed, the Company has observed that some Chinese enterprises have been facing challenges for their businesses in India and that led to a more cautious approach being adopted by lenders and credit insurance companies when reviewing project financing in India. As previously disclosed as well, the Group has also been facing difficulties and uncertainty in relation to the financing, the collection and transportation of municipal solid waste, and the progress of construction of its power plant projects in India and is currently reviewing the commercial feasibility of terminating its investments in India and evaluating various options for achieving this. In addition, the Group continues to follow up on the progress of compensation for the closure of the Old Kunming Wuhua WTE Facility in Kunming, Yunnan Province. An entrusted storage agreement will need to be signed between Kunming Soil Storage Center and the Wuhua District government in respect of the land parcel before the terms of the closure compensation agreement can be confirmed. Kunming Soil Storage Center has submitted the entrusted storage agreement to the Wuhua District government, and the terms of the entrusted storage agreement will be confirmed after the executive meeting of the Wuhua District government in the near future, following which the entrusted storage agreement can be signed to officially start the land acquisition and storage negotiations. The Group is currently in further communication with the Kunming government in the hope of signing the closure compensation agreement as soon as possible.

Given the risks and challenges present, Zheneng Jinjiang Environment is committed to risk management of the highest standards. We will continue to prioritise constant vigilance and awareness over the many potential threats to ensure sustainable growth and development of our organisation.

如之前所披露，公司已注意到，一些中国企业在印度的业务面临挑战，这导致贷款机构和信用保险公司在审查印度项目融资时采取了更为谨慎的态度。也如先前披露，集团在印度也面临融资、城市生活垃圾收运、电厂建设方面的困难和不确定性，目前正在审查终止在印度投资的商业可行性，并评估实现这一目标的各种方案。另外，集团在持续跟进云南省昆明老五华电厂关停补偿工作的推进进度。昆明市土储中心与五华区政府需要就该地块签订委托收储协议，然后才能确定关停补偿协议的条款。昆明市土储中心已向五华区政府提交委托收储协议，待五华区政府近期召开常务会议后对委托收储协议条款进行确认，随后双方可签订委托收储协议，正式启动土地收储谈判。目前仍在与昆明市政府进行进一步沟通，争取尽快签署关停补偿协议。

当前，面对不断积累的各种风险挑战，浙能锦江环境始终坚持底线思维，居安思危，增强忧患意识，保持高度警惕，掌握应对风险挑战的战略主动，深化对防范化解风险挑战规律的认识，保障企业在行业发展新阶段的挑战和机遇下健康、可持续发展。



Future Development

In the face of a complex market landscape, Zheneng Jinjiang Environment will continue to focus on upskilling our internal capabilities from a technological perspective. Guided by our long-term roadmap, we are expanding beyond single waste incineration power generation to building urban ecological complexes. Our goal is to address the bottlenecks related to circular economy and enhance efficiency through digitalisation.

In FY2024, Zheneng Jinjiang Environment will build upon the “one factory, one strategy” policy by setting tailored solutions for specific issues, setting clear objectives, and creating a strategic roadmap. The Company will align its internal management with external market expansion efforts to uncover growth opportunities and enhance managerial proficiency. The Company will focus on the timely completion of the Wuhan Jinjiang WTE Facility and its associated projects in Wuhan, Hubei Province. At the same time, efforts will be directed towards coordinating the pre-development progress including legal and compliance of the Palembang WTE project in Indonesia to expedite the date of construction commencement. Additionally, we intend to continue building on our strategy of overseas business expansion to expand our footprint beyond China.

未来发展

面对复杂的外部环境，浙能锦江环境将以自身工作的确定性应对形势变化的不确定性，跳出垃圾发电看自身业务发展，抢抓一切有利时机，利用一切有利条件，明确任务书、路线图、时间表，紧紧围绕打造生态综合体，疏通“协同循环”技术堵点，精细化增效、数字化赋能，以“操其要于上，分其详于下”的工作要求，形成狠抓落实、实干争先的强大合力。

2024 财年，浙能锦江环境将基于已精准实施的“一厂一策”，对症下药，提出清晰的目标和解决路径，绘制作战地图，内部管理配合外部市场扩展，挖掘增长空间，提升管理水平。公司将继续推进湖北省武昌垃圾发电厂改扩建项目及配套项目工程进度，确保如期达产；统筹印度尼西亚巨港垃圾发电项目前期合法合规办理进度，促使其尽快开工；同时积极谋划拓展海外业务，持续做好海外项目储备。

Operations and Financial Review

经营和财务回顾

Zheneng Jinjiang Environment will further enhance operational management and service capabilities by building a robust core. We will focus on realising our annual business objectives and three-year plans to enhance environmental protection and safety management, strengthen market sensitivity, and continue to promote digitalisation by leveraging data. We will also be proactive about technological innovation to optimise the industrial structure with the goal of improving the “green content” while reducing the “carbon content”, explore pilot projects on industrial gas separation, green methanol, disposal of used tires, battery recycling, automobile dismantling, and fly ash recycling, thus increasing investment in strategic emerging industries to addressing the climate changes.

We endeavour to attract and retain talent through our holistic human capital management strategy. We aim to do so by optimising our incentive mechanisms to motivate employees, understand their challenges and concerns, improve the assessment and review process, and help them establish medium to long-term goals with the Company.

Under the “Carbon peak and Carbon Neutrality” strategy and the building framework for “waste-free” cities, Zheneng Jinjiang Environment firmly follows the national strategy of coping with climate change, is expanding from a single waste incineration power generation operator to a diversified urban ecological complex. Based on the circular economy model, we aim to establish centralised disposal centres for municipal solid waste and power centres. The combination of various urban wastes, including household garbage, kitchen waste, sludge, manure, landfill leachate, industrial waste, construction and renovation waste, and carcasses will generate a stable and reliable stream of clean electricity, steam, hot water and other clean energy outputs, as well as reduce greenhouse gas emissions. This will not only provide energy security for cities but also contribute to a waste-free city concept.

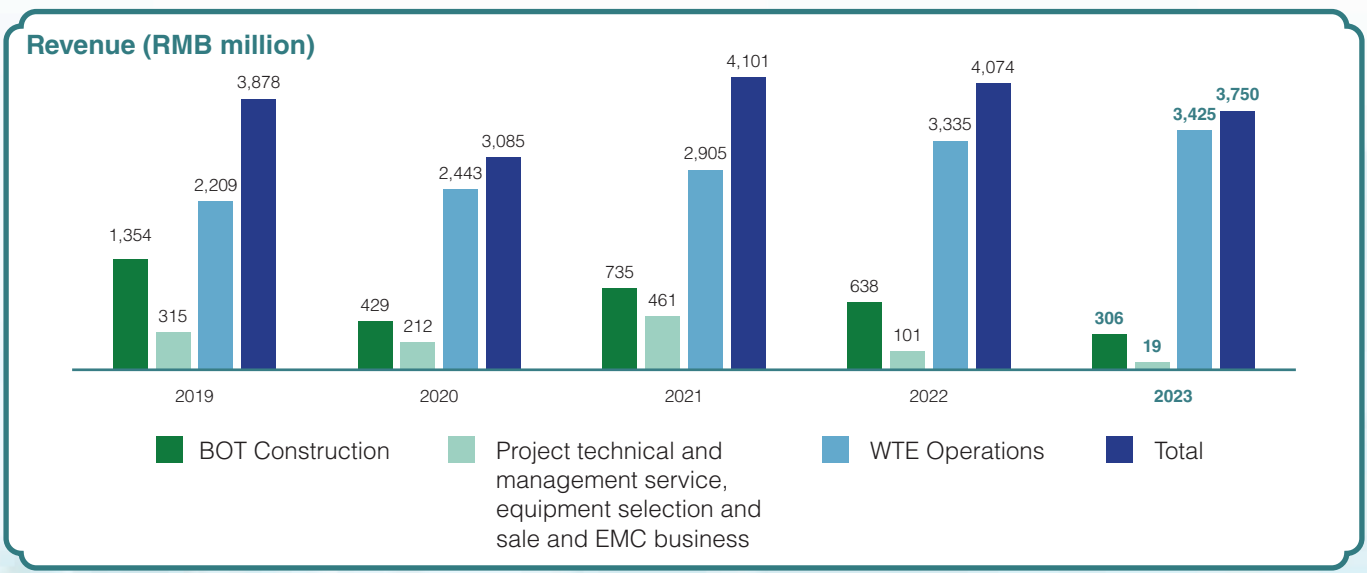
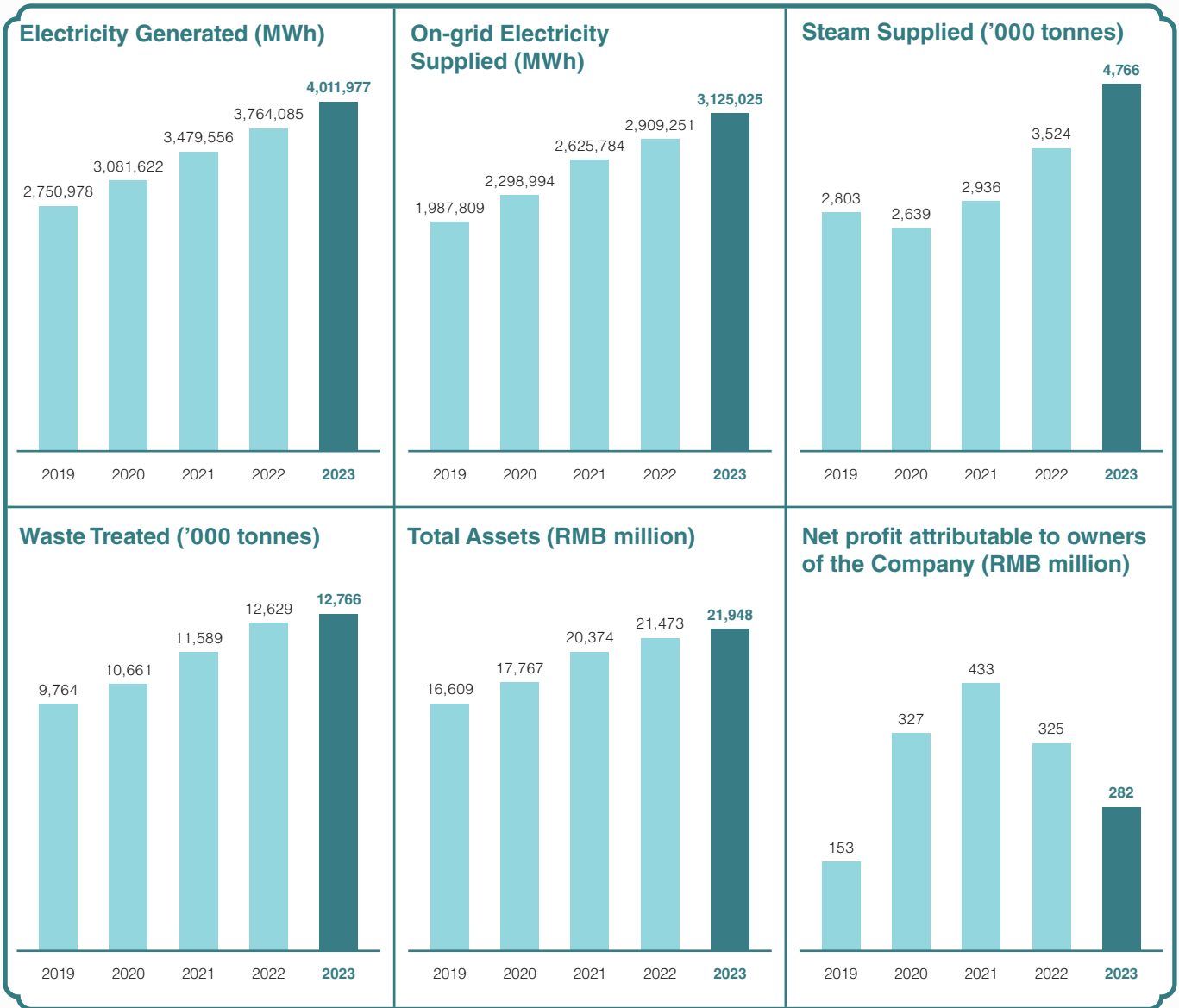
Our well-established blueprint aims to inspire a sense of drive and competitive spirit among everyone associated with the Group, thereby driving the Group to embark on a new chapter of growth. We are committed to taking proactive and decisive steps from the onset and implementing our three-year plans with goals to pave the way for the modernisation of China and solidify our footprint in the industry via high-quality development.

浙能锦江环境将进一步提升企业运营管理及服务能力，锻造硬核力量，坚持以企业年度经营目标和三年规划为纲，提高企业环保与安全管理，强化市场敏感度，持续推进数字化管控，数智赋能增强企业发展潜力和动力。积极倡导科技创新，进一步优化产业结构，提升“含绿量”，降低“含碳量”，探索和培育布局空分制工业气体、绿色甲醇、废旧轮胎处置、电池回收、汽车拆解、飞灰资源化等项目试点，提升战略性新兴产业领域投资规模，积极应对气候变化。

公司将优化激励机制，充分调动员工积极性，深入了解堵点难点，完善考核激励机制，建立中长期的目标、考核、激励体系，形成配套的实施方案，完善薪酬体系建设、统一职级管理标准，充分利用薪酬的激励性作用，吸引、保留和激励员工，增强企业人才竞争力。

在“双碳”战略和“无废城市”建设大格局下，浙能锦江环境坚定不移紧跟应对气候变化的国家战略，正在由单一的垃圾焚烧发电运营商向多元化经营的城市生态综合体转变，以绿色、低碳、循环为理念，打造城市固体废弃物集中处置中心和能源中心，通过协同处置生活垃圾、餐厨/厨余、污泥、粪便、填埋陈腐垃圾、工业垃圾、建筑装修垃圾、病死动物等城市废弃物，减少温室气体排放，输出稳定、可靠的绿色电力、蒸汽、热水等清洁能源，为城市提供清洁能源保障，助力无废城市建设。

蓝图已经绘就，使命召唤奋进。浙能锦江环境将按下“快进键”，跑出“加速度”，开启“新征程”，激发集团上下感恩奋进、实干争先、拼搏进取的使命感，鼓足“开局就要奔跑、起步就要跃进”的精气神，持续推动三年行动规划走深走实，一步一个脚印实施好推进好，勇当中国式现代化的先行者，奋力谱写浙能锦江环境高质量发展新篇章。



Our WTE Network in the PRC

中国垃圾焚烧发电网络

As at 31 December 2023

GROWING CAPABILITIES AND STRENGTHS

With 27 WTE facilities (excluding the waste resource recycling projects and kitchen waste treatment projects) already in operation and more in the pipeline, we are steadily expanding our capacity to deliver cleaner energy. We are working to grow both breadth and depth of our business via diversifying in the WTE value chain.

FACILITIES IN OPERATION



Our WTE Network in the PRC

中国垃圾焚烧发电网络

As at 31 December 2023



4 XIAOSHAN JINJIANG
浙江杭州萧山



5 ZHUJI BAFANG
浙江诸暨



6 KUNMING WUHUA
云南昆明五华



10 HANKOU JINJIANG
湖北武汉汉口



11 YUNNAN GREEN ENERGY
云南昆明西山



12 YINCHUAN ZHONGKE
宁夏银川



16 BAISHAN GREEN ENERGY
吉林白山



17 GAOMI LILANGMINGDE
山东高密



18 QITAIHE GREEN ENERGY
黑龙江七台河



23 SONGYUAN XINXIANG
吉林松原



24 LETING JINHUAN
河北乐亭



25 ZHONGWEI GREEN ENERGY
宁夏中卫



26 JINGHONG JIASHENG
云南西双版纳景洪



27 SHIJIAZHUANG JIASHENG
河北石家庄

Our WTE Network in the PRC

中国垃圾焚烧发电网络

As at 31 December 2023



- 27** Facilities in operation
- 3** Facilities under construction
- 13** Facilities in the preparatory stage

FACILITIES UNDER CONSTRUCTION

1. TIANJIN SUNRISE WTE FACILITY RECONSTRUCTION PROJECT
天津市晨兴力克环保科技发展有限公司 (改建项目)
2. WUHAN JINJIANG WTE FACILITY RECONSTRUCTION PROJECT
武汉市绿色环保能源有限公司 (改建项目)
3. WUHAN JINJIANG WTE FACILITY EXPANSION PROJECT
武汉市绿色环保能源有限公司 (扩建项目)

FACILITIES IN THE PREPARATORY STAGE

- | | | |
|---|---|--|
| <ol style="list-style-type: none"> 1. YULIN GREEN ENERGY WTE FACILITY
榆林绿能新能源有限公司 2. TAIGU ZHANNENG WTE FACILITY
太谷湛能环保有限公司 3. ZHONGWEI GREEN ENERGY WTE FACILITY 2ND PHASE
中卫市绿能新能源有限公司 (二期项目) 4. YANAN GUOJIN WTE FACILITY
延安国锦环保能源有限责任公司 5. LINZHOU JIASHENG WTE FACILITY 2ND PHASE
林州市嘉盛新能源有限公司 (二期项目) | <ol style="list-style-type: none"> 6. LIANYUNGANG SUNRISE WTE FACILITY RECONSTRUCTION AND EXPANSION PROJECT
连云港晨兴环保产业有限公司 (改扩建项目) 7. TANGSHAN JINHUAN WTE FACILITY
唐山市锦环新能源有限公司 8. BAODING JINHUA WTE FACILITY
保定锦环新能源科技有限公司 9. BAYANNAO'ER WTE FACILITY
巴彦淖尔市锦鹏云环保有限公司 10. JINGHONG WTE FACILITY 2ND PHASE
景洪嘉盛新能源有限公司 (二期项目) | <ol style="list-style-type: none"> 11. SHIJIAZHUANG JIASHENG WTE FACILITY
石家庄嘉盛新能源有限公司 12. ZHENGZHOU XINGJIN WTE FACILITY RELOCATION PROJECT
郑州荣锦绿色环保能源有限公司 (迁建项目) 13. YINCHUAN ZHONGKE 3RD PHASE
银川中科环保电力有限公司 (三期项目) |
|---|---|--|

Our Overseas WTE Network

海外垃圾焚烧发电网络*

As at 31 December 2023

INDIA



1

Facilities under construction

2

Facilities in the preparatory stage

1. GURGAON INTEGRATED WASTE MANAGEMENT PROJECT
2. LUCKNOW INTEGRATED WASTE MANAGEMENT PROJECT
3. PALEMBANG PROJECT

INDONESIA

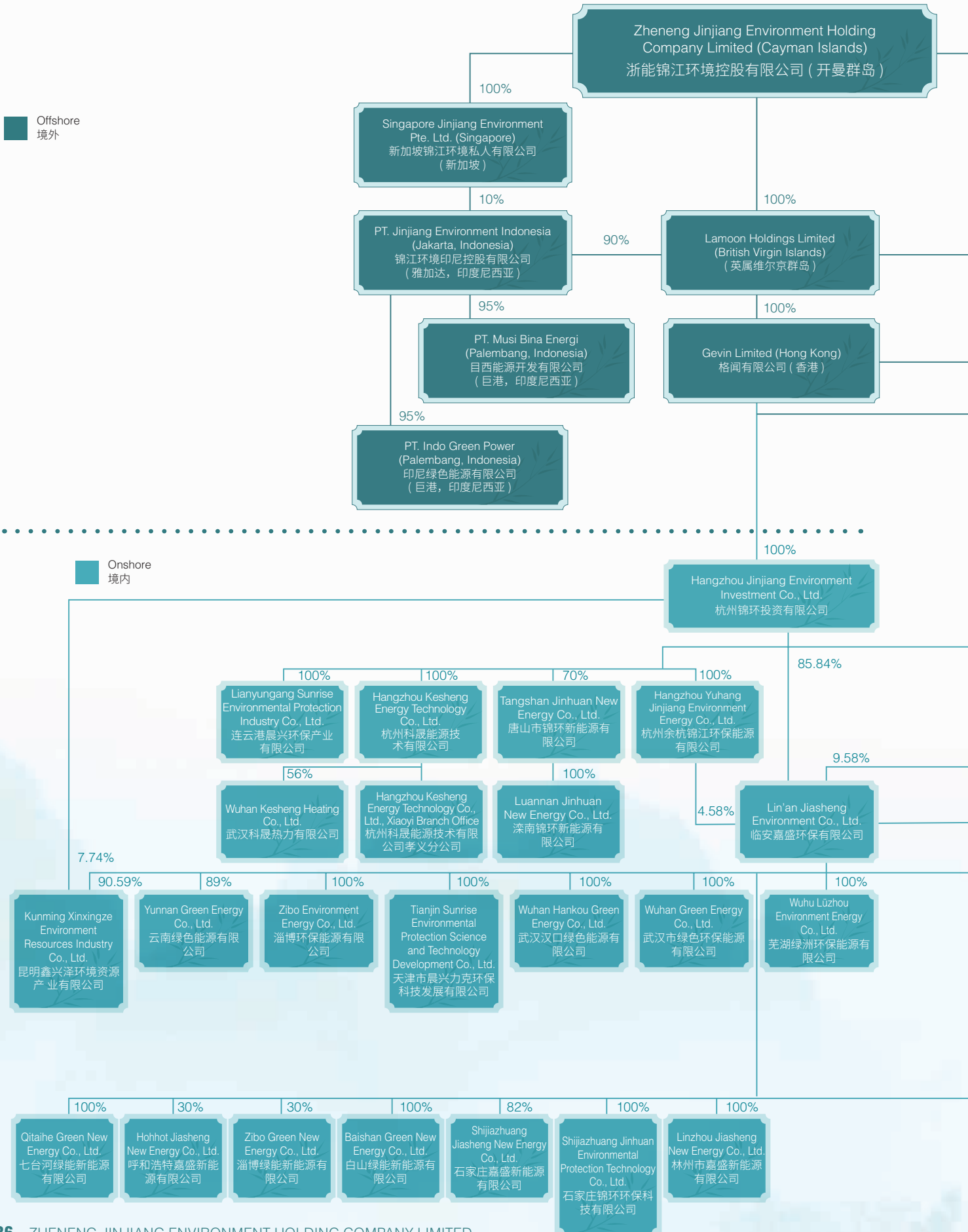


* Our WTE Network in the PRC and overseas showed here exclude the waste resource recycling projects and kitchen waste treatment projects.
此处展示的中国及海外垃圾焚烧发电网络不含垃圾资源化、餐厨项目。

Corporate Structure

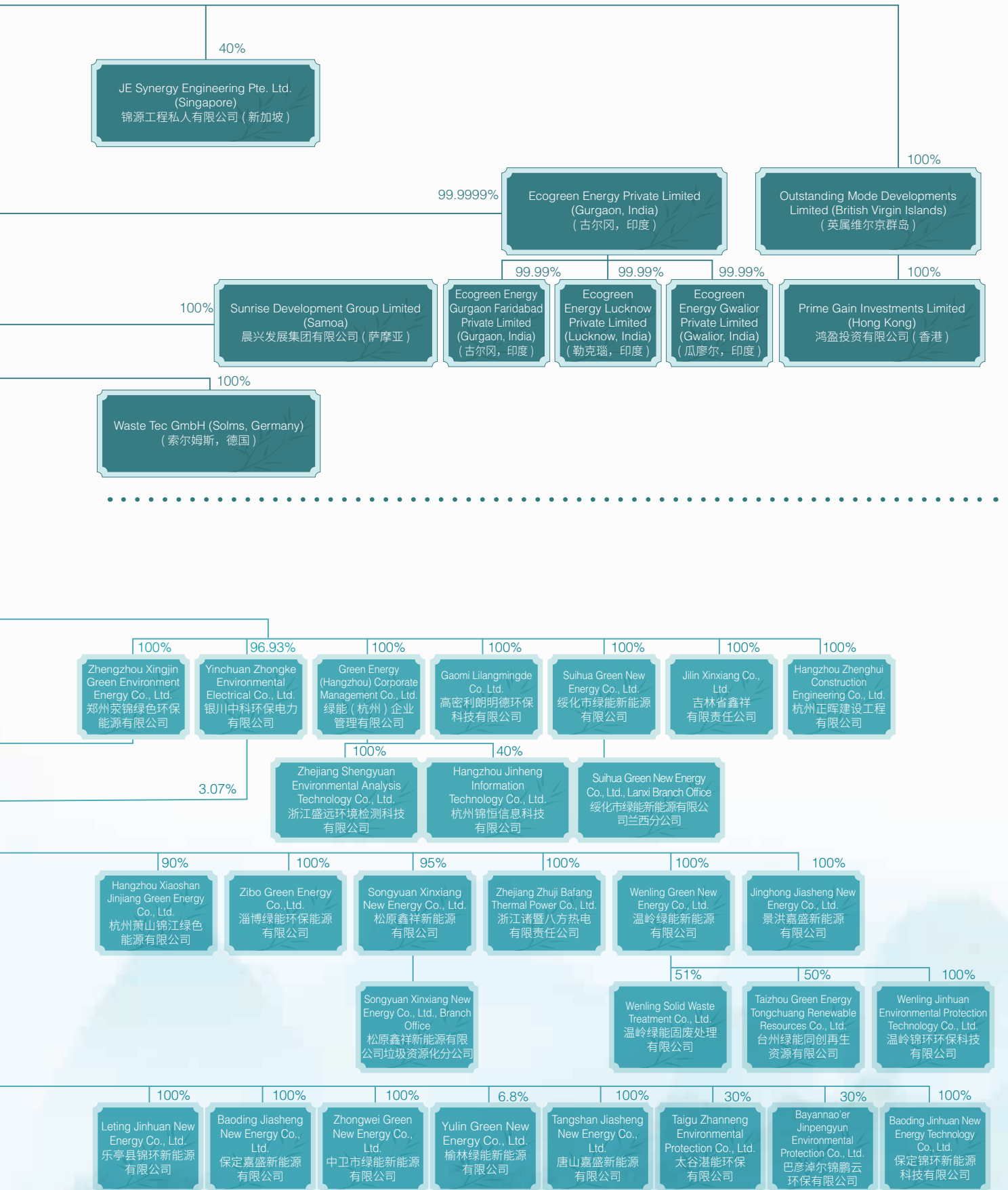
公司结构

As at 31 December 2023



Corporate Structure 公司结构

As at 31 December 2023



Board of Directors

董事会



WEI Dongliang (韦东良)
Executive Chairman

WEI Dongliang (韦东良) is the Executive Chairman of our Company. Mr. Wei is responsible for the overall strategic planning and management of the Group.

Mr. Wei has more than 20 years of working experience. Prior to joining our Group, Mr. Wei was Deputy General Manager of Zhejiang Zheneng Lanxi Power Generation Co., Ltd. (浙江浙能兰溪发电有限责任公司) from September 2006 to February 2010. From February 2010 to April 2011, Mr. Wei was Deputy General Manager of Zhejiang Water Resources and Hydropower Investment Group Co., Ltd. (浙江省水利水电投资集团有限公司). From April 2011 to September 2016, he was Deputy Director and Director of Asset Management Department of Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司). From September 2016 to September 2019, he served as Director and General Manager of Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司).

Mr Wei graduated from Zhejiang University (浙江大学) with a Bachelor of Chemical Engineering (Industrial Automation) (化学工程学系工业自动化专业) in August 1996 and a Master of Business Administration (工商管理专业硕士) in March 2004. He is also conferred Advanced Economist (Corporate Management) by the Zhejiang Province Human Resources and Social Security Department (浙江省人力资源和社会保障厅).



WANG Ruihong (王瑞红)
Executive Deputy Chairman and Deputy General Manager

WANG Ruihong (王瑞红) is the Executive Deputy Chairman and Deputy General Manager of our Company and is responsible for general administrative management, market branding and legal compliance of our Group. Mr. Wang joined our Group in June 2004 and was Deputy General Manager of Green Energy Hangzhou. He was appointed as a Director of our Company in December 2010.

Mr. Wang has more than 30 years of experience in accounting and corporate finance. Prior to joining our Group, Mr. Wang took up various positions at Zhejiang Institute of Silk Textile (浙江丝绸工学院) (currently known as Zhejiang Sci-Tech University (浙江理工大学)) from July 1985 to March 1999, including Deputy Director of Infrastructure Construction Department (基建处), Deputy Director of Finance Department (财务处) and Director of State Owned Asset Management Office (国有资产管理办法). From March 1999, Mr. Wang took up several positions at Jinjiang Group, including Director of Finance Department and Accounting Department, Assistant to General Manager, Deputy General Manager and Chief Officer of Inspection and Evaluation Department (稽查评估中心) and General Management Center (综合管理中心) and has been Chief Director of Office (办公室) since 2013. Mr. Wang was also Chairman of the board of directors of Zhejiang Huadong Aluminium Co., Ltd. (浙江华东铝业有限公司), a non-ferrous metal smelting and processing company and a subsidiary of Jinjiang Group, from December 2013 to June 2016.

Mr. Wang received a Bachelor's Degree in Economics (Infrastructure Construction Finance and Credit) (基建财务信用专业经济学学士学位) from the Shanghai Institute of Finance and Economics (上海财经学院) (currently known as Shanghai University of Finance and Economics (上海财经大学)) in July 1985 and is registered as an Accountant by the Zhejiang Province Department of Ministry (浙江省财政厅). He is also conferred Advanced Economist (Corporate Management) by the Zhejiang Province Human Resources and Social Security Department (浙江省人力资源和社会保障厅). From September 2009 to March 2010, Mr. Wang also attended the Environmental Protection Seminar for Senior Management organised by the Department of Environmental Science and Engineering of Tsinghua University. Mr. Wang also completed the Senior Management Research Class in Environmental Protection (环保高级职业经理人) held by All-China Environment Federation (中华环保联合会) in March 2010.

**JIN Ruizhi (金睿智)***Executive Director and Chief Financial Officer*

JIN Ruizhi (金睿智) is the Executive Director and Chief Financial Officer (CFO) of our Company and is responsible for the Group's overall finance function, including corporate finance and financial management. Mr. Jin has more than 30 years of management experience in energy field and finance. Prior to joining our Group, Mr. Jin was the Director of Finance Department of Zhejiang Zheneng Lanxi Power Generation Co., Ltd. (浙江浙能兰溪发电有限责任公司) from July 2005 to June 2010. From June 2010 to June 2012, Mr. Jin served as Director of Finance Department of Zhejiang Zheneng Zhongmei Zhoushan Coal and Electricity Co., Ltd. (浙江浙能中煤舟山煤电有限责任公司).

From June 2012 to January 2015, he was Deputy General Manager and Chief Accountant of Huaizhe Coal and Electricity Co., Ltd. (淮浙煤电有限责任公司) and from January 2015 to February 2019, he was Deputy General Manager of Zhejiang Zheneng Zhongmei Zhoushan Coal and Electricity Co., Ltd. (浙江浙能中煤舟山煤电有限责任公司). From February 2019 to September 2019, Mr. Jin was Deputy General Manager of Guangsha (Zhoushan) Energy Group Co., Ltd. (广厦(舟山)能源集团有限公司) and Zhoushan Huanyu Wharf Co., Ltd. (舟山寰宇码头有限公司). Mr. Jin is an Intermediate level Accountant as recognised by the Ministry of Finance of the People's Republic of China (中级会计师, 中华人民共和国财政部) in July 1992. He is also conferred Advanced Economist (Corporate Management) by the Zhejiang Province Human Resources and Social Security Department (浙江省人力资源和社会保障厅). Mr. Jin graduated with a College Degree (Financial Accounting) from North China Electric Power University (华北电力大学, 财务会计专业) in July 1997 and a Bachelor Degree in Business Management from Zhejiang University (浙江大学工商管理专业, 本科学历) in June 2004.

**ANG Swee Tian***Lead Independent Director*

ANG Swee Tian is the Lead Independent Director of our Company. Mr. Ang is an Independent, Non-Executive Director of a public listed company, iWOW Technology Ltd. He also serves as a Non-Executive Director of a non-listed company, ICE Futures Singapore Pte. Ltd.

Mr. Ang was the President of the Singapore Exchange Ltd ("SGX") from 1999 to 2005 during which he played an active role in successfully promoting SGX as a preferred listing and capital raising venue for Chinese enterprises. Mr. Ang also played a pivotal role in establishing Asia's first financial futures exchange, the Singapore International Monetary Exchange ("SIMEX") in Singapore in 1984. Following his retirement in January 2006, Mr. Ang served as a Senior Advisor to SGX until December 2007.

In March 2007, Mr. Ang became the first person from an Asian stock and futures exchange to be inducted into the international Futures Industry Association's Futures Hall of Fame, which was established to honour and recognise outstanding individuals for their contributions to the futures and options industry. In December 2014, he was also inducted into the SIMEX Hall of Fame which was introduced by SGX to honour the pioneers who laid the foundation for the success of the Singapore futures industry.

Mr. Ang graduated from Nanyang University, Singapore with a First-Class Honours Degree in Accountancy in 1970. He was conferred a Masters in Business Administration with distinction by Northwestern University U.S.A. in 1973.

Board of Directors

董事会



NI Mingjiang (倪明江)
Independent Director

NI Mingjiang (倪明江) is the Independent Director of our Company. Prof. Ni is currently the Vice Chairman of Develop Committee of Zhejiang University.

Prof. Ni has 30 years of experience and technical expertise in the WTE and renewable energy field. Prior to joining Zhejiang University, he was a lecturer at the Northeast Electric Power University (东北电力学院) from December 1975 to September 1979. In January 1986, he joined Zhejiang University. Before assuming his current position, Prof. Ni served successively as Deputy President and Executive Deputy President of Zhejiang University from April 1996 to December 2009.

Prof. Ni has been conferred the National Prize for Natural Sciences (国家自然科学奖) on one occasion, the National Technical Invention Award (国家技术发明奖) on two occasions and the National Prize for Progress in Science and Technology (国家科技进步奖) on two occasions.

Prof. Ni graduated from Northeast Electric Power University (东北电力大学) in December 1975. He then successively received a Master's Degree and Doctorate in Engineering Thermal Physics in December 1981 and July 1987 from Zhejiang University.



KAN Yaw Kiong (Ernest)
Independent Director

KAN Yaw Kiong (Ernest) is the Independent Director and the Chairman of the Audit and Risk Management Committee of our Company. Dr. Kan is appointed Justice of the Peace by the President of the Republic of Singapore since September 2015 and Board Member of Visiting Justices Board & Board of Inspection (Ministry of Home Affairs) since March 2018. He is currently an Independent Non-Executive Director of CapitalLand India Trust Management Pte Ltd (in its capacity as trustee-manager of CapitalLand India Trust, which is listed on the Mainboard of the Singapore Exchange).

With over 30 years of professional experience, Dr. Kan has vast expertise in assurance, financial advisory and consultancy, particularly in capital markets including IPOs. While serving as Chief Advisor of SGX, he was responsible for raising awareness of and promoting SGX as a capital raising platform in both equities and fixed income market. He also worked closely with SGX's equities, fixed income and international coverage teams, to deepen its relationships in China and with the Chinese business community in Singapore and Asia Pacific region.

Dr. Kan was the Deputy Managing Partner of Deloitte Singapore responsible for the firm's operation, specifically in client management and market development. He advised on the IPOs of national and multi-national companies in diverse sectors, and conducted acquisitions and due diligence reviews of companies in China, Hong Kong, Taiwan and Southeast Asia. He was also the financial advisor to several companies with operations in the Asia Pacific region, regarding their public listings on SGX, including REITs and business trusts.

Dr. Kan holds professional accountancy memberships with the Institute of Singapore Chartered Accountants (also elected President 2009-2014), Institute of Chartered Accountants in England & Wales, Association of Chartered Certified Accountants UK and CPA Australia. He also holds a PhD in Business Administration, a Master of Philosophy degree and a Bachelor of Art degree in Accountancy Studies.

**LIANG Weiwen (梁伟文)*****Non-Executive and Non-Independent Director***

LIANG Weiwen (梁伟文) is the Non-Executive Non-Independent Director of the Company. Mr. Liang is Investment Director of Guangzhou Ruizhan Equity Investment Management Co., Ltd. (广州市瑞展股权投资管理有限公司), the Deputy Chairman of the Board of Guangdong Fuqiang Technology Co., Ltd. (广东富强科技股份有限公司) and the Managing Partner of Foshan Denghu Zhiyuan Enterprise Management and Consulting Partnership (L.P.) (佛山灯湖致远企业管理咨询合伙企业(有限合伙)).

Mr. Liang has 15 years' of working experience in Hong Kong, of which 9 years in the industrial listed companies at the senior level. He has been engaged in investment banking and public fund management for 14 years in the domestic securities industry and has led the initial public offerings of a number of enterprises, mergers & acquisitions and restructuring of listed companies, equity fundraisings and bond issuances. He is familiar with the operation rules of the capital market in China and Hong Kong, and has rich experience in the management of finance, securities, public funds and listed companies.

Mr. Liang received a Master degree in Business Administration from The Open University of Hong Kong in 2000. He is also a Senior-level Accountant conferred by the Ministry of Finance of the People's Republic of China and Certified Public Accountant in China.

Key Management

管理层

WANG Wuzhong (王武忠) Deputy General Manager

WANG Wuzhong (王武忠) is the Deputy General Manager of our Company and is responsible for the environmental protection, safety, daily operation and research and development and assisting in the overall strategic planning of our Group. Mr. Wang joined Jinjiang Group in 1992 and has since been engaged in the green energy business, including as a Director of various entities within our Group.

Mr. Wang has approximately 30 years of industry experience. Prior to joining our Group, Mr. Wang worked as Director of Product Department in the Lin'an thermal power plant of Jinjiang Group from July 1992 to June 1995. From June 1995 to December 1995, he served as Deputy General Manager responsible for production in the Yuhang thermal power plant of Jinjiang Group. From January 1996 to February 1997, he served as Deputy Plant Manager responsible for production and operation in the Lin'an thermal power plant of Jinjiang Group. From February 1997 to September 1998, he took up various positions including Plant Manager, Deputy General Manager and Assistant to the General Manager of the Jiaying power plant of Jinjiang Group. From September 1998 to March 2001, he took up various positions including Director of technical team, Plant Manager and General Manager of the Yuhang thermal power plant of Jinjiang Group. From March 2001 to August 2001, he served as Manager in the Operations Department of Jinjiang Group. He then served as General Manager of the Yuhang thermal power plant of Jinjiang Group from September 2001 to May 2002 and General Manager of the Qiaosi power plant of Jinjiang Group from June 2002 to June 2005. He was appointed as General Manager of Green Energy (Hangzhou) Corporate Management Co., Ltd since June 2005 and has been serving as Vice General Manager of the Company since August 2016. Mr. Wang is professor level Senior Engineer. He completed his Executive Master of Business Administration at the Zhejiang University (浙江大学) in April 2006.

He now is a member of the National Municipal Environmental Sanitation Standardization Technical Committee (SAC/TC451) of the National Standardization Administration (国家标准化管理委员会全国城镇环境卫生标准化技术委员会 (SAC/TC451) 委员), a Committee Member of Technical Committee on Urban Appearance and Sanitation of Standardization Administration of the Ministry of Housing and Urban-Rural Development (住房和城乡建设部市容环境卫生标准化技术委员会委员), a Committee Member of Expert Committee of China Electric Power Federation (中国电力联合会专家委员会委员), Deputy Director of Environmental Protection Equipment and Technology Promotion Center of China Equipment Management Association (中国设备管理协会环保设备与技术推广中心副主任), Expert of the Technical Committee of the Advisory Committee on the Comprehensive Utilization of Power Generation Resources of China (中国资源综合利用发电技术咨询委员会技术委员会专家), Expert of the WTE group of the Expert Committee of the All-China Environment Federation (中华环保联合会专家委员会垃圾焚烧发电组专家), Director of Zhejiang Environmental Monitoring Association (浙江省环境监测协会理事) and Executive Director of Zhejiang Energy Conservation Association (浙江省节能协会常务理事) and Hangzhou Energy Conservation Association (杭州市节能协会常务理事).

QI Liang (戚亮) Chief Engineer

QI Liang (戚亮) is the Chief Engineer of our Company and is responsible for all technical and engineering-related matters of the Group. Mr. Qi has more than 20 years of experience in production, technology and infrastructure. From March 2007 to August 2014, Mr. Qi was Vice Chairman of Cixi Zhongke Zhongmao Environmental Thermal Power Co., Ltd. (慈溪中科茂环保热电有限公司).

From August 2014 to September 2019, he served as Deputy Director of the Equipment Management Department, Deputy Director of the Engineering Department and subsequently as Director of the Engineering Department, of Zhejiang Zheneng Zhenhai Power Generation Co., Ltd. (浙江浙能镇海发电有限责任公司).

Mr. Qi graduated with a College Diploma in Thermal Power conferred by Zhejiang Electric Power Workers' College (浙江省电力职工大学热动力专业) in September 1993 and is an Electrician recognised by the National Electric Power Company Intermediate Professional Technical Qualification Review Committee of the People's Republic of China (电力工程师, 国家电力公司中级专业技术资格评审委员会) in December 2000.





SUSTAINABILITY REPORT 2023

Contents 目录

45 About This Report

关于本报告

Reporting Scope and Standard

报告范围及准则

Reporting Principles

报告原则

Board Statement

董事会声明

47 Materiality Assessment

重要因素评估

51 FY2023 Sustainability Highlights

2023 财年可持续发展重点

52 Sustainable Business of Zheneng Jinjiang

Environment

浙能锦江环境可持续业务

Waste Resource Recycling

垃圾资源化

Waste-to-Energy

垃圾焚烧发电

Urban Ecological Complex

城市生态综合体

56 Environmental Services and Education

环境服务和教育

Environmental Services

环境服务

Environmental Education

环境教育

63 Green Operations

绿色经营

Green Technology

绿色技术

Green Production

绿色生产

Integrated Resource Utilisation and Pollution

Control

污染控制和资源综合利用

69 Addressing Climate Change

应对气候变化

About TCFD

关于气候相关财务信息披露工作组

Governance

治理

Strategy

战略

Risk Management

风险管理

Metrics and Targets

指标和目标

79 Talent Training and Advancement

人才培养与提升

Talents Selection

选拔人才

Talents Cultivation

培育人才

Talents Utilization

使用人才

Retain Talents

留住人才

88 Occupational Health and Safety

职业健康和安全

92 Regulatory Compliance

监管合规

94 Local Community

当地社区

100 GRI Content Index

GRI 内容索引

102 TCFD CONTENT INDEX

TCFD 内容索引

About This Report

关于本报告

Zheneng Jinjiang Environment Holding Company Limited (“**Zheneng Jinjiang Environment**” or the “**Company**”) and its subsidiaries (collectively, the “**Group**”) adhere to the corporate mission of “Beautifying the Cities and Making the Environment more Natural”, firmly adhere to the road of ecological priority, green and low-carbon development and will uphold the practice of sustainable development. The Group believes providing a clear and transparent report to its stakeholders is key to managing corporate sustainability, and therefore continues to proactively disclose its practice and performance in environmental, social and governance (“**ESG**”) aspects to help shareholders, partners, employees and public better understand our Group.

Reporting Scope and Standard

This Sustainability Report describes Zheneng Jinjiang Environment's sustainability practices and performance from 1 January 2023 to 31 December 2023 (“**FY2023**”). To make the report more comparable and forward-looking, part of the content extends to the previous and later years. This report covers the listed entity, Zheneng Jinjiang Environment Holding Company Limited, and all its subsidiaries globally. As at 31 December 2023, there are 27 Waste-to-Energy (“**WTE**”) facilities, 3 Kitchen Waste Treatment projects and 8 Waste Resource Recycling projects currently in operation, across 13 provinces, autonomous regions and municipalities in China and there are also 6 projects under construction and 17 projects in the preparatory stage in China and overseas.

The data sources used in this report include public data from government departments, public information and internal statistical information of Zheneng Jinjiang Environment, reports from some industry research institutions, etc. Due to the limited availability of data access and the lack of consistent data monitoring methods among various engineering, procurement and construction contractors, for the avoidance of doubt, the operational data involved in this report do not include the WTE facilities operated by the Group as associated companies or joint venture companies, nor the projects under construction or preparation within PRC and overseas. All data included in the report are rounded. In addition, unless otherwise stated, this report does not reflect the ESG performance of our contractors and suppliers. Looking ahead, the Group will continue to enhance its internal data collection system and, where feasible, further expand the scope of reporting.

This report has been prepared in accordance with the requirements of Rules 711A and 711B and Practice Note 7.6: “Sustainability Reporting Guide” of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”). This report provides climate-related disclosures consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”). In addition, with a view to raising the standards of disclosure, this report also refers to the Global Reporting Initiative (“**GRI**”) Sustainability Reporting Guidelines, a globally recognised framework for reporting on sustainability issues. The GRI Content Index and TCFD Content Index are provided in the appendix to this report. No external assurance has been sought for this report. Please forward any enquiries or feedback you may have to znjjhj@hzjj.cn.

浙能锦江环境控股有限公司 (“**浙能锦江环境**” 或 “**公司**”) 及其附属公司 (统称为 “**集团**”) 秉承 “让城市更美丽 让环境更自然” 的企业使命, 坚定走生态优先、绿色低碳发展之路, 践行可持续发展, 相信为利益相关者提供透明清晰的报告是企业实现可持续发展管理的关键, 因此本集团持续主动披露在环境、社会和治理 (“**ESG**”) 方面的实践和表现, 以帮助股东、合作伙伴、员工、社会公众更加深入了解集团。

报告范围及准则

本可持续发展报告概述了 2023 年 1 月 1 日至 2023 年 12 月 31 日 (“**2023 财年**”) 浙能锦江环境的主要可持续发展实践和表现。为增强报告可比性及前瞻性, 部分内容往前后年份适度延伸。报告涵盖了上市实体——浙能锦江环境控股有限公司, 以及包括截至 2023 年 12 月 31 日浙能锦江环境在中国 13 个省、自治区和直辖市拥有的 27 个已投入运营的垃圾焚烧发电厂, 3 个已运营的餐厨垃圾处理项目, 8 个已运营的垃圾资源化项目, 在境内外的 6 个在建项目以及 17 个正在筹建阶段的项目。

本报告使用数据来源包括政府部门公开数据、浙能锦江环境公开信息、内部相关统计数据和信息、部分行业研究机构报告等。由于资料数据的可获得权限有限以及各工程、采购及施工承包商之间缺乏统一的数据监控方法, 为免生疑问, 本报告所涉及的运营数据暂不包括本集团分类为联营公司或合营公司的运营中垃圾焚烧发电厂, 也不包括境内外在建及筹建项目。本报告中所列的所有数据已作舍入调整。此外, 除非另有注明, 本报告也不会反映我们承包商和供应商在 ESG 方面的表现。展望未来, 本集团将继续提升内部资料收集系统, 在可行情况下进一步扩大报告披露范围。

本报告是根据上市手册第 711A 和 711B 条规则以及应用说明 7.6 “可持续发展报告指南” 的要求编制的。本报告提供了符合气候相关财务信息披露工作组 (“**TCFD**”) 建议的气候相关披露。此外, 为提升报告披露水平, 本报告还参考了全球报告倡议组织 (“**GRI**”) 可持续发展报告指南, 该标准是一个全球公认的可持续发展问题报告框架。本报告在附录部分提供了 GRI 内容索引和 TCFD 内容索引。本报告未寻求第三方审核, 如有任何问询或反馈, 请发至电子邮箱 znjjhj@hzjj.cn。

About This Report

关于本报告

Reporting Principles

The Group defines the ESG content to be disclosed in this Report based on the following principles:

Materiality: We conduct annual materiality assessments to ensure that the identified and prioritised ESG issues reliably reflect the most material concerns to us and our stakeholders.

Sustainability Context: This report evaluates the Group's performance within the broader context of sustainable development and, to the extent possible, considers sustainable development goals, strategies, climate risks and opportunities when discussing sustainable development issues.

Quantitative: We strive to quantify data with accurate and scientific standards, methodologies and assumptions and to compare with past performance where feasible.

Consistency: We have produced sustainability reports using familiar reporting formats and have adopted consistent statistical methods where feasible to make meaningful comparisons.

Clarity: We strive to present relevant ESG information in a way that is easy to understand and accessible, such as by presenting information graphically and providing supporting information in appropriate places in the form of annotations when necessary.

Completeness: This report covers issues of importance to stakeholders during FY2023 with sufficient information and allows them to assess our performance during the reporting period.

Board Statement

Zheneng Jinjiang Environment has established a formal sustainability governance structure to manage these sustainability priority areas in 2018 to incorporate ESG issues into its business development strategy. As the highest governing unit, the Board oversees and approves the direction of sustainability management, regularly listens to the management's report on sustainable development and has ultimate responsibility for the Company's sustainability reporting. The management of the Group is responsible for ensuring that the ESG factors are monitored on an ongoing basis and properly managed. Zheneng Jinjiang Environment has established the Sustainability Steering Committee ("SSC"), formed by senior management, to develop the Company's sustainability strategy, manage overall sustainability performance and report to the Board. At the same time, as a useful supplement to the SSC, the ESH Management Committee (formerly known as Safety Production Management Committee) with middle-level and management-level staff members at the Company headquarters was established for management of health, environmental and safe production related issues.

In FY2023, the Board had been briefed by management on the economic, environmental and social issues, including the related risks and opportunities, and included them in the process of defining the Group's business and strategy to ensure the effective implementation of the Group's sustainable development strategy. The Board has determined the material ESG factors as disclosed in this Report with the assistance of the SSC and overseen the management and monitoring of these defined material ESG factors and approves the disclosure of the sustainability performance and targets in this report.

报告原则

本集团根据以下原则确定了本报告披露的 ESG 内容:

重要性: 我们每年都会进行重要性评估, 以确保已确定和优先考虑的 ESG 议题能够可靠地反映我们和利益相关者最深切关注的议题。

可持续发展背景: 本报告按更广泛的可持续发展考虑和评价集团的表现, 并尽可能在讨论可持续发展议题时, 考虑可持续发展目标、战略、气候风险及机遇等。

量化: 我们努力用准确、科学的标准、计算方法和假设设定来量化数据, 并在可行情况下与过往业绩进行比较。

一致性: 我们采用熟悉的报告格式编制可持续发展报告, 为进行有意义的比较, 在可行情况下, 采用了一致的统计方法。

清晰性: 我们努力用易于理解及容易获取的方式呈现相关 ESG 信息, 如通过图文呈现信息, 在必要时以批注方式在适当位置提供辅助信息。

完整性: 本报告包含 2023 财年对利益相关者重要的议题, 并提供足够资料让其评估我们在报告期内的表现。

董事会声明

浙能锦江环境已于 2018 年建立了正式的可持续发展管理体系, 以将 ESG 相关议题纳入其发展战略规划。董事会作为最高管治单位, 负责监督和批准可持续发展工作的汇报, 对集团可持续发展报告负最终责任。集团管理层有责任确保 ESG 因素得到持续监测和妥善管理。浙能锦江环境已组建了以高层管理人员为成员的可持续发展指导委员会 ("SSC") 制定可持续发展战略, 管理整体绩效并向董事会报告。同时, 成立以集团总部中层及以上人员为成员的 ESH 管理委员会 (以前称为安全生产管理委员会), 负责健康、环境及安全生产方面的管理工作, 作为可持续发展指导委员会的有益补充。

2023 财年, 董事会已听取管理层关于经济、环境和社会议题的汇报, 内容也包括与之相关的风险和机遇, 并在确定集团业务和战略中考虑这些可持续发展问题, 以确保集团的可持续发展策略得到有效执行。董事会已确定重要 ESG 因素, 并在 SSC 指导下披露在本报告中, 也已管理和监督这些已确定的重要 ESG 因素, 并批准在本报告中披露可持续发展业绩和目标。

Materiality Assessment

重要因素评估

Zheneng Jinjiang Environment attaches great importance to communication with stakeholders such as shareholders/investors, government/regulators, customers, employees and society, actively expands communication channels, timely understands their concerns and expectations and gradually takes these concerns and expectations as an important consideration for the Group's strategic development to deepen ESG practice and continuously improve ESG management level.

浙能锦江环境高度重视与股东/投资者、政府/监管机构、员工及社会等利益相关者的沟通，积极拓展沟通渠道，及时了解他们的关注点和期望，并逐步将这些关注点与期望作为集团战略发展的重要考虑因素以深化 ESG 实践、持续提升 ESG 管理水平。

The following chart shows the Group's key stakeholders, relevant communication channels, and ESG issues of concern:

下表为集团主要的利益相关者、相关沟通渠道及关注的 ESG 议题：

Key Stakeholders 主要利益相关者	Expectation 期望与要求	Major Communication Channels 主要沟通方式
Shareholders/Investors 股东 / 投资者	Economic performance is consistent with investment returns 经济表现符合投资回报	General meeting 股东大会
	Corporate governance meets regulatory compliance 公司治理符合监管合规	Information disclosure 信息披露
	Controllable risk management 风险管理可控	Company visits 公司参观
		Company official website and WeChat official account 公司官方网站和微信公众号
		Communication meeting and Q&A 沟通会议及问答
Government/Regulators 政府 / 监管机构	Compliant Environmental Service 合规环境服务	Periodic report 定期汇报
	Green operations 绿色经营	Visit reception 来访接待
	Addressing Climate Changes 应对气候变化	Supervision and inspection on site 现场监督检查
	Safe production 安全生产	Participate in industry conferences 参与行业会议
	Environmental education 环境教育	Information disclosure 信息披露

Materiality Assessment

重要因素评估

Key Stakeholders 主要利益相关者	Expectation 期望与要求	Major Communication Channels 主要沟通方式
Employees 员工	Stable employment environment 稳定就业环境	Employee solicitation 员工意见征求
	Talent training and promotion 人才培养与提升	Employee training 员工培训
	Welfare treatment 福利待遇	Job performance review 工作绩效考核
	Occupational health and safety 职业健康和安全	Employee care activities 员工关爱活动
Society 社会	Promote social harmony 促进社会和谐	Carry out public welfare activities 开展公益活动
	Support public welfare activities 支持公益活动	Environmental protection education and facilities open to public 环保教育和设施公开
	Advocate energy conservation and emission reduction 倡导节能减排	

Table 1: Key stakeholder expectations and communication channels
表 1: 主要利益相关者期望与沟通方式

In conjunction with its own development strategy planning, Zheneng Jinjiang Environment evaluates the importance of the issues concerned by stakeholders. The materiality assessment process was guided by the GRI Principles of Materiality and Stakeholder Engagement, and considered the following aspects:

结合自身发展战略规划，浙能锦江环境对利益相关者关注的议题进行重要性评估，评估过程以 GRI 原则和利益相关者参与原则为指导，并考虑了以下几个方面：

- Global and local emerging sustainability trends;
全球和地方新兴的可持续发展趋势；
- Hot topics and future challenges in the WTE and green energy sectors, as identified by peers; and
固废和绿色能源行业的热门话题和未来挑战；及
- Insights gained from interactions with stakeholders.
与利益相关者的来往中获得的见解。

Eight material factors were identified from the assessment and shown in the table below. Underpinned by these factors, we focus on five priority areas in sustainability, namely economic performance¹, environmental services and impacts, workforce, corporate governance and social responsibility, to bring positive value for our key stakeholders.

我们确定了八个重要因素，在这些因素支持下，我们专注于可持续发展的五个优先领域，即经济表现¹、环境服务和影响、人才团队、公司治理和社会责任，致力于为主要利益相关者带来积极的价值，详见下表。

Priority Areas 优先领域	Material Factor 重要因素
Economic Performance 经济表现	Economic Performance 经济表现
Environmental Services and Impacts 环境服务和影响	Environmental Services and Education 环境服务和教育
	Green Operations 绿色经营
	Addressing Climate Change 应对气候变化
Workforce 人才团队	Talent Training and Advancement 人才培养与提升
	Occupational Health and Safety 职业健康和安全
Corporate Governance 公司治理	Regulatory Compliance 监管合规
Social Responsibility 社会责任	Local Community 当地社区

Table 2: Material factors for FY2023
表 2: 2023 财年重要因素

¹ Details of Zheneng Jinjiang Environment’s financial performance in FY2023 can be found in the Financial Statement section of this Annual Report.
2023 财年浙能锦江环境的经济表现可在本年报财务报表章节查阅。

Materiality Assessment

重要因素评估



ECONOMIC PERFORMANCE 经济表现

We aspire to create healthy and sustainable economic returns for our investors and shareholders. We are making steady progress in the development of existing projects, building on existing capacity, enhancing synergy and exploring new markets to capitalise on opportunities for growth.

我们希望为投资者和股东创造健康和可持续的经济回报。我们正稳步推进现有项目发展，以存量拓增量，同时增强协同能力，开拓新市场，把握增长机遇。



ENVIRONMENTAL SERVICES AND IMPACTS 环境服务和影响

We are committed to providing green energy and hazard-free waste treatment services to the wider community. We improve the operation capacity of WTE facilities and expand upstream and downstream business through green technology, support existing projects to break through the growth bottleneck, help new projects through the incubation period, and strictly control material use and emissions during production and operation to reduce resource consumption and prevent pollution. We pay attention to the risks and opportunities brought by climate change, and improve the sustainability of the Group's operation. We also actively promote public awareness of the WTE industry and environmental protection through education, which enhances the value of the Company.

我们致力于为更多国内外城市提供绿色能源和无害化垃圾处理服务。通过绿色技术提升 WTE 设施的运营能力并拓展上下游业务，支持存量项目突破增长瓶颈期，帮助增量项目度过培育期，在生产运营过程中严格把握物料使用及排放，减少资源消耗并防止污染，关注气候变化所带来的风险和机遇，提高集团运营的可持续性；通过环境教育，增强公众对 WTE 行业以及环保的认识，提升公司价值。



WORKFORCE 人才团队

We are committed to the provision of comprehensive training, the introduction and the effective utilisation of talent. We are dedicated to attracting and carefully cultivating talent. By valuing our talent and contributing to their growth, we aim to expedite the transition from traditional productivity to the higher quality productivity.

我们致力于全方位培养、引进、使用人才，倾心引才、悉心育才、真心爱才，厚植人才成长的沃土，推动传统生产力更快向新质生产力跃升。



CORPORATE GOVERNANCE 公司治理

In the process of production and business development, we strive to comply with all applicable laws and regulations, use of scientific methods, raise and resolve business risks, improve risk monitoring, early warning and disposal mechanisms and strictly implement the internal control system. We have zero tolerance for corruption and strive to create a clean and positive development environment.

我们在生产经营发展过程中始终坚持底线思维，遵守各项适用法律法规，运用科学方法，完善风险监测、预警和处置机制，着力防范化解经营风险，严格执行内控制度，对腐败行为零容忍，创造风清气正发展环境。



SOCIAL RESPONSIBILITY 社会责任

We actively utilise our strengths, pay attention to the needs of various groups in society, participate in public welfare charities, and strive to return to the society to achieve a balance of economic, social and environment benefits.

我们积极发挥所长，关注社会各群体需求，参与公益慈善事业，努力回馈社会，实现经济效益和社会环境效益的共赢。

For FY2024, Zheneng Jinjiang Environment has set defined targets in relation to each material ESG factor identified, which are explained in further detail in the following sections of this Report. The targets are consistent with those used for the Group's strategic planning and financial reporting.

2024 财年，浙能锦江环境已就确定的每个 ESG 重要因素设定了明确的目标范围，本报告的以下部分将进一步详细解释。目标与本集团战略规划及财务报告所用目标一致。

FY2023 Sustainability Highlights

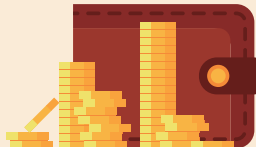
2023 财年可持续发展重点

ECONOMIC PERFORMANCE
经济表现

REVENUE

RMB 3.750B

收入达人民币 37.50 亿元



CORPORATE GOVERNANCE
公司治理

0

confirmed cases of corruption
腐败事件零发生



ENVIRONMENTAL SERVICES AND IMPACTS
环境服务和影响

27

operating WTE facilities, **3** kitchen waste treatment projects and **8** resource recycling projects across China
27 个在中国运营的 WTE 设施, 3 个餐厨垃圾处理项目和 8 个资源化项目

12.766 million tonnes
of waste treated
垃圾处理量达 1,276.6 万吨

4,011,977 MWh
of green electricity generated
发电量 4,011,977 兆瓦时

Around 15,000

visitors participated in Zheneng Jinjiang Environment's public education programme in FY2023
约 1.5 万参观者在 2023 财年参与到浙能锦江环境的公共教育项目

4.766 million tonnes
of steam supplied
供汽量 476.6 万吨

WORKFORCE
劳动力

136

average hours of training per employee per year
每年每名员工平均培训 136 小时

100%

of employees received a performance review
100% 的员工接受了绩效考核

1

employee workplace fatality
起员工因工伤亡事件

SOCIAL RESPONSIBILITY
社会责任

5

aspects in which the Company fulfils its social responsibility
5 大方面履行社会责任

Sustainable Business of Zheneng Jinjiang Environment

浙能锦江环境可持续业务

Zheneng Jinjiang Environment specialises in the planning, development, construction, operation and management of WTE facilities, using state-of-the-art technology to deliver environmentally sustainable waste treatment and energy utilization and realising the reduction, recycling and harmless treatment of waste. Presently, the Group has been shifting away from the WTE industry towards comprehensive urban solid waste solutions and focusing on deepening the efficient use and recycling of solid waste resources on an overall city scale, to implement a green living lifestyle and realize business sustainability, as well as contribute to the construction of zero-waste cities and a beautiful China.

Waste Resource Recycling

At present, the new consumption mode of Chinese urban residents has brought new challenges, and new forms of consumption models such as take-out and online shopping have provided convenience for human life, but have brought a series of new problems in resources and environment. The basic composition of waste is divided into organic, inorganic, plastic, metal and non-recyclable materials. Organic materials include kitchen waste, animal and plant waste, etc.; Inorganic materials include lime soil, brick, ceramic, glass, etc.; Plastics include plastic bottles, plastic bags, plastic packaging, etc.; Metals include iron, aluminium, copper and other metals.

Waste Resource Recycling is the pre-treatment of waste, taking management and certain technological measures to recover substances from domestic waste, and separating discarded waste as recycling raw materials for conversion into renewable resources. The Group adopts pre-treatment technology. After the collected waste is crushed, the non-combustible materials such as metal, pottery and stone are removed, and the moisture and chlorine content in the waste is reduced through drying and sorting, before it is converted into fuels for incineration, which helps to improve the heat conversion efficiency of waste, improve the waste quality and significantly reduce pollutant emissions, so as to truly achieve the comprehensive reuse of resources and energy. Focusing on the solid waste treatment market in small and medium-sized cities and towns, Zheneng Jinjiang Environment taps on the existing enterprises as a starting point and extends its outreach to the surrounding areas to expand into potential markets.

浙能锦江环境致力于 WTE 设施的设计、开发、建设、运营和管理，采用先进的技术，提供废弃物处理和能源利用方案，实现垃圾的减量化、资源化、无害化处理。当前，集团正在从单一的垃圾发电转变为整体城市固废综合服务提供商，以城市整体层面深化固体废弃物资源的高效利用和循环利用为核心，践行绿色生活方式，实现业务的可持续性，为建设无废城市、美丽中国贡献自己的力量。

垃圾资源化

目前，中国城市居民新消费方式带来了新挑战，外卖、网购等新业态、新模式在为人类生活提供便利的同时也带来了一系列资源环境方面的新问题。垃圾基本构成大体上分为有机物、无机物、塑料类、金属类、不可回收物。有机物包括厨余、动物和植物废弃物等；无机物包括灰土、砖瓦、陶瓷、玻璃等；塑料类包括塑料瓶类、塑料袋类、塑料包装类等；金属类包括铁、铝、铜等金属。

垃圾资源化，则是对垃圾进行预处理，采取管理和一定工艺措施从生活垃圾中回收物质，将废弃的垃圾分类后作为循环再利用原料，使其成为再生资源。集团采用预处理技术，将收集的垃圾破碎后，通过干化、分选，去除垃圾中金属、陶瓷和石块等不可燃烧物，降低垃圾中水分和氯含量，将生活垃圾制备燃料后再进行焚烧，有助于提高垃圾热转换效率，提升进厂垃圾质量的同时，大幅降低污染物的排放，真正实现资源化、能源化综合再利用。围绕中小城镇的固废处理市场，浙能锦江环境以现有企业为辐射点，向周边区域延伸，布局潜在市场。

Waste-to-Energy

WTE involves combusting domestic waste at high temperature to convert its combustible portion into materials like carbon dioxide and water in a relatively short time. The residual heat generated by incineration is used for power generation, while the waste gas and fly ash generated undergo harmless treatment. WTE can not only avoid methane emissions in the landfill process so as to save land resources, but also replace fossil fuels through thermal energy recovery and power generation, with the dual carbon emission reduction effect of "controlling methane emissions + replacing power generation", in line with the three principles of "harmlessness, reduction and recycling".

Domestic waste incineration power generation follows the national standard "Standards for Pollution Control of Domestic Waste Incineration", and there are strict requirements on the conditions of waste entering the furnace, operating parameters and pollutant discharge during the incineration process. Zheneng Jinjiang Environment uses advanced technologies and adopts best industry practices for WTE. The Company strives to reduce the input resources required, while closely monitoring the environmental outputs such as air-borne emissions, effluents and solid waste in compliance with regulatory requirements.

Zheneng Jinjiang Environment has integrated and developed various technologies for waste incineration power generation based on the characteristics of China's domestic waste, such as high moisture content, complex composition, and high ash content, etc. The Company is committed to becoming an integrated enhancer of fluidised bed and grate furnace waste incineration power generation technology and continuing to be a promoter and leader in localisation of waste incineration power generation technology. At present, the fluidized bed and grate furnaces adopted accounted for 27% among the Group's operational WTE facilities.

垃圾焚烧发电

垃圾焚烧发电是将生活垃圾在高温下燃烧，使生活垃圾中的可燃废物在较短时间内转变为二氧化碳和水等，产生的余热用于发电，产生的废气、飞灰进行无害化处理。生活垃圾焚烧发电既能避免填埋过程的甲烷排放，节约土地资源，又能通过热能回收发电而代替化石燃料，具有“控制甲烷排放+代替发电”的双重碳减排效果，符合“减量化、无害化、资源化”三原则。

生活垃圾焚烧发电遵循国家标准《生活垃圾焚烧污染控制标准》，焚烧过程中入炉废物条件、运行参数、污染物排放均有严格的要求。浙能锦江环境采用先进的技术和丰富的经验，减少生产中需要投入的资源；同时严格监控空气、污水和固体废物排放，以达到国家监管要求。

中国生活垃圾具有水份高、组份复杂、灰分多等特点，浙能锦江环境因此集成、发展了多种垃圾焚烧发电技术，并致力成为流化床和炉排炉垃圾焚烧发电技术的整合提升者，继续在国产化垃圾焚烧发电技术方面做推广者和引领者。目前，集团旗下运营中的垃圾焚烧发电厂中，炉排炉占比约 27%。

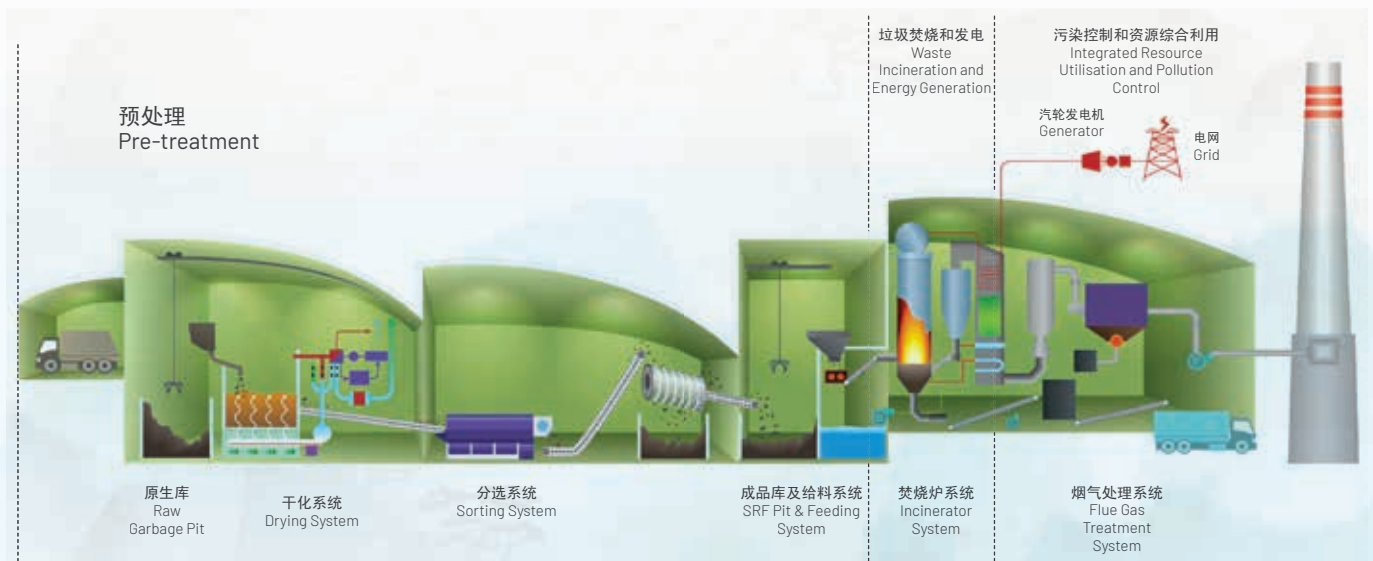


Figure 1: Overview of the fluidised bed technology
图 1: 流化床工艺流程概览

Sustainable Business of Zheneng Jinjiang Environment

浙能锦江环境可持续业务

The differential-density circulating fluidised bed waste incineration power generation technology is a high-efficiency clean incineration power generation technology developed in cooperation with the Company and Zhejiang University, with complete and independent intellectual property rights, and is applied in most of the Group's existing WTE facilities. The technology has the characteristics of wide fuel adaptability, high combustion efficiency, large regulation load ratio, fast load regulation, low nitrogen oxide emission and low-cost limestone furnace desulfurisation. It is one of the globally recognised clean burning technologies for domestic waste.

异重循环流化床垃圾焚烧发电技术是公司与浙江大学合作开发、拥有完全自主知识产权的高效清洁焚烧发电技术，并在集团大部分存量电厂得到应用。该技术具有燃料适应性广、燃烧效率高、调节负荷比大、负荷调节快、氮氧化物排放低、低成本石灰石炉内脱硫等特点，是全球公认的生活垃圾清洁燃烧技术之一。

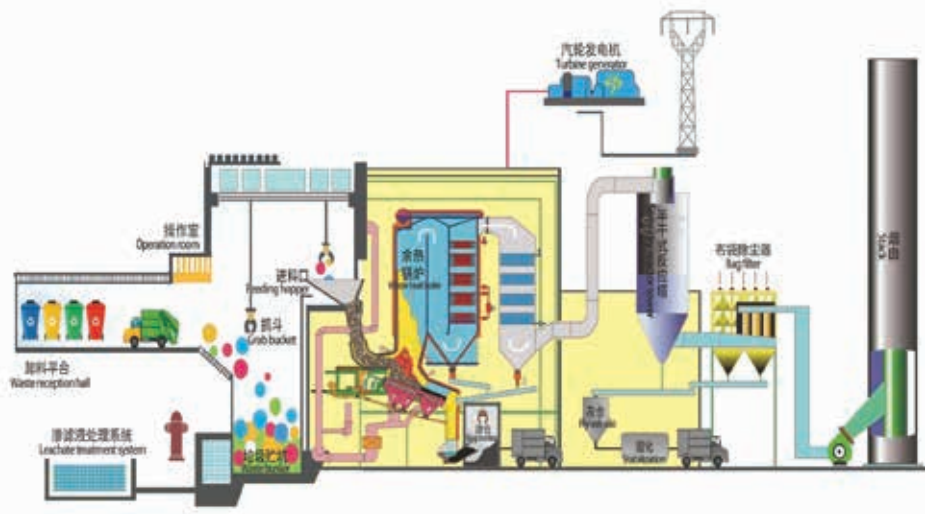


Figure 2: Overview of the grate furnace technology
图 2: 炉排炉工艺流程概览

Grate furnace technology is another technical method of waste incineration which operates stably and reliably, and most of the solid waste can be directly burned into the furnace without any pretreatment. While improving and optimising the technology of circulating fluidised bed waste incineration power generation, Zheneng Jinjiang Environment also adopts and utilises moving grate furnaces and actively collaborates with notable peers on moving grate furnace technology. The collaboration studies and analyses the characteristics of local municipal waste, helping to advise the appropriate furnace type according to the waste profile of different projects and how continuous technological improvements can be made. With the continuous progress of technology, we also make extensive use of high-parameter technology, such as the use of medium-temperature ultra-high voltage technology, which can improve the energy efficiency of power generation by 5-8%.

炉排炉技术是另一大垃圾焚烧技术流派，该技术运行稳定、可靠，绝大部分固体垃圾不需要任何预处理可直接进炉燃烧。浙能锦江环境在提升优化循环流化床垃圾焚烧发电技术的同时，引进并应用了炉排炉工艺，积极与行业内各知名企业展开炉排炉项目合作，仔细分析并研判各地生活垃圾的焚烧特性，根据不同的项目选择合适的炉型，不断提升技术水平。随着技术的不断进步，我们也大量使用高参数技术，如采用中温超高压技术，发电能效可提高 5-8%。

Urban Ecological Complex

The operation of Urban Ecological Complex is guided by the theory of sustainable development through the integration of park elements and optimization of system functions, so as to maximize the overall benefit.

The Urban Ecological Complex is integrated into the city and empowers the city. As a hub of urban arteries and veins, it collaborates with WTE facilities to dispose sludge, kitchen, industrial waste and other solid wastes. In addition to the output of electricity and heat, the WTE facilities can provide a steady stream of high-quality green power for the surrounding industrial enterprises, and the generated slag and fly ash can be converted into high value-added products such as metals and building materials through resource recycling treatment. The exhaust gas generated can be used to produce green methanol through carbon capture, and ultimately achieve zero carbonization of the entire park.

As China promotes the goal of "carbon peaking and carbon neutrality", Zheneng Jinjiang Environment is relying on existing enterprises to transform the single operational model of the WTE facilities to a diversified business model to build an ecological complex. While treating all kinds of solid waste in the city, it provides green energy and products for the city, and better integrates into the urban industrial park as the heart of the city and the industry.

城市生态综合体

城市生态综合体的运行是在可持续发展理论指导下通过对园区要素的整合以及系统功能的优化，从而使整体效益最大化。

城市生态综合体融于城市、赋能城市，作为城市动脉、静脉枢纽，依托垃圾发电厂协同处置污泥、餐厨、工业垃圾等其他固废。除输出电力、热力外，电厂可为周边工业企业提供源源不断的优质绿色动力，产生的炉渣、飞灰等可通过资源化处理转换为金属、建材等高附加值产品；产生的尾气可通过碳捕集，用于制绿色甲醇，最终实现整个园区的零碳化。

随着中国推进实现“碳达峰·碳中和”目标，浙能锦江环境正依托存量企业，使垃圾发电厂从单一经营转向多元化经营模式，大力谋划打造城市生态综合体，在处理城市各类固废的同时为城市提供绿色能源及产品，更好融入城市工业园区，成为城市之心、工业之心。



Figure 3: Overview of the Urban Ecological Complex
图 3：城市生态综合体概览

Environmental Services and Education

环境服务和教育

Environmental Services

Zheneng Jinjiang Environment strives to improve the technical and operational efficiency, explore more possibilities in the WTE ecosystem. At the same time, the Group continues to strengthen communication and cooperation with the government, industry peers, technical experts and scholars, popularize environmental education, improve the public's understanding of waste incineration power generation from point to point, and actively advocate and encourage green production and lifestyle.

In FY2023, Zheneng Jinjiang Environment further improved the four control objectives of project construction, enhanced standardization level to promote the sustainable development of project construction. During the year, three WTE projects (including reconstruction and expansion project) and one Kitchen Waste Treatment project were put into operation, increasing the waste treatment capacity in operation by 2,450 tonnes per day.

At the same time, in the critical period of seizing proper opportunities and fully promoting the green and low-carbon transformation and development, the Group takes the expansion of the two markets of "resources + products" as the starting point. The Company prioritises quality and efficiency, focuses on new projects' investment to drive existing project optimization, and promotes the landing and reserve of new projects in an orderly and efficient manner. In FY2023, the Group successfully realized the new development of 4 existing projects. It has obtained the approval of 1) the relocation project of Xingjin WTE Facility in Zhengzhou City, Henan Province, 2) the promotion and expansion project (Phase III and stage one) of Yinchuan Zhongke WTE Facility, 3) the reconstruction and expansion project of Wuhan Jinjiang WTE Facility in Wuhan City, Hubei Province, and successfully signing the supplementary agreement of the concession agreement. Also the Zibo Green Energy WTE Facility has signed the concession agreement on kitchen waste treatment cooperation.

环境服务

浙能锦江环境努力提高技术和运营效率，在 WTE 生态系统中探索更多可能性。同时，集团持续加强与政府、业内同行、技术专家和学者的沟通与合作，普及环境教育，由点到面提升公众对垃圾焚烧发电的理解，积极倡导、鼓励绿色生产和生活方式。

2023 财年，浙能锦江环境进一步提高项目建设的四大控制目标，提升标准化和规范化，推动工程建设可持续发展。集团于年内投运 3 个垃圾焚烧发电项目（含改建和扩建项目）和 1 个餐厨垃圾处理项目，增加运营中的垃圾处理能力 2,450 吨 / 日。

同时，在抢赛道、全力推进绿色低碳转型发展的关键时期，集团以“资源 + 产品”两个市场拓展为抓手，坚持质量第一、效益优先，聚焦增量投入带动存量优化，有序高效推进增量项目的落地和储备。2023 财年，集团成功实现 4 个存量项目新发展，取得河南省郑州市荥阳垃圾发电厂迁建项目核准批复、银川垃圾发电厂提升扩建项目（三期一阶段）核准批复、湖北省武汉市武昌垃圾发电厂改扩建项目核准批复并顺利签署特许经营协议补充协议，以及山东省淄博市淄川垃圾发电厂签订厨余垃圾处理合作框架协议。

The concession supplementary agreement of Wuhan Jinjiang WTE Facility in Hubei Province was successfully signed

湖北省武汉城市生活垃圾焚烧发电项目特许经营补充协议顺利签订



Wuhan Jinjiang WTE Facility signed a concession supplementary agreement for its reconstruction project with the local government for an additional 3,000 tonnes per day of waste treatment capacity (including 1,000 tonnes per day of pre-treatment capacity), which, when added to the existing waste treatment capacity of 2,500 tonnes per day, will amount to a total waste treatment capacity of 5,500 tonnes per day. The agreement took effect on 21 August 2023 and lasts for 30 years.

湖北省武汉市武昌垃圾发电厂与当地政府签订其改建项目的特许经营补充协议，协议新增处置规模 3,000 吨 / 日（含预处理规模 1,000 吨 / 日），武昌垃圾发电厂新老项目合并最终整体形成 5,500 吨 / 日生活垃圾处置规模。本次协议自 2023 年 8 月 21 日起生效，协议期限 30 年。

Wuhan is an important strategic market for Zheneng Jinjiang Environment, and the Group has the Wuhan Jinjiang WTE Facility and the Wuhan Green Energy WTE Facility in Wuhan, which are the first two WTE facilities put into operation in Hubei Province and Wuhan, accounting for more than half of Wuhan's waste power generation capacity. The Group seized the opportunity of urban planning and construction of Wuhan's construction of super-large urban solid waste treatment system, actively broadened its business ideas, grasped market opportunities, and upgraded and built the South Wuhan ecological complex construction project based on Wuhan Jinjiang WTE Facility. The project covers an area of 149.5 mu and is a large-scale circular economy industrial park project integrating the disposal of household waste, kitchen waste, sludge, direct supply of green electricity and heat supply.

武汉作为浙能锦江环境重要战略市场，集团在武汉布局有武昌垃圾发电厂和汉口垃圾发电厂，是湖北省及武汉市最早投入运行的垃圾发电企业，占武汉垃圾发电产能一半以上。集团抓住武汉构建超大城市生活垃圾治理体系城市规划建设的机遇，积极拓宽企业经营思路，紧抓市场，基于武昌垃圾发电厂，升级打造武汉南部生态综合体建设项目，该项目占地 149.5 亩，是集处置生活垃圾、厨余、污泥、直供绿电、供热为一体的大型循环经济产业园项目。

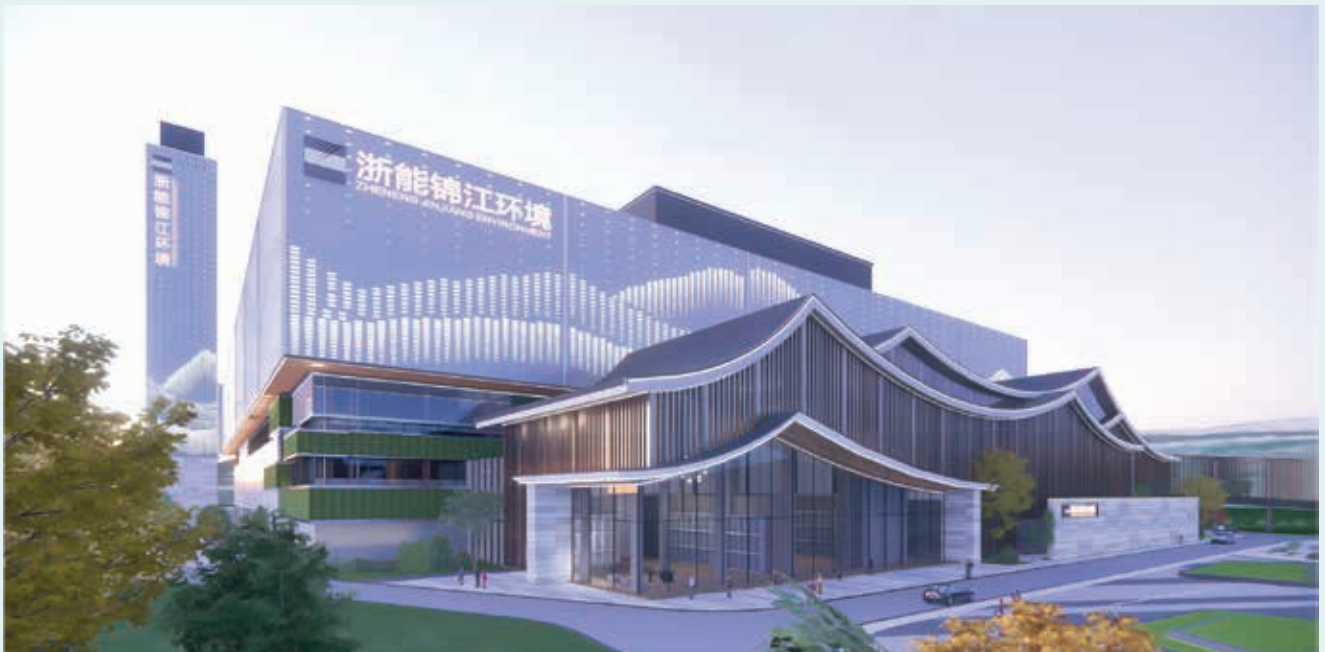


Figure 4: Design of the Reconstruction Project of Wuhan Jinjiang WTE Facility in Hubei Province

图 4：湖北省武昌垃圾发电厂改建项目设计效果图

Environmental Services and Education

环境服务和教育

As at 31 December 2023, Zheneng Jinjiang Environment operates 27 WTE facilities, 3 Kitchen Waste Treatment Facility and 8 Waste Resource Recycling projects, across 13 provinces, autonomous regions and municipalities in China with a total waste treatment capacity of 44,405 tonnes per day, and a total installed capacity of 915 MW. Taking into consideration all the projects under construction and in the planning phase, the Group's total installed waste treatment capacity is expected to reach 63,270 tonnes per day of municipal waste upon the completion of these projects. In FY2023, the Group treated a total of 12.766 million tonnes of municipal solid waste, serving approximately 87.44 million people², while generating 4,011,977 MWh of green electricity and 4,766 thousand tonnes of steam. (Refer to Table 4 for details).

Environmental Education

On 28 June 2023, the third session of the Standing Committee of the 14th National People's Congress voted to designate 15 August as National Ecology Day. The decision points out that the state carries out ecological civilization publicity and education activities in various forms, and "continuously achieves new results in promoting ecological civilization construction with the spirit of hammering nails."

Zheneng Jinjiang Environment continues to make efforts in carrying out environmental education, expanding access to environmental protection facilities, providing ecological civilization publicity and education services to the public, further enhancing the environmental awareness of the whole society, and consciously and proactively fulfilling the obligations and responsibilities of cherishing nature, protecting the environment and nurturing the ecology. In FY2023, the Group continued to carry out the 5 June Environment Day activities, organized six of its WTE facilities to carry out online live broadcast, and increased the dissemination and breadth of environmental protection education through scientific and technological strength, with a total of more than 9,000 online viewers. At the same time, we also actively carry out publicity activities such as waste classification and green office to enrich the knowledge reserve of residents and employees in the field of environmental protection, improve environmental awareness, and promote public participation in ecological and environmental protection.

截至 2023 年 12 月 31 日，浙能锦江环境在中国 13 个省、自治区和直辖市拥有 27 个已投入运营的垃圾焚烧发电项目，3 个餐厨垃圾处理项目和 8 个垃圾资源化项目，垃圾处理能力累计 44,405 吨 / 日，装机容量达 915MW，待所有在建、筹建项目全部建成后，垃圾处理总能力将达 63,270 吨 / 日。在 2023 财年，集团共处理了 1276.6 万吨的城市生活垃圾，产生了 4,011,977MWh 电力和 4,766 千吨蒸汽，相当于为大约 8,744 万人² 提供了垃圾处理服务。（详情参阅表 4）。

环境教育

2023 年 6 月 28 日，十四届全国人大常委会第三次会议表决通过决定，将 8 月 15 日设立为全国生态日。决定指出，国家通过多种形式开展生态文明宣传教育活动，“以钉钉子精神推动生态文明建设不断取得新成效”。

浙能锦江环境在开展环境教育方面持续发力，深化环保设施开放，向公众提供生态文明宣传教育服务，进一步提升全社会环境意识，自觉主动履行珍惜自然、保护环境、养育生态的义务和责任。2023 财年，集团持续开展六五环境日活动，组织旗下 6 家垃圾发电厂开展线上云直播，通过科技力量加大环保教育传播力度和广度，线上观看人数合计超过 9,000 人。同时，我们也积极开展垃圾分类、绿色办公等宣传活动，丰富居民和员工在环保领域的知识储备，提高环保意识，助推公众参与生态环境保护。

² Estimated based on the assumption that on average, each urban resident in China produces 0.4 kg of municipal waste per day. 根据中国城市居民每天平均产生 0.4 千克生活垃圾来估算。



Figure 5: The public information officer from Xiaoshan Jinjiang WTE Facility in Zhejiang Province giving the lecture to carry out waste classification theme education

图 5: 浙江省杭州萧山垃圾发电厂宣传讲解员走进课堂开展垃圾分类主题教育

The Group continues to take the environmental protection education base of its WTE facilities as the carrier, which is open to the public, so that environmental science can be introduced to the public. Now, all WTE facilities under Zheneng Jinjiang Environment have taken the initiative to open to the public. So far, the Company has 12 WTE facilities listed as public open facilities of China's national environmental protection facilities. The public can make an appointment to visit through various channels such as phone call and the Company's WeChat Official Account. In FY2023, around 15,000 people including investors, students, non-profit organisations, public institutions and the general public have visited our facilities.

On 11 January 2024, the "Opinions of the CPC Central Committee and The State Council on Comprehensively Promoting the Construction of a Beautiful China" was officially released, defining the green blueprint for the construction of a beautiful China by 2035, proposing grand goals, key tasks, major policies and measures, and making overall arrangements. The key to promoting a beautiful China and the construction of ecological civilization is to raise public awareness of ecological civilization and the concept of low-carbon life, in particular, to advocate the concept of economy and efficiency in the whole society, and to respect and follow the laws of nature and science. Zheneng Jinjiang Environment will continue to explore diversified environmental education methods, increase the frequency of public opening, stimulate public awareness of environmental responsibility, and promote the formation of a good trend of advocating ecological civilization and building a beautiful China.

集团持续以旗下垃圾发电厂的环保教育基地为载体，积极面向公众开放，让环保科普走进公众，目前，浙能锦江环境旗下所有电厂均主动对外开放，且已有 12 座垃圾发电厂被列为中国国家环保设施公众开放单位，公众可通过电话预约、浙能锦江环境微信公众号等途径进行预约参观。2023 财年，已有包括投资者、学生、公益组织、事业单位和其他群众在内的约 1.5 万人参观我们的设施。

2024 年 1 月 11 日，《中共中央国务院关于全面推进美丽中国建设的意见》正式发布，确定了 2035 年前美丽中国建设的绿色蓝图，提出宏伟目标、重点任务和重大政策举措，并做出了总体部署。推进美丽中国和生态文明建设的重点，是着力提高公众生态文明意识和低碳生活理念，特别是在全社会倡导节约和高效理念，要尊重并遵循自然和科学规律。浙能锦江环境将继续探索多样化环境教育方式，加大公众开放频次，激发公众环境责任意识，推动形成崇尚生态文明、共建美丽中国的良好风尚。

Environmental Services and Education

环境服务和教育

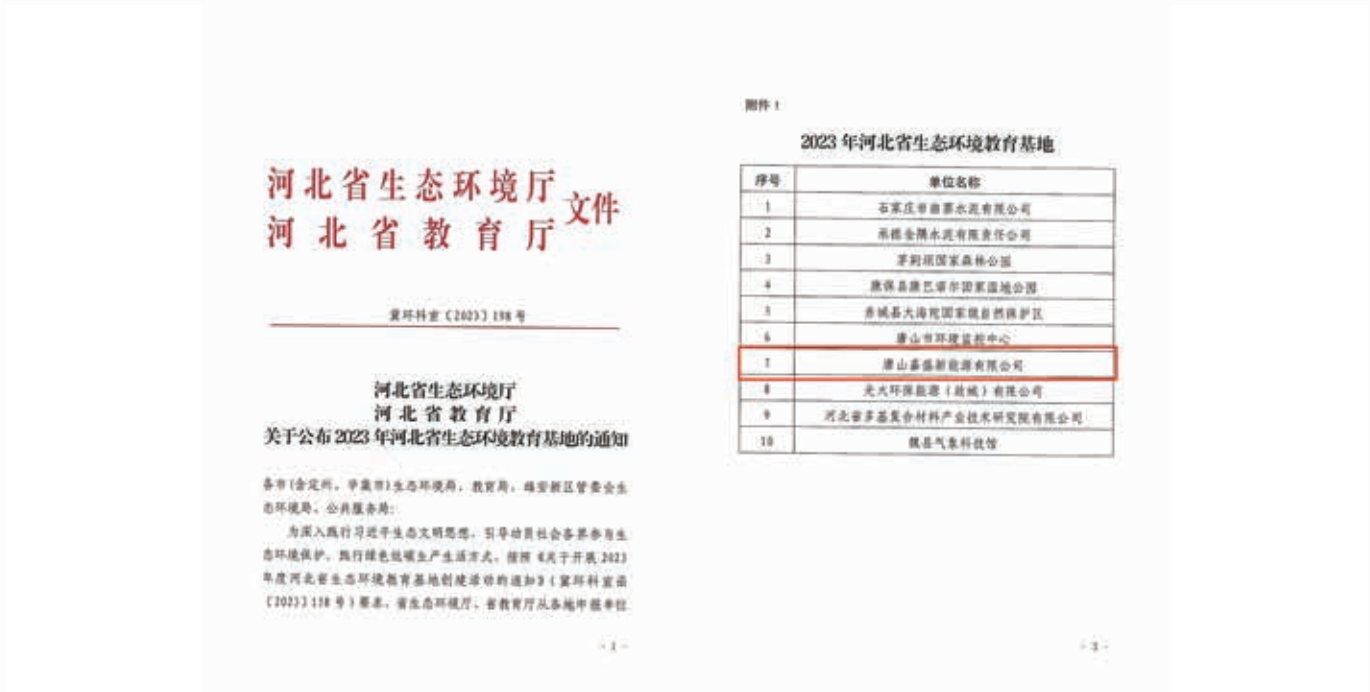


Figure 6: Tangshan Jiasheng WTE Facility in Hebei Province won the title of "Ecological Environment Education Base of Hebei Province"
图 6: 河北省唐山垃圾发电厂获得“河北省生态环境教育基地”称号

In addition, with the concept of "technology creates value", Zheneng Jinjiang Environment strives to stimulate the kinetic energy of technological innovation, continue to carry out regular technical exchanges, find industry experts to discuss together, such as conducting production and operation management training and technical exchange meetings, give full play to the technical capabilities of experts and identify and promote valuable technical methods and continue to carry out professional environmental education.

此外,浙能锦江环境以“技术创造价值”为理念,努力激发技术创新的动能,持续开展常态化技术交流,寻找行业专家共同研讨,如开展生产经营管理培训暨技术交流会,充分发挥专家的力量,挖掘好、整理好、推广好优秀的技术方法,持续开展专业环境教育。

Zheneng Jinjiang Environment held FY2023 annual production and operation management training and technical exchange meeting

浙能锦江环境召开 2023 年度生产经营管理培训暨技术交流会



In order to further promote technological innovation, improve the operation and management level of all operating enterprises under Jinjiang Environment, promote the internal management technology exchange experience sharing, and help the Group on the road of high-quality development, on November 30, 2023, Zheneng Jinjiang Environment FY2023 annual production management training and technical exchange meeting was successfully held in Kunming.

为进一步推进技术创新，提升浙能锦江环境旗下各运行企业运行管理水平，促进企业内部经营管理技术交流经验分享，助力集团高质量发展之路，2023 年 11 月 30 日，浙能锦江环境 2023 年度生产经营管理培训暨技术交流会在昆明顺利举行。

The meeting invited peer enterprise experts to share on the daily operation and maintenance management of waste power plant equipment. The speakers exchanged experiences on the improvement of production and operation management, technological reform and innovation. The meeting required all enterprises to do a good job in the production and operation process of three standardized management, being production operation standardization, maintenance standardization, repair evaluation standardization, and effectively lay a good foundation for the Group's high-quality development.

会议特邀同行企业专家就垃圾发电厂装备日常运行操作和维护管理等方面进行分享。各发言代表围绕生产经营管理提升、技术改革创新等状态进行了经验交流。会议要求各企业在生产经营过程中要做好三个标准化的管理，即生产运行操作标准化、检修维护标准化、修后评价标准化，切实为集团高质量发展打好基础。

The meeting pointed out that the current industry is facing an external environment such as economic downturn, environmental protection upgrading, idle capacity and national subsidy decline, broadening business ideas, strengthening business management level, and constantly improving technological innovation are the main and effective countermeasures for enterprises.

会议指出，当前行业面临经济下滑、环保提标、产能闲置以及国补退坡等外部环境，拓宽经营思路、加强经营管理水平、不断提升技术革新是企业主要且有效的应对之策。



Figure 7: Zheneng Jinjiang Environment held FY2023 annual production and operation management training and technical exchange meeting
图 7: 浙能锦江环境召开 2023 年度生产经营管理培训暨技术交流会

Environmental Services and Education

环境服务和教育

In July 2023, the Green Development Committee of Zheshang Research Center ("**Green Committee**") was officially unveiled and established. The Green Committee brought together 19 leaders from the green development industry in Zhejiang Province, and Zheneng Jinjiang Environment served as the director unit of the green Committee. The Green Committee practices the new development concept, and the member units interact frequently, fully discuss the industry policy suggestions, and jointly explore cooperation opportunities to promote the upgrading and optimization of the whole industrial chain of the green development industry, realize value sharing, and empower the green, low-carbon and sustainable development of Zhejiang enterprises.

At the same time, Zheneng Jinjiang Environment also participated in the compilation of seven industrial standards to promote the healthy development of the WTE industry with higher standards. Two standards have been published including a standard as the lead author named Standard for Solid Fuel Preparation from Domestic Waste and a Co-authored standard named Technical Requirements for Operational Evaluation of Solid Waste Treatment Equipment – Circulating Fluidized Bed, while the rest are still seeking public opinions.

2023年7月，浙商研究中心绿色发展委员会（“**绿色委**”）正式揭牌成立，绿色委汇聚了19家来自浙江省绿色发展行业的佼佼者，由浙能锦江环境担任绿色委的主任单位。绿色委践行新发展理念，成员单位之间互动频繁，充分商讨行业政策建议，将共同探寻合作机会，推动绿色发展行业全产业链升级优化，实现价值共享，赋能浙商浙企绿色、低碳、可持续发展。

同时，浙能锦江环境还参与7项行业标准的编制工作以促进垃圾焚烧发电行业以更高标准健康发展，其中出版2项标准，包括主编标准《生活垃圾制备固体燃料标准》和参编标准《固废处理装备运行效果评价技术要求——循环流化床》，其余仍在征求意见中。

Category 类别	Name 名称	Status 状态
Co-authored standards 参编标准	Technical Specification for Prevention and Control of Odor Pollution in Domestic Waste Incineration Plants 《生活垃圾焚烧厂臭气污染防治技术规范》	Seeking opinions 征求意见中
	Technical Specification for Nitrogen Oxide Pollution Control in Domestic Waste Incineration Plants 《生活垃圾焚烧厂氮氧化物污染防治技术规范》	Seeking opinions 征求意见中
	Technical Specification for Prevention and Control of Dioxin Pollution in Domestic Waste Incineration Plants 《生活垃圾焚烧厂二噁英污染防治技术规范》	Seeking opinions 征求意见中
	Technical Requirements for Operational Evaluation of Solid Waste Treatment Equipment – Circulating Fluidized Bed 《固废处理装备运行效果评价技术要求——循环流化床》	Published 已出版
Standards as the lead author 主编标准	Technical Specification for Carbon Monoxide Pollution Prevention in Domestic Waste Incineration Plants 《生活垃圾焚烧厂一氧化碳污染防治技术规范》	Seeking opinions 征求意见中
	Technical Specification for Furnace Temperature Control of Domestic Waste Incineration Plant 《生活垃圾焚烧厂炉温控制技术规范》	Seeking opinions 征求意见中
	Standard for Solid Fuel Preparation from Domestic Waste 《生活垃圾制备固体燃料标准》	Published 已出版

Table 3: Standards that Zheneng Jinjiang Environment participated in compilation in FY2023

表 3：2023 财年浙能锦江环境参与编制的标准

In FY2024, we will continue to expand the scale of our environmental services and enhance our environmental education programmes by leveraging the power of technology. We anticipate three more facilities to be launched for operation. At the same time, in the medium-term future, while promoting the active implementation of existing reserve WTE projects, we will take planning two markets of "resources + products" as the basis for development, take initiative to obtain opportunities, accurately plan for the future, build an urban ecological complex around the "collaborative cycle", and provide a steady stream of help for green development.

2024 财年，我们将继续扩大环保服务的规模，利用科技的力量加强环保教育计划，我们预计将有3个项目投入运营。同时，在近几年，我们将在推进现有储备垃圾焚烧发电项目积极落地的同时，以谋划“资源+产品”两个市场为发展之基，发挥主观能动性，主动出击，精准谋划未来，围绕“协同循环”打造城市生态综合体，为绿色发展提供源源不断的助力。

Green development is not only a social responsibility, but also an inevitable choice for the sustainable development of enterprises. Zheneng Jinjiang Environment has formulated the corresponding green development strategy and integrated it into all aspects of the enterprise, and achieved green development by adopting green technology and producing green products to enhance its market competitiveness.

Green Technology

In FY2023, Zheneng Jinjiang Environment continued to promote the transformation and green development of enterprise digital intelligence, actively use digital intelligence technology, green technology and other advanced applicable technologies to inject new momentum into traditional industries, continuously improve the level of refinement, and promote green and low-carbon development.

The National high-tech enterprise certification is the most authoritative assessment of the comprehensive strength of enterprises in science and technology in China, which strictly examines various indicators such as enterprise qualification, intellectual property, core technology, transformation of scientific and technological achievements, and revenue of high-tech products and services. Six subsidiaries were accredited as "National High-tech Enterprises" during the year, including the newly recognized Xingjin Green Energy WTE Facility, and five enterprises, i.e. Zhuji Bafang Power Plant, Wenling Green Energy WTE Facility, Wuhu Jinjiang WTE Facility, Suihua Green Energy WTE Facility and Zhejiang Shengyuan Environment Testing Technology Co., Ltd, successfully passed the review process for accreditation as National High-tech Enterprises. To date, a total of 16 subsidiaries of the Group have been accredited as National High-tech Enterprises.

In addition, Hangzhou Kesheng Energy Technology Co., Ltd., a subsidiary of Zheneng Jinjiang Environment, has been recognized by Zhejiang Provincial Department of Economy and Information Technology as "Specialized Small and Medium-sized Enterprises in Zhejiang Province". Up to now, 6 enterprises have been recognized as Specialized Enterprises. Specialized Enterprise refers to enterprises with the advantage of "professionalism, refinement, uniqueness and novelty", and which are also leading enterprises that focus on market segmentation, strong innovation ability, high market share, mastery of key core technologies and excellent quality and results.

绿色发展不仅是社会责任，也是企业可持续发展的必然选择。浙能锦江环境已制定相应的绿色发展战略，并将其融入到企业的各个方面，通过采用绿色技术和生产绿色产品实现绿色发展，提升自身的市场竞争力。

绿色技术

2023 财年，浙能锦江环境持续推进企业数智化转型和绿色化发展，积极运用数智技术、绿色技术等先进适用技术为传统产业注入新动能，持续提升精细化水平，推动绿色低碳发展。

国家高新技术企业认定对企业资质、知识产权、核心技术、科技成果转化以及高新技术产品服务收入等多方面指标进行严格审核，是目前中国对企业在科技综合实力方面最权威的评定。集团旗下 6 家企业于年内获得“国家高新技术企业”称号，包括新认定的河南省荥阳垃圾发电厂和复审认定的 5 家企业（浙江省诸暨八方电厂、浙江省台州市温岭垃圾发电厂、安徽省芜湖垃圾发电厂、黑龙江省绥化垃圾发电厂和浙江盛远环境检测科技有限公司），截止目前浙能锦江环境旗下已有 16 家企业获得高新技术企业认定。

另外，浙能锦江环境旗下杭州科晟能源技术有限公司被浙江省经济和信息化厅认定为“浙江省专精特新中小企业”，截止目前已有 6 家企业获得专精特新企业认定。专精特新企业是指具有专业化、精细化、特色化、新颖化优势的企业，也是专注于细分市场、创新能力强、市场占有率高、掌握关键核心技术、质量效益优的排头兵企业。

Yunan Green Energy WTE Facility in Yunnan Province is recognized as the Enterprise Technology Center of Yunnan Province 云南省西山垃圾发电厂被认定为云南省企业技术中心



After careful organization and declaration, through layers of selection, expert review, multi-department joint review, Yunan Green Energy WTE Facility in Yunnan Province successfully selected the 26th batch of Yunnan Province Enterprise Technology Center, is the first provincial enterprise technology center in this industry in Yunnan Province. The selection of the Yunnan Enterprise Technology Center is a high recognition of the technical innovation ability and innovation level of Xishan waste power plant by the evaluation institution.

经精心组织申报，通过层层选拔，专家评审，多部门联合审查，云南省西山垃圾发电厂成功入选第二十六批云南省企业技术中心，是云南省行业内第一家省级企业技术中心。此次入选云南省企业技术中心，是评定机构对西山垃圾发电厂技术创新能力与创新水平的高度认可。

Digital intelligence continues to extend the width and breadth of its application in the green environmental protection industry, and has a magnifying superposition and aggregation multiplier effect on the development of industrial green. Zheneng Jinjiang Environment continues to follow the four-step system of "production-level autonomous driving, equipment-level digital twins, facility-level intelligent management and enterprise-level business brain". The promotion of AI intelligent incineration systems in 5 WTE facilities including Songyuan Xinxiang in Jilin Province, Yunan Green Energy in Yunnan Province, Linzhou Jiasheng in Henan Province, Zhongwei Green Energy in Ningxia Hui Autonomous Region and Leting Jinhuan in Hebei Province were completed within this year. As at the end of FY2023, AI functional incineration projects have been implemented in 18 WTE facilities. At the same time, in order to standardize the Group's daily management and maintenance of the production and operation digital control system of its subordinate operating enterprises, give full play to the role of the digital control system in the production management process, and implement advanced management concepts such as standardization, collaboration and high efficiency in the work, the Group established and promulgated the "Regulations on the Management of Production and Operation Digital Control System". It provides the system basis for improving the working efficiency of power plant. At present, the application rate of AI incineration in enterprises has basically reached more than 90%, and the operation and maintenance level of digital systems has been greatly improved.

At the headquarters level, the Group vigorously promoted the application and optimization of the first phase of intelligent control and management system, constantly improve the problems in the application of the system, check leaks and make up for deficiencies, comprehensively assist the construction of the second phase of the intelligent control and management system, improve the reporting function, build the function of the business plan and production scheduling module, provide daily and monthly reports and business plan forms for project development support and functional questions, and effectively promote the progress of the system construction.

数智化技术可以不断延伸其在绿色环保产业中的应用宽度和广度，对于产业绿色化发展具有放大叠加、聚合倍增效应。浙能锦江环境继续按照“生产级自动驾驶、设备级数字孪生、电厂级智慧管理、企业级经营大脑”四步体系，于年内完成吉林省松原、云南省西山、河南省林州、宁夏中卫、河北省乐亭等5家垃圾发电厂AI智能焚烧系统的推广。截至2023财年底，已累计在18家下属企业实施AI智能焚烧系统。同时，为规范集团对下属运行企业生产经营数字化管控系统的日常管理和维护，充分发挥数字化管控系统在生产管理过程中的作用，在工作中贯彻标准化、规范化、协作化、高效化等先进的管理理念，集团制定并颁布《生产经营数字化管控系统管理规定》，为提升电厂工作效率提供了制度依据。当前企业AI焚烧投用率基本达到90%以上，数字化系统的运维水平大幅提升。

在总部层面，集团大力推进阿里智慧管控系统一期的应用与优化，不断完善系统应用中存在问题，查漏补缺，全面协助智慧管控系统二期建设，健全报表功能，搭建经营计划排产模块功能，为项目开发提供日月报和经营计划表单支持及功能答疑，有效地推进系统建设进度。

Green Production

Green development is the basis of high-quality development, and the green productivity is at the root of new quality productivity. Zheneng Jinjiang Environment has always adhered to the development based on the efficient use of resources, strict protection of the ecological environment, and effective control of greenhouse gas emissions, to achieve carbon reduction, pollution reduction, green expansion, growth, and to do a good job of overall coordination.

Zheneng Jinjiang Environment takes digital management as the starting point, standardised management as the criterion, applied the green technology into production, through rationalization maintenance operations, standardised furnace shutdown maintenance, to ensure long-term high standard and stable operation of enterprises, so as to ensure good energy utilisation efficiency and reduce energy consumption. In FY2023, the Group continued to promote the safety evaluation work, focusing on the key work of full personnel responsibility, special equipment, special operations, fire management, solid waste management, problem-oriented, dynamic closed-loop control, effective discovery and solution of problems, and ensure that the management level is gradually improved. In addition, the Group also encourages employees to practice low-carbon office through water-saving, power-saving, recycling and other measures, the application of LED energy-saving lamps, the use of video conferencing, electronic work, reduce environmental and energy impact, physical practice to advocate and promote green office. By means of information pushing, organizing training, making publicity and exhibition boards, we educate and guide all staff to adhere to a green, low-carbon, simple and moderate lifestyle consumption, oppose extravagance and waste, take the lead in green travel, volunteer to plant trees, strive to be practitioners, guides and promoters of energy saving and carbon reduction, and actively create a new fashion of green and low-carbon life.

Zheneng Jinjiang Environment implements the concept of green design and life cycle management, attaches great importance to energy saving and emission reduction management, optimizes the production process, strictly controls the production process, saves a lot of materials, and improves production efficiency. Each operating enterprise has assigned special environmental information management personnel, who are responsible for collecting energy use data regularly and keeping track of the materials and energy injected into the furnace in detail, so that the Group can continuously improve its production and operation. In FY2023, the Group generated 4,011,977 MWh of green electricity and 4.766 million tonnes of steam. Other materials and energy consumption are shown in the table below.

绿色生产

绿色发展是高质量发展的底色，新质生产力本身就是绿色生产力。浙能锦江环境始终坚持把发展建立在高效利用资源、严格保护生态环境、有效控制温室气体排放的基础上，实现降碳、减污、扩绿、增长，做好统筹协调这篇大文章。

浙能锦江环境以数字化管理为抓手，标准化管理为准绳，将绿色技术应用于生产，通过合理化维护作业、规范化停炉检修，保障企业长时间高标准稳定运营，从而保障良好的能源利用效率，降低能源消耗。2023 财年，集团持续推进安全性评价工作开展，紧抓全员责任、特种设备、特种作业、消防管理、固废管理等重点工作，以问题为导向，实行动态闭环管控，有效的发现和解决问题，确保管理水平逐步提升。另外，集团还鼓励员工通过节水、节电、回收利用等举措实践低碳办公，应用 LED 节能灯，采用视频会议、电子作业，减少环境及能源影响，身体力行倡导、推行绿色办公；通过信息资讯推送、组织参加培训、制作宣传展板等方式，教育引导全员坚持绿色低碳、简约适度的生活消费方式，反对奢侈浪费，带头绿色出行、义务植树，争做节能降碳的践行者、引导者和宣传者，积极营造绿色低碳生活新时尚。

浙能锦江环境贯彻绿色设计和生命周期管理理念，高度重视节能减排管理，优化生产工艺，严格控制生产过程，节约大量物料，提升生产效率。旗下各运营企业均安排了专门的环境信息管理人员，负责定期收集能源使用数据，详细记录入炉的物质和能量，以便集团持续改善其生产运营。2023 财年集团产生了绿色电力 4,011,977 MWh，蒸汽 4,766 千吨，其他物料和能源消耗参阅下表。

FY2023	Unit 单位	Amount 数量
Renewable Materials 可再生物质		
Municipal Solid Waste 城市固体废物	Tonnes 吨	12,766,000
Non-renewable Materials 非可再生物质		
- Lime 石灰	Tonnes 吨	69,753
- Ammonia 氨水	Tonnes 吨	24,521
- Activated Carbon 活性炭	Tonnes 吨	3,765
Purchased Energy 购买的能源		
- Electricity 电	MWh 兆瓦时	20,210
- Coal 煤	Tonnes 吨	453,489
- Diesel 柴油	Tonnes 吨	5,644
Green Energy Generated 产生的绿色能源		
- Electricity 电	MWh 兆瓦时	4,011,977
- Steam 蒸汽	'000 Tonnes 千吨	4,766

Table 4: Material Consumption, Energy Consumption, and Green Energy Generation in FY2023
表 4: 2023 财年物料消耗、能源消耗和产生的绿色能源

Integrated Resource Utilisation and Pollution Control

Zheneng Jinjiang Environment strictly abides by the national and local laws and regulations on environmental management and ecological protection, and strictly manages the waste water, waste gas and waste residue generated during construction and operation. Its subsidiaries regularly engage qualified third-party testing companies to carry out monitoring on organized waste gas, sewage, groundwater, solidified ash, noise, slag and other monitoring items. In FY2023, all subsidiaries successfully passed the requisite standards under the monitoring reports. As the first third-party testing company in the WTE industry, Zhejiang Shengyuan Environmental Testing Technology Co., Ltd., a subsidiary of the Group, has continuously improved its inspection and testing capabilities. At present, the qualification items that can be tested have reached 21 categories, providing fair, accurate and reliable data and quality services for internal and external counterparts of the Group, to serve the WTE industry with strong technical force and excellent service level.

In order to properly monitor emissions, we have installed Continuous Emission Monitoring System (CEMS) in all WTE facilities, and truthfully publish emission data and operation status on the electronic display screen at the gate of each facility. The pollution monitoring system of facilities is connected to the pollution source data monitoring Center of the Ministry of the Ministry of Ecology and Environment (the "MEE") of China, meeting the requirements of the MEE on "Install, Display and Connect". At the same time, the Group strengthens the management of flue gas purification process facilities in the production process and strictly abides by the relevant operating procedures to ensure that exhaust emissions meet the national emission standards and relevant laws and regulations.

污染控制和资源综合利用

浙能锦江环境严格遵守国家及运营所在地环境管理及生态保护相关的法律法规，对施工与运营过程中产生的废水、废气和废渣进行严格管理。下属企业定期委托有资质的第三方检测公司分别对有组织废气、污水、地下水、固化灰、噪声、炉渣等监测项开展委托监测，2023 财年所有下属企业监测报告均合格。集团旗下浙江盛远环境检测科技有限公司作为垃圾焚烧行业的首家第三方检测公司，不断提升检验检测能力水平，目前可进行检测的资质项目已达 21 类，为集团内部及外部同行企业提供公正、准确、可靠的数据资料和优质服务，以强大的技术力量和优良的服务水平服务于垃圾焚烧行业。

为妥善监控废气排放，我们在所有垃圾焚烧发电厂都安装了排放连续监测系统 (CEMS)，并在厂区门口的电子显示屏如实公布排放数据和运行状态，监测数据与生态环境部污染源数据监控中心联网，符合中国生态环境部关于“装、树、联”的要求。同时集团在生产过程中强化对烟气净化工艺设施的管理，严格遵守相关操作规程，确保废气排放满足国家排放标准及相关法律法规。

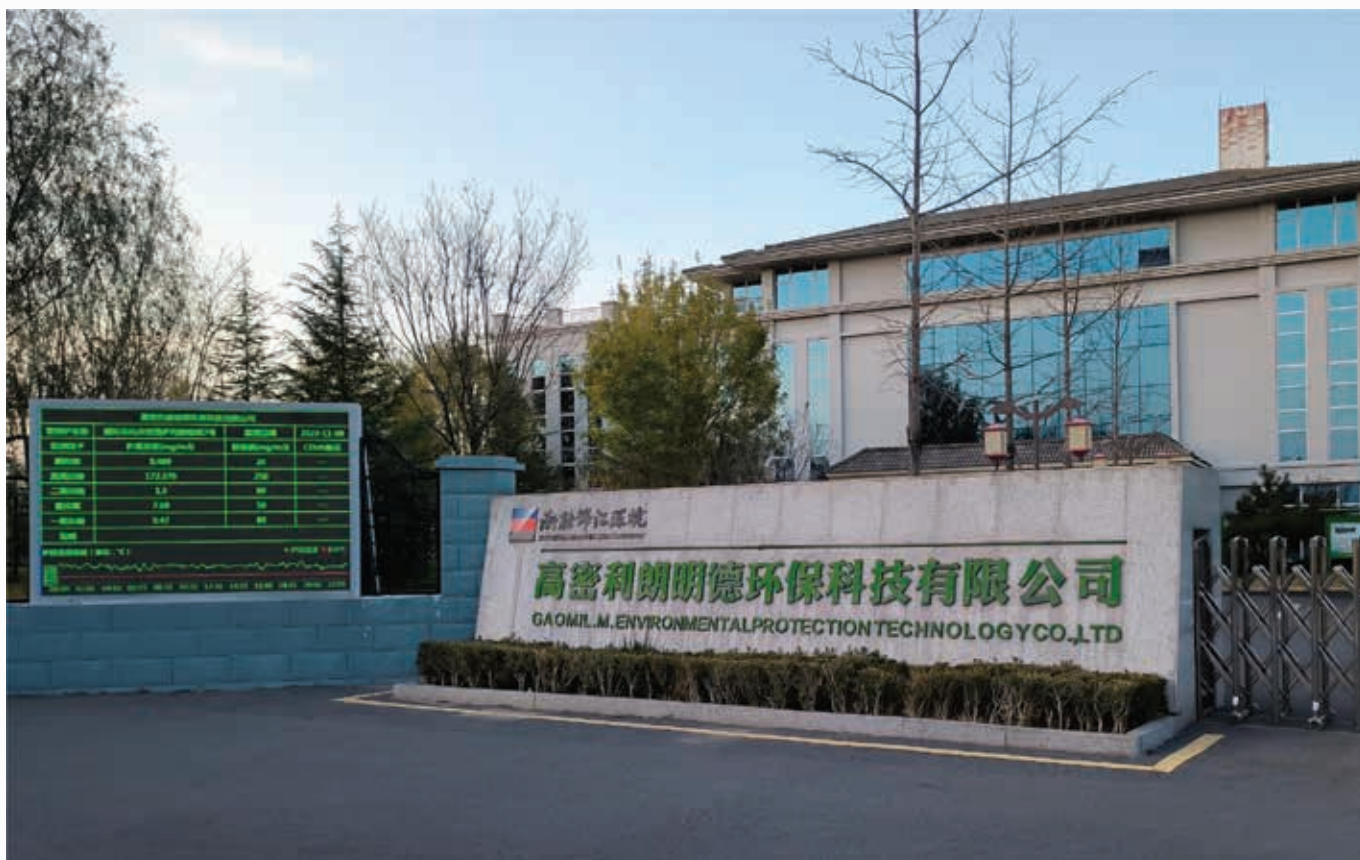


Figure 8: Emission display of Gaomi Lilangmingde WTE Facility in Shandong Province
图 8: 山东省高密垃圾发电厂展示的排放

The leachate produced by removing excess water from waste before incineration is disposed according to environmental protection standards. In FY2023, the leachate produced reached 1.4395 million tonnes. After a series of treatments such as pretreatment, anaerobic, denitrification/nitrification, ultrafiltration, nanofiltration and reverse osmosis, water accounted for about 85%, which met the “Quality of Industrial Water for Municipal Sewage Recycling” (GB/T19923-2005) standards and was used to supplement circulating cooling water in the facility. The remaining 15% can be returned to the furnace for incineration and finally achieve zero emission recycling.

对于焚烧前去除垃圾中多余水分而产生的渗滤液，按环保要求达标处置，2023 财年产生的渗滤液达 143.95 万吨。经过预处理、厌氧、反硝化/硝化、超滤、纳滤以及反渗透等一系列处理后，清水占比约 85%，符合《城市污水再生利用工业用水水质》(GB/T19923-2005)，作为厂内循环冷却水补充水，剩余 15% 可回炉焚烧处理，最终实现零排放回用。

Green Operations

绿色经营

Zheneng Jinjiang Environment firmly implements the new development concept, closely focuses on the construction of circular economy, aims to improve the efficiency of resource utilization, takes the fine management, effective recycling and efficient utilization of waste as the path, promotes the comprehensive utilization of source, and lays a solid green and low-carbon foundation for high-quality development. Bottom ash is the primary residue after waste incineration, which belongs to general solid waste and the Group works with downstream business partners to recycle it as building materials used in construction, roadbeds and soil restoration. As the fly ash generated is classified as hazardous waste, we strictly follow requirements of prevention and control of pollution of hazardous waste, sending it to landfill to prevent pollution after the fly ash is chelated and solidified to standards or co-processing it with cement kiln. In FY2023, 750,738 tonnes of fly ash (hazardous waste) were achieved harmless treatment, while 1,638,162 tonnes of bottom ash (general solid waste) were sent for recycling, which increasing by 11% y-o-y. In FY2024, our WTE facilities aim to continue monitoring the quality of the waste discharged in compliance with environmental legislation.

In FY2024, we will continue to promote the research and development of equipment digital twins and the second phase of intelligent control and management system, as well as innovate the operation management model, improve the operation management level, coordinate superior resources, give full play to the role of environmental protection enterprises, and promote the realization of the "double carbon" goal. In the medium-term future, we will further emancipate our minds, release vitality, standard advanced peers, enhance goal orientation, problem orientation, result orientation, use technology upgrading, revitalize stock assets, do a good job of collaborative disposal, and strive to build an urban ecological complex, improve resource utilization efficiency, and achieve high-quality development of the Group. At the same time, we will continue to strengthen the transparency and openness of our information, improve the depth of environmental protection education in diversified forms, and call on the public to actively become advocates of low-carbon living, disseminators of low-carbon ideas, and practitioners of low-carbon lifestyle.

浙能锦江环境坚定贯彻新发展理念，紧紧围绕循环经济建设，以提高资源利用效率为目标，以废弃物精细管理、有效回收、高效利用为路径，推进资源综合利用，为高质量发展厚植绿色低碳根基。炉渣是垃圾焚烧后的首要残余物，属于一般固体废物，集团与下游业务伙伴合作，对其进行综合利用，可用于建筑、路基和土壤修复。而垃圾焚烧产生的飞灰则属于危险废物，集团严格按照危险废物污染防治要求，对飞灰进行螯合固化满足填埋标准后，送往填埋场填埋，或进行水泥窑协同处理，杜绝污染。2023 财年，实现 750,738 吨飞灰（危险废物）无害化处置，1,638,162 吨的炉渣（一般固废）被资源综合利用（比 2022 财年同比上升 11%）。2024 财年，我们将继续监测废弃物排放质量以符合环境法规。

2024 财年，我们将继续推进设备数字孪生、智慧管控二期系统等研发实施，创新运营管理模式，提升运营管理水平，统筹优势资源，充分发挥环保企业作用，推动“双碳”目标的实现。接下来几年，我们也将进一步解放思想、释放活力，对标先进同行，增强目标导向、问题导向、结果导向，利用技术升级，盘活存量资产，做好协同处置文章，努力打造城市生态综合体，提升资源利用效率，实现集团高质量发展。同时，将持续加强我们的信息透明度和开放性，多元化形式提高环保教育深度，呼吁社会公众积极成为低碳生活的倡导者，低碳理念的传播者，低碳生活方式的践行者。

Addressing Climate Change

应对气候变化

Climate change is both a real global crisis and a long-term challenge. It is one of the grave challenges facing all mankind and the biggest challenge facing mankind in achieving the goals of the 2030 global agenda for sustainable development.

In December 2023, at the twenty-eighth Conference of the Parties (COP28) of the United Nations Framework Convention on Climate Change held in Dubai, United Arab Emirates, the global inventory became the biggest focus of attention, and there is still a long way to go for global climate governance and green and low-carbon development in the future. In January 2024, the 54th Annual Meeting of the World Economic Forum in Davos set strategic cooperation on energy and climate as an important topic to discuss long-term strategies on climate, nature and energy.

Active response to climate change and green and low-carbon development have become the trend and direction of world development, which has greatly promoted the rapid development of low-carbon technologies such as renewable energy.

The WTE project is an important part of renewable energy power generation project. Under the background of "carbon peak and carbon neutrality", waste incineration treatment has become an important means to solve the "waste siege". WTE industry, as a typical "negative carbon" industry, has significant carbon reduction effect. Zheneng Jinjiang Environment understands the importance of addressing climate change and is committed to improving our climate adaptability in order to achieve long-term sustainable operations. Notwithstanding that the Group does not operate in any industry identified by the TCFD as most affected by climate change as outlined in paragraph 4.9 of Practice Note 7.6: "Sustainability Reporting Guide" of the Listing Manual, to demonstrate the Group's commitment to integrating climate change management into its sustainability framework, in this year's report, the Group has continued to voluntarily provided climate-related information to stakeholders and the public with reference to the framework of the TCFD.

气候变化既是全球现实危机又是长期挑战，是当前全人类共同面临的严峻挑战之一，也是人类实现 2030 年全球可持续发展议程目标面临的最大挑战。

2023 年 12 月，在阿联酋迪拜召开的《联合国气候变化框架公约》第二十八次缔约方大会 (COP28) 上，全球盘点成为最大的关注焦点，未来全球气候治理与绿色低碳发展依然任重道远。2024 年 1 月，第 54 届达沃斯世界经济论坛年会更是将能源气候战略合作设置为一项重要议题，探讨气候、自然和能源的长期战略。

积极应对气候变化和绿色低碳发展已成为世界发展的潮流和方向，大幅推动了可再生能源等低碳技术的快速发展。

垃圾焚烧发电项目是可再生能源发电项目中的重要组成部分，在“碳达峰·碳中和”大背景下，垃圾焚烧处理成为解决“垃圾围城”的重要手段，垃圾焚烧发电行业作为典型“负碳”行业，其减碳效应显著。浙能锦江环境深知应对气候变化的重要性，并致力于提升我们的气候适应能力，以求实现长期的可持续运营。尽管本集团并未在上市手册实践说明 7.6 “可持续发展报告指南”第 4.9 段所述的 TCFD 确定的受气候变化影响最大的任何行业开展业务，为显示集团将气候变化管理纳入其可持续发展框架的承诺，在本年度的报告中，集团继续参照 TCFD 的框架，主动为利益相关者和公众提供气候相关信息。

Addressing Climate Change

应对气候变化

About TCFD

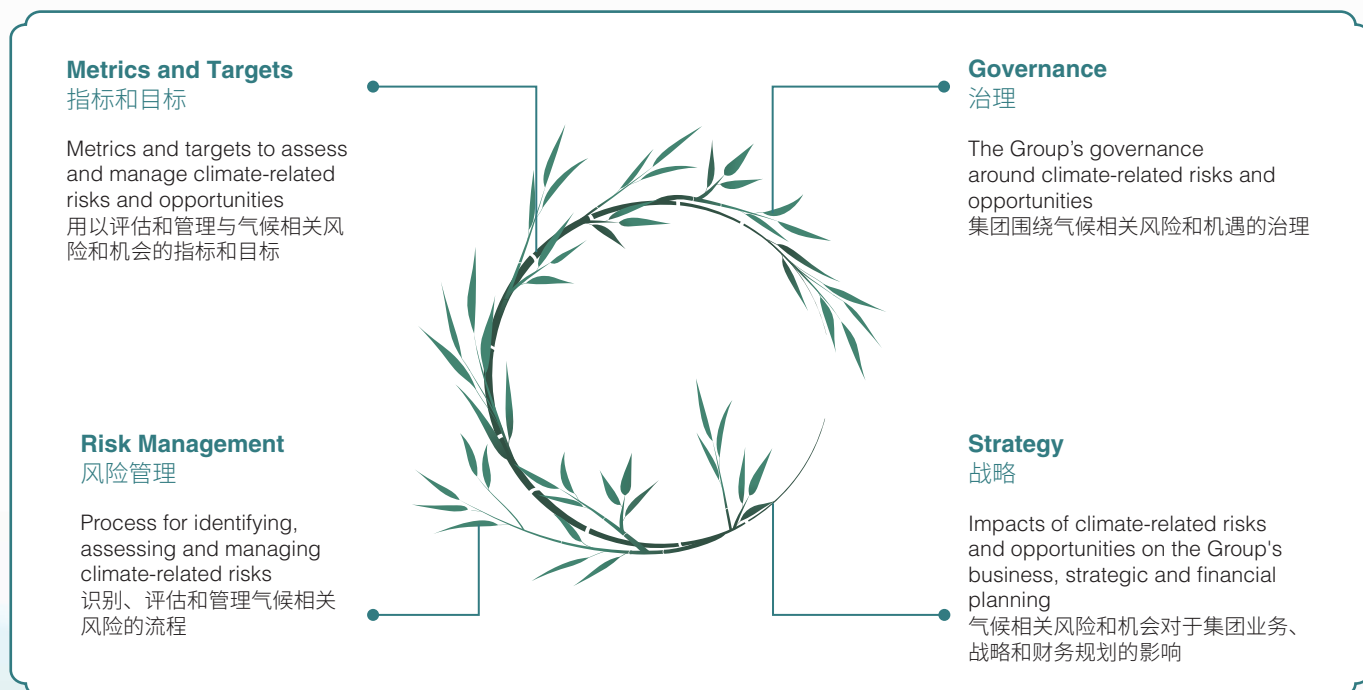
In December 2015, the Financial Stability Board under G20 established the industry-led TCFD to develop climate-related disclosures that can promote more informed investment, credit and insurance underwriting decisions, and also enable stakeholders to better understand the concentrations of carbon-related assets and the exposures to climate-related risks. The TCFD has gained widespread acceptance in international markets as a common framework to disclose climate-related financial information.

Areas of disclosure recommended by the TCFD include governance, strategy, risk management and metrics and targets.

关于气候相关财务信息披露工作组

2015年12月，由G20辖下的金融稳定委员会成立了由行业主导的TCFD，以制定与气候相关的信息披露，促进更明智的投资、信贷和保险承保决策，也能使利益相关者更好地了解碳相关资产的集中情况，以及对气候相关风险的敞口。TCFD作为与气候相关的财务信息披露的通用框架，已在国际市场上得到广泛认可。

TCFD建议披露的领域包括治理、战略、风险管理、指标和目标。



Governance

The Board is ultimately responsible for the long-term management of the Group. Addressing climate change and the risks it entails is an important task for the Board. The Group has incorporated sustainable development governance into its corporate governance structure and established a three-level management structure of group, business and project, as shown below.

治理

董事会对集团的长期管理负有最终责任。应对气候变化及其带来的风险是董事会的重要任务。集团已将可持续发展治理纳入公司治理架构中，建立起集团、业务、项目三级管理架构，具体如下。



Addressing Climate Change

应对气候变化



In FY2023, the Executive Chairman presented a report at each quarterly Board meeting, focusing on the challenges and new opportunities facing the Group, including the increase of production capacity through operational management improvement, so as to achieve the goal of carbon reduction, and the collaborative treatment of waste resources through diversified ways to build an urban ecological complex, and realize the ecological green cycle. The Chairman is actively involved in and responsible for the Group's strategic direction and progress on this important issue, and senior management is responsible for identifying, researching and managing market risks associated with our business (including those arising from climate change).

Strategy

As part of our business processes, we recognize that understanding and managing key climate risks and opportunities contributes to business sustainability. We have begun to adopt the TCFD's disclosure recommendations by identifying 3 physical risks, 4 transition risks and 3 opportunities that we believe are relevant to our business, specifying their potential financial impact³ and impact duration⁴. We will add scenario analyses to our future disclosures.

2023 财年，执行董事长在每季度的董事会会议上提交报告，着重向董事会介绍集团面临的挑战和新机遇，包括通过运营管理提升实现产能的增加，从而达到减碳的目标，以及通过多元化途径实现垃圾资源的协同处理，打造城市生态综合体，实现生态的绿色循环。董事长积极参与并负责集团在这一重要议题上的战略方向和进展，高层管理人员负责识别、研究和管理与我们业务相关的市场风险（包括气候变化引起的风险）。

战略

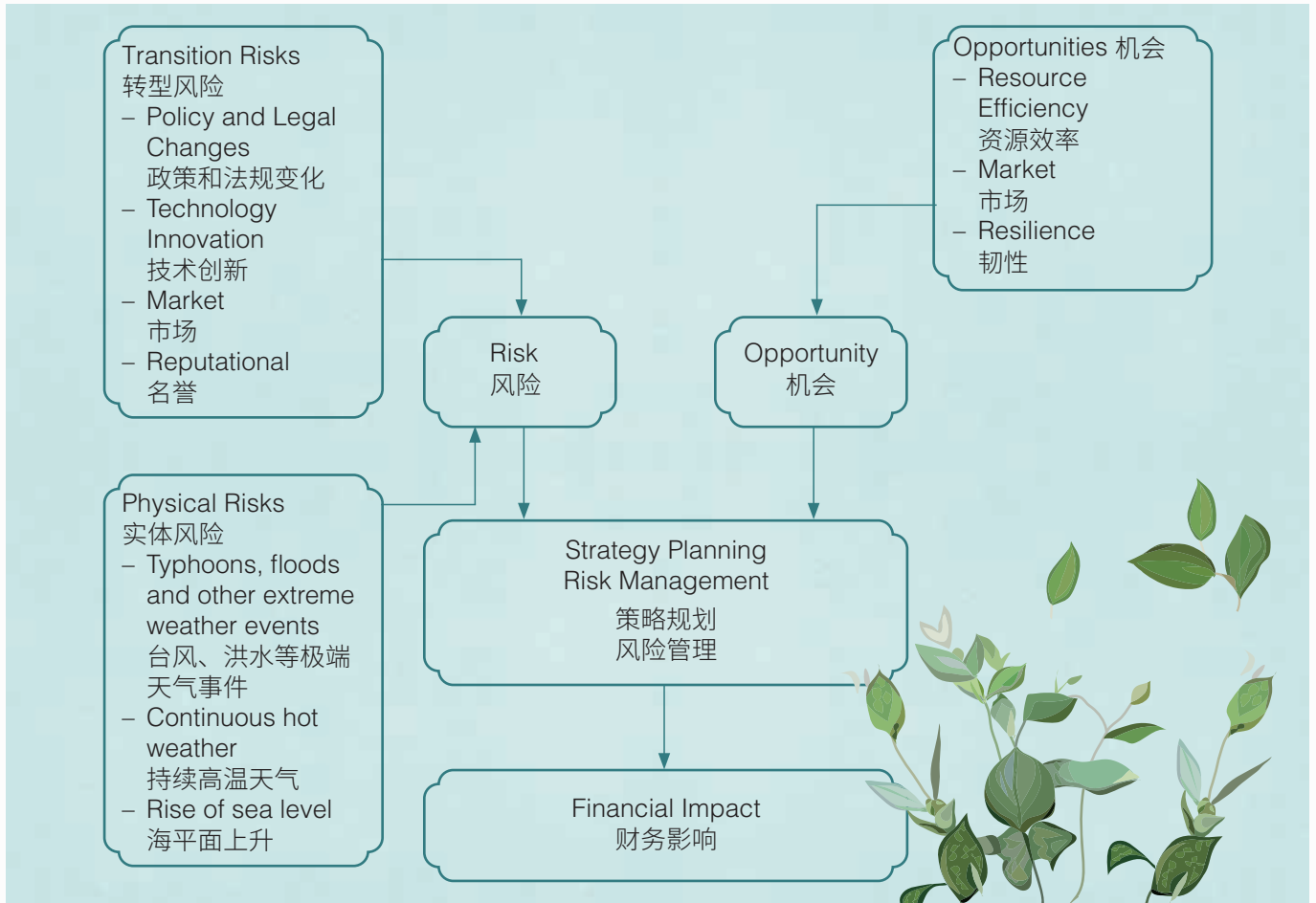
作为业务流程的一部分，我们认识到了解和管理主要气候风险和机遇有助于实现业务的可持续发展。我们已开始采纳 TCFD 的披露建议，识别了我们认为和我们业务有关的 3 项实体风险、4 项转型风险和 3 项机会，明确它们的潜在财务影响³和影响时长⁴。我们将在以后的披露中增加情景分析。

3 Financial impact is classified into five levels: (1) High: S\$50 million or more; (2) Medium-high: S\$35 million to S\$50 million; (3) Medium: S\$20 million to S\$35 million; (4) Medium-low: S\$10 million to S\$20 million; (5) Less than S\$10 million

财务影响分为 5 个级别：（1）高：5,000 万新币或以上；（2）中高：3,500 万新币 -5,000 万新币；（3）中：2,000 万新币 -3,500 万新币；（4）中低：1,000 万新币 -2,000 万新币；（5）少于 1,000 万新币

4 The impact duration is divided into three levels: (1) Short-term: no more than 2 year; (2) Middle term: 2-5 years; (3) Long-term: 5 years and above

影响时长分为 3 个级别：（1）短期：不超过 2 年；（2）中期：2-5 年；（3）长期：5 年及以上



1) Transition Risks

- Policy and Legal Changes
Impact duration: Medium to long term
Financial Impact degree: Medium to low

Our principal business is mainly in China, where the Chinese government has proposed the goal of achieving carbon peaking and carbon neutrality and may adopt more stringent standards or other environmental laws or regulations in the future. The regulatory policies for the WTE industry (such as emission regulation, carbon pricing, etc.) may also change, and we may have to incur additional costs or suspend operations of WTE facilities to comply with relevant new laws and regulations that apply to our operations could result in significant penalties or fines. In this event, our financial position and operations may be adversely affected.

1) 转型风险

- 政策和法规变化
影响时长：中长期
财务影响程度：中低

我们的主营业务主要在中国，中国政府已提出碳达峰、碳中和目标，未来可能采纳更严格的标准或其他环境法律或规定，针对垃圾发电行业的监管政策（如排放监管、碳定价等）也可能发生变化，我们可能要承担额外成本或暂停垃圾焚烧发电厂的经营，以遵守相关新订法律和法规。不遵守适用我们经营的相关行业规则及环境法律和法规可能导致严重处罚或罚款。在这种情况下，我们的财务状况及经营业绩可能受到不利影响。

Addressing Climate Change

应对气候变化

Zheneng Jinjiang Environment will strengthen communication with various regulatory authorities, grasp the adjustment of relevant laws and regulations and comply with them strictly, and take the initiative to implement countermeasures. At the same time, we will improve internal management, advocate the concept of sustainable development from top to bottom and practice low-carbon production and lifestyles so as to develop awareness and improve responsiveness in relation to any regulatory or policy change. Further information on the Group's track record in practicing low-carbon production and lifestyles can be found in the "Environmental Education" section on page 58 and "Green Production" section on page 65 of this Report.

- Technology Innovation
Impact duration: Short term
Financial Impact degree: Low

Our business relies heavily on continuously upgrading technology, especially in a carbon peaking and carbon neutrality context where the transition to low carbon technology is even more important. Although we continue to improve our technology, there is a possibility that new technologies may not be successfully applied, which may increase our R&D expenditure and operating costs, thereby affecting our financial performance.

The Group will continue to promote technological innovation, promote the deep integration of production, education and research, introduce and train professional and technical talents, stimulate innovation vitality, gradually realize intelligent transformation and upgrading, create urban ecological complex, and build "zero-waste" and "garden-style" factories. Further information on the Group's track record in technology innovation can be found in the "Green Technology" section on page 63 of this Report.

- Market
Impact duration: Short term
Financial Impact degree: Low

The process of waste incineration power generation requires a certain level of input of materials. The price of materials is subject to market fluctuations, and there may be a risk of price inflation, thus increasing our operating costs.

The Group will strengthen communication with existing suppliers to promptly monitor market price changes and expand its supplier list to find better suppliers or cost-effective alternative materials. At the same time, through technology development, the Company will reduce the consumption of materials as much as possible without compromising the quality of waste treatment.

浙能锦江环境将加强与各监管部门的沟通联系，掌握相关法律法规调整并严格遵守，主动实施应对措施。同时，提升内部管理，自上而下倡导可持续发展理念，践行低碳生产和生活，以提高对任何监管或政策变化的意识和反应能力。关于集团在践行低碳生产和生活方面的详情可参阅本报告第 58 页“环境教育”和第 65 页“绿色生产”部分。

- 技术创新
影响时长：短期
财务影响程度：低

我们的业务在很大程度上依赖于不断更新的技术，特别是在双碳背景下，低碳技术转型更为重要。尽管我们持续进行技术提升，但新技术存在无法成功应用的可能性，这可能会增加我们的研发支出和运营成本，从而影响财务表现。

集团将持续推动技术创新，推进产学研深度融合，引进、培养专业技术人才，激发创新活力，逐步实现智能化转型升级，打造城市生态综合体，建设“无废工厂”和“花园式工厂”。关于集团在技术创新方面取得的成果详情可参阅本报告第 63 页“绿色技术”部分。

- 市场
影响时长：短期
财务影响程度：低

垃圾焚烧发电的过程中需要投入一定的物料，而物料价格受市场波动，可能存在物料成本上涨的风险，从而增加我们的运营成本。

集团将加强与现有供应商的沟通，及时了解市场价格变化；还将拓宽供应商名录，寻找更优质的供应商或性价比高的替代物料；同时通过技术开发，在保证垃圾处理质量的前提下尽可能减少物料的消耗。

- Reputational
Impact duration: Medium to long term
Financial Impact degree: Medium to low

Due to concerns about environmental quality, WTE is one of the industries in China where the "not in my backyard" mindset is the most prominent and public misconceptions persist as to the nature of the industry. Increase in industry stigma or stakeholder concerns and negative feedback may increase the cost of ESG disclosure and climate risk management for the Group, as well as affecting the Group's talent recruitment and retention appeal.

The Group will strengthen communication and contact with the public and stakeholders to help them understand the social and environmental benefits of WTE business by improving the variety, outreach and frequency of environmental education, so as to eradicate misconceptions and transform the "not in my backyard" mindset into "neighborhood" mindset.

2) Physical Risks

- Typhoons, Floods and Other Extreme Weather Events
Impact duration: Short term
Financial Impact degree: Medium to low

The increased frequency and intensity of extreme weather events, such as typhoons, will increase health and safety risks for employees working outdoors, may also damage our buildings, facilities and public infrastructure (such as power cables), and affect traffic and roads used for the transportation of waste, which in turn can cause operational disruptions, and negatively affect the Group's business. There will also be increased capital investment in maintenance and/or the need for more climate-resilient infrastructure.

- Continuous hot weather
Impact duration: Medium term
Financial Impact degree: Low

Continuous hot weather will increase workplace temperatures, increase health risks for employees and also lead to increased investment in on-site environmental treatment of WTE facilities.

- Sea level rise
Impact duration: Medium term
Financial Impact degree: Medium to low

Sea levels rise could lead to storm surges and potentially impact facilities near coastal areas that are at greater risk, which in turn could lead to higher insurance premiums or assets becoming uninsurable, resulting in higher operating costs.

- 名誉
影响时长：中长期
财务影响程度：中低

出于对环境质量等方面的担忧，生活垃圾焚烧发电是中国“邻避效应”较为突出的行业，公众对该行业的性质一直存在误解。行业污名化加剧或利益相关者的关注与负面回馈日益增加，可能会增加集团在 ESG 披露和气候风险管理方面的成本，也会影响集团人才招聘和留任吸引力。

集团将加强与公众和利益相关者的沟通与联系，通过丰富环境教育形式、加大教育频次，以消除误解，化“邻避效应”为“邻利效应”。

2) 实体风险

- 台风、洪水等极端天气事件
影响时长：短期
财务影响程度：中低

台风等极端天气事件的频率和强度增加，会增加户外工作人员的健康和安全风险，也可能会破坏我们的建筑物、设施和公用基础设施（如电缆等），并影响交通和垃圾运输道路，进而造成运营中断，对集团业务造成负面影响，也会增加维修工作的资本投资和 / 或需要配备更具气候适应能力的基础设施。

- 持续高温天气
影响时长：中期
财务影响程度：低

持续的高温天气将会使工作场所温度升高，增加员工健康风险，也会造成垃圾焚烧发电厂现场环境治理投入加大。

- 海平面上升
影响时长：中期
财务影响程度：中低

海平面上升可能会导致风暴潮，并对沿海地区附近的设施造成潜在影响，这些地区面临更大的风险，进而导致保费提高或者资产难以承保，从而使得营运成本增加。

Addressing Climate Change

应对气候变化

To mitigate physical risks, the Group will continue to strengthen emergency preparedness for rapid response and recovery from unexpected events, regularly conduct inspections and assessments on disaster prevention and loss prevention, test severe weather-related protection measures and emergency inventory levels, and improve employees' ability to prevent and handle accidents through training and rehearsal. At the same time, we will undertake regular maintenance of key equipment to reduce fault variation and extend operating hours, and select several strong and credible insurance companies to underwrite the insurance policies.

3) Opportunities

- Resource Efficiency
Impact duration: Medium to long term
Financial Impact degree: Medium to low

Climate change will encourage the Group to make technological improvements, adopt more efficient production processes, promote resource recycling and enhance the Company's overall value chain, which may be beneficial to its business. At the same time, the carbon trading market brought about by climate change is also conducive to attracting more investors to the WTE industry.

- Market
Impact duration: Medium to long term
Financial Impact degree: Medium to low

In response to climate change, governments may introduce incentives or regulations for energy efficiency and reduced carbon emissions, which may be beneficial to the Group's business and may enhance the diversification of its financial instruments (such as green bonds and asset-backed security).

- Resilience
Impact duration: Medium to long term
Financial Impact degree: Low

Climate change will create ESG investment opportunities. Investors will look to the Group's ESG performance when investing, as well as the Group's implementation of sustainable waste treatment solutions (such as urban ecological complex), which will enhance the Group's reputation and market valuation.

WTE business is the our main business. As the source of domestic waste is the main power generation fuel, and the generated green electricity is renewable energy, so as to help achieve greenhouse gas emission reduction, the implementation of the "carbon peaking and carbon neutrality". The Xiaoshan Jinjiang WTE Facility and Tianjin WTE Facility have successfully obtained the Green Power Certificate ("**Green Certificate**") issued by the Renewable Energy Information Management Center of the National Energy Administration in March 2024, becoming the first batch of our enterprises to obtain the certificate. The Group will continue to take the initiative to seize the national policy opportunities, with keen market insight and forward-looking thinking, actively explore innovation and improve business efficiency, further promote the green certificate and green electricity trading of its waste power generation enterprises, anchor the "carbon peaking and carbon neutrality" goal, and inject new "green" impetus for high-quality development.

为缓解实体风险，集团将继续加强针对突发事件的快速反应和恢复的应急准备，定期进行防灾防损检查和评估，检测恶劣天气相关保护措施和应急物资保障，通过培训、演习提高员工事故预防和处理能力。同时对关键设备进行定期检修，减少故障变化并延长运行时间，选择数家保险实力强的保险公司共同承保。

3) 机会

- 资源效率
影响时长：中长期
财务影响程度：中低

气候变化会促使集团进行技术提升，采用更高效的生产工艺，促进资源的回收再利用，提升公司整体价值链，助力集团业务；同时气候变化带来的碳交易市场，也有利于吸引更多投资人看好垃圾焚烧发电行业。

- 市场
影响时长：中长期
财务影响程度：中低

为应对气候变化，政府可能会出台一些节能减碳的奖励办法或规定，促进集团业务，并提升金融工具的多元化（如绿色债券和资产支持证券）。

- 韧性
影响时长：中长期
财务影响程度：低

气候变化会带来 ESG 方面的投资机会，投资者在投资时会参照集团 ESG 方面的表现，以及集团实施的可持续的垃圾处理方案（如城市生态综合体），均将提高集团的声誉和市场估值。

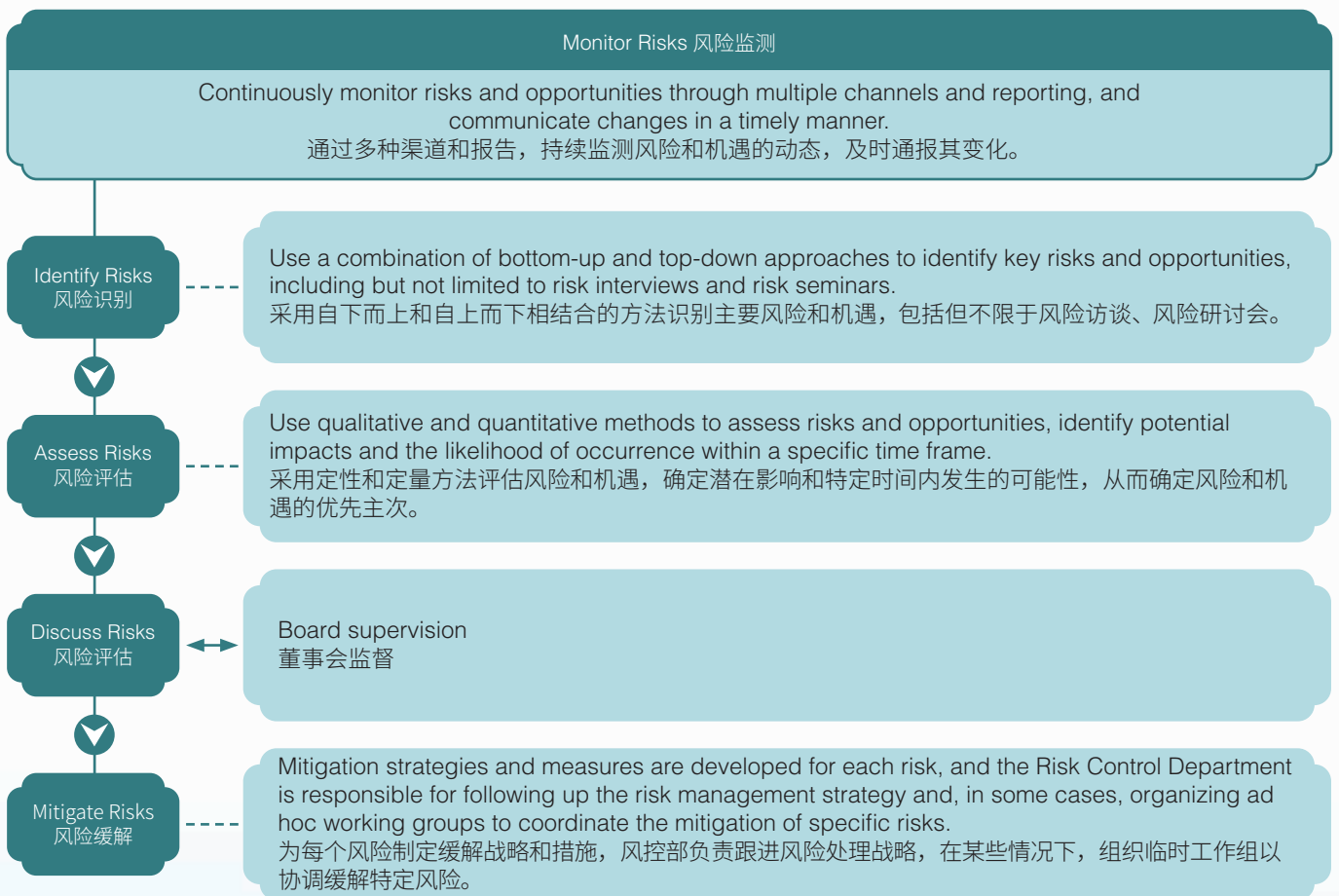
垃圾焚烧发电业务是浙能锦江环境主营业务，作为来源的生活垃圾是主要发电燃料，而产生的绿色电力则是可再生能源，从而助力实现温室气体减排，落实“双碳”目标。浙能锦江环境旗下浙江省杭州市萧山垃圾发电厂和天津垃圾电厂已于2024年3月成功取得国家能源局可再生能源信息中心核发的绿色电力证书（“绿证”），成为浙能锦江环境旗下首批取得该证书的企业。集团将继续主动抢抓国家政策机遇，以敏锐的市场洞察力和前瞻性思维，积极探索创新和提升经营效益，进一步推进旗下各垃圾发电企业绿证和绿电交易，锚定“双碳”目标，为高质量发展注入新的“绿色”动力。

Risk Management

Zheneng Jinjiang Environment has developed an ongoing risk management framework to measure and manage the risks and opportunities associated with our business to ensure the Group can continue to weather the impact of climate change in its operations and development and safeguard the interests of shareholders, as shown in the chart below. Further information on the Group's identified climate change risks and the measures undertaken to manage these risks can be found in the "Strategy" section on page 72 of this Report.

风险管理

浙能锦江环境制定了一套持续的风险管理框架，旨在衡量和管理与我们业务相关的风险和机遇，确保集团在气候变化影响下能持续稳健经营发展，并维护股东利益，具体见下图。关于集团确定的气候变化风险和为管理这些风险采取的措施详情可参阅本报告第 72 页“战略”部分。



Addressing Climate Change

应对气候变化

At the same time, we have also developed a comprehensive internal control system for key business processes to address financial, operational, compliance and information technology risks as well as risk management issues. Zheneng Jinjiang Environment has incorporated the identified processes relating to sustainability reporting into the internal audit plan, and the preparation procedures for this report have been reviewed by internal auditors. The internal review was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. The Audit and Risk Management Committee reviews the risk profile at least once a year. Please refer to page 137 of the Annual Report for more information on the Group's internal controls and risk management systems.

Metrics and Targets

In February 2023, the Ministry of Ecology and Environment of China issued the "Notice on the Administration of Enterprises' Greenhouse Gas Emission Reporting in the Power Generation Industry for 2023 to 2025", specifying that the power generation industry will be included in the annual list of key emitters in the national carbon emission trading market. It includes power generation enterprises identified by the latest inspection results, those whose annual emissions from new operations are expected to reach 26,000 tonnes of carbon dioxide equivalent (with comprehensive energy consumption reaching 10,000 tonnes of standard coal), and biomass power generation enterprises (excluding enterprises that use pure biomass for power generation).

In October 2023, the Ministry of Ecology and Environment and the State Administration of Market Regulation jointly issued the "Management Measures for Voluntary Greenhouse Gas Emission Reduction Trading (Trial)", and successively launched the first batch of afforestation carbon sinks, grid-connected solar thermal power generation, grid-connected offshore wind power generation, mangrove construction and other four voluntary greenhouse gas emission reduction project methodologies. China's Certified Voluntary Emission Reduction ("CCER") ushered in a key institutional foundation. At present, biomass power generation is not among those methodologies.

Except Zhuji Bafang Facility in Zhejiang Province, all the WTE facilities under the Group are pure biomass power enterprises and are not included in the above mentioned report management for the time being. The Group will consider to disclose the metrics and targets for climate change in the future years, with reference to (1) the Clean Development Mechanism (CDM) greenhouse gas emission calculation method under the "United Nations Framework Convention on Climate Change", and (2) the calculation method described in the Guidelines. We will also gradually expand the scope of greenhouse gas emissions to be included in calculations.

同时，我们也为主要业务流程制定了一套全面的内部控制体系，以处理财务、业务、合规、信息技术和风险管理等问题。浙能锦江环境已将已确定的与可持续发展报告有关的程序纳入内部审计计划，内部审计师已就本报告的出具程序进行审查，内部审查根据内部审计师协会发布的《内部审计专业实践国际标准》进行。审计和风险管理委员会至少每年审查一次风险概况。有关本集团内部控制和风险管理系统的更多信息，请参阅年报 137 页。

指标和目标

2023 年 2 月，中国生态环境部发布《关于做好 2023-2025 年发电行业企业温室气体排放报告管理有关工作的通知》，明确发电行业纳入全国碳排放权交易市场的年度重点排放单位名单，包括最近一次核查结果确认以及上年度新投产预计年度排放量达到 2.6 万吨二氧化碳当量（综合能源消费量达到 1 万吨标准煤）的发电行业企业，且生物质能发电中不包括纯使用生物质发电的企业。

2023 年 10 月，生态环境部和国家市场监管总局联合发布《温室气体自愿减排交易管理办法（试行）》，并相继推出首批造林碳汇、并网光热发电、并网海上风力发电、红树林营造等 4 项温室气体自愿减排项目方法学，中国核证自愿减排（“CCER”）迎来关键制度基础。目前，生物质发电并不在其列。

除浙江省诸暨八方电厂外，集团旗下垃圾发电厂均为纯使用生物质发电企业，暂不纳入上述报告管理，集团将考虑在后续参照 (1)《联合国气候变化框架公约》下的清洁发展机制 (CDM) 温室气体排放计算方法，和 (2) 指南所述计算方法披露气候变化的指标和目标，并逐步扩大纳入计算的温室气体排放范畴。

Talent Training and Advancement

人才培养与提升

To achieve the high-quality development of the Group, it is necessary to further recruit and see the actual results in the links of talent selection, training and use. Zheneng Jinjiang Environment adheres to the four-word formula of "selection, cultivation, use and retention" and builds a more optimized structure, more balanced distribution and more smooth communication of enterprise talent team.

Talents Selection

Selecting all kinds of talents needed is the foundation of enterprise talent team construction. In FY2023, Zheneng Jinjiang Environment adhered to both virtue and talent, put morality first, comprehensively investigate morality, ability, diligence, performance and integrity, highlight professional requirements, and select and introduce talents with professional knowledge, professional ability and professional spirit. At the same time, the Group adhered to appoint people on merit, break through geographical, industry, identity and other restrictions, through a variety of ways to broaden the source of talent, from the actual work needs of the company, objective and fair and reasonable selection of talents who have the necessary expertise for the scope of work.

In FY2023, we had 378 new employees and 318 instances of employee turnover. The overall annual new hires rate was 15.2% and the annual turnover rate was 12.79%, decreased by 3.51% y-o-y.

实现集团高质量发展，需要进一步在人才选拔、培养、使用等环节出实招见实效，浙能锦江环境坚持念好“选、育、用、留”四字诀，建设结构更加优化、分布更加均衡、交流更加畅通的企业人才队伍。

选拔人才

选好所需各类人才，是企业人才队伍建设的基础。2023 财年，浙能锦江环境坚持德才兼备、以德为先，全面考察德、能、勤、绩、廉，突出专业性要求，将具有专业知识、专业能力、专业精神的人才选出来、引进来。同时，坚持五湖四海、任人唯贤，突破地域、行业、身份等限制，通过多种途径拓宽人才来源，从实际工作需要出发，客观公正合理选拔人才，真正做到事业发展需要什么样的人就选什么样的人，什么样的人最合适就选什么样的人。

2023 财年入职新员工为 378 人，离职人员为 318 人，整体年度员工入职率为 15.2%，年流动率为 12.79%，比 2022 财年下降 3.51%。

FY2023	New Hires 新员工		Turnovers 流动	
	Number of Individuals 个人数	Proportion 占比	Number of Individuals 个人数	Proportion 占比
By Age Group 按年龄层				
< 30 years old 30 岁以下	190	50.26%	134	42.14%
30 – 50 years old 30-50 岁	175	46.30%	164	51.57%
> 50 years old 50 岁以上	13	3.44%	20	6.29%
By Gender 按性别				
Male 男性	308	81.48%	272	85.53%
Female 女性	70	18.52%	46	14.47%
By Region 按地区				
China 中国	368	97.35%	295	92.77%
Singapore 新加坡	0	-	0	-
India 印度	9	2.38%	23	7.23%
Germany 德国	1	0.26%	0	-
Indonesia 印度尼西亚	0	-	0	-

Table 5: Employee New Hires and Turnover by Age Group, Gender and Region in FY2023
表 5: 按年龄层、性别和地区的 2023 财年新进员工和离职员工

Talent Training and Advancement

人才培养与提升

As of 31 December 2023, Zheneng Jinjiang Environment has a total of seven board members and 2,517 permanent employees giving full play to their strengths in different fields. Our business is mostly in China, a significant location of operation. Five of our senior management are based in China, and 100% are from the local community⁵. The charts below provide a quantitative measure of board and employee diversity. Please also refer to page 110 of the Annual Report for more information on the Company's Board Diversity Policy and, among other things, the Company's targets to achieve diversity on its board.

截至 2023 年 12 月 31 日，浙能锦江环境共有 7 名董事会成员和 2,517 名长期员工在不同领域发挥所长，我们的业务主要集中在重要运营点中国国内，其中 5 名高层管理人员均在中国，100% 来自当地社区⁵。下面的图表提供了董事会和员工多样性的量化指标。有关公司董事会多元化政策的更多信息，以及公司实现董事会多元化的目标等，请参阅年度报告 110 页。

Board of Directors 董事会成员



By Country of Residence 按居住国家

China 中国 : 5
Singapore 新加坡 : 2



By Gender 按性别

Female 女性 : 0
Male 男性 : 7



By Age Group 按年龄

<30 years old 30 岁以下 : 0
30 – 50 years old 30-50 岁 : 2
> 50 years old 50 岁以上 : 5

Workforce 人才团队



By Location 按地区

China 中国 : 2,434
Singapore 新加坡 : 1
India 印度 : 64
Germany 德国 : 17
Indonesia 印度尼西亚 : 1



By Employee Category 按员工类别类别

Senior Management
高层管理员 : 5
Middle Management
中层管理员 : 92
Associate
普通职员 : 2,420



By Gender 按性别

Female
女性 : 518
Male
男性 : 1,999



By Age Group 按年龄

<30 years old 30 岁以下 : 636
30 – 50 years old 30-50 岁 : 1,690
> 50 years old 50 岁以上 : 191

⁵ Disclosed as per requirement of GRI202-2 (2016). The "senior management" refers to the Group's personnel who report to the Board of Directors of Zheneng Jinjiang Environment, assume the responsibilities of daily business decision-making and operation management of the Group, and have overall responsibility for the management of the entire Group, "significant location of operation" refers to China and "local" refers to persons of Chinese nationality.

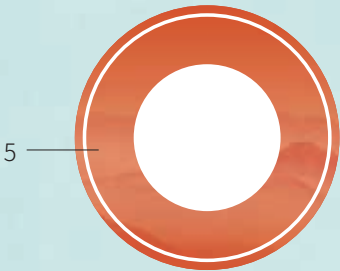
根据 GRI202-2 (2016) 要求披露，其中“高层管理人员”是指集团中向浙能锦江环境董事会报告、承担集团日常经营决策与运营管理职责、对整个集团的管理负有全面责任的人员，“重要运营点”指中国，“当地”指拥有中国国籍的个人。

Percentage of Employee per Employee Category 员工类别的员工百分比

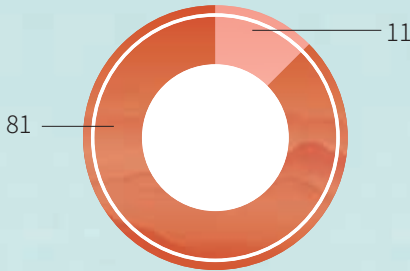


By Gender
按性别

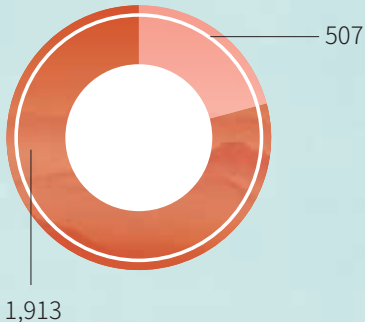
Senior Management
高层管理人员



Middle Management
中层管理人员



Associate
普通职员



Male
男性

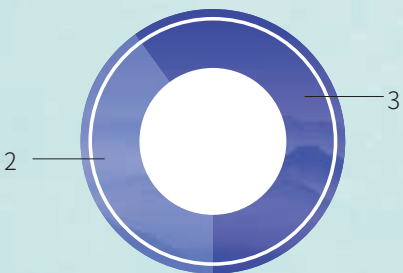


Female
女性

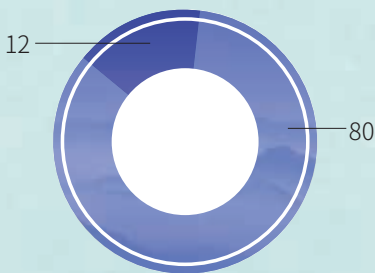


By Age Group
按年龄

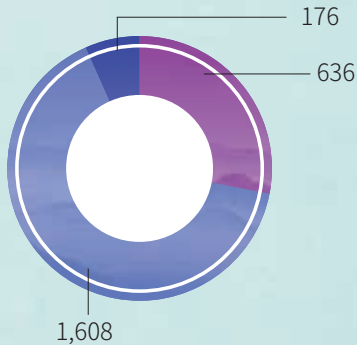
Senior Management
高层管理人员



Middle Management
中层管理人员



Associate
普通职员



<30
30 岁以下



30-50
30-50 岁



>50
50 岁以上

Talent Training and Advancement

人才培养与提升

Talents Cultivation

Zheneng Jinjiang Environment adheres to the implementation of systematic, precise and diversified cultivation, and strives to create a group of company talents with strong faith, strong responsibility, strong ability and strong style.

Adhering to systematic cultivation, Zheneng Jinjiang Environment has built a scientific strategic personnel training system, focusing on training more to adapt to high-quality development of all kinds of talents, the system consists of five plans, namely "Baby Eagle Plan", "Flying Eagle Plan", "Soaring Eagle Plan", "Strong Eagle Plan" and "Leading Eagle Plan", multi-level and multi-angle to expand the development of talent space, together constitute the Group's strategic talent pool. Through the above five plans, the training objects will gradually become the successors of key positions and the reserve talents of the company. The personnel selected into the reserve talent pool will be given priority when the Company has suitable vacancies.

Zheneng Jinjiang Environment adheres to precision cultivation, paying attention to teaching employees according to their aptitude, carrying out different precision training according to the characteristics of posts, work needs and other specific situations, and changing "flood irrigation" into "precise drip irrigation". Also, we plan paths for the growth of different categories of personnel, formulate targeted training programs, and better activate professional advantages.

The Company adhere to diversified cultivation, through business training, job rotation exchanges, professional title assessment, participation in industry training and other ways, make full use of information media, network platforms to carry out online training, distance education, expand the coverage of high-quality training resources, inclusive, provide a variety of training opportunities for all kinds of talents, so as to cultivate more high-level composite talents with strategic potential. Build a team of technical and management talents with outstanding technological innovation ability and who are good at solving complex problems. In FY2023, the training ideas of "headquarters training management layer, district training enterprise middle level, enterprise training enterprise grassroots staff" are still focused on optimizing training resources in the district, forming a combination of "online knowledge teaching + offline actual combat exercise", and comprehensively building a learning organization. In FY2023, the total training time of Zheneng Jinjiang Environment employees was 342,312 hours and the average training time per employee was 136 hours, up 11.5% from last year. In FY2024, we will continue to provide training and career development programs with the goal of an average of at least 140 hours of training per employee per year.

培育人才

浙能锦江环境坚持实施体系化、精准化、多样化培育，努力打造一批信念过硬、责任过硬、能力过硬、作风过硬的公司人才队伍。

坚持体系化培育，浙能锦江环境已构建科学的战略人才培养体系，着力培养更多适应高质量发展的各类人才，该体系主要由“雏鹰计划”、“飞鹰计划”、“翔鹰计划”、“雄鹰计划”和“领鹰计划”五个部分组成，多层次多角度拓展人才发展空间，共同构成集团战略人才库。通过上述五个计划，逐步将培养对象培养成为关键岗位继任者和公司后备人才，经选拔进入后备人才库的人员在公司有合适岗位空缺时会优先考虑选用。

坚持精准化培育。浙能锦江环境注重因材施教，根据岗位特点、工作需要等具体情况进行不同的精准化培养，变“大水漫灌”为“精准滴灌”。为不同类别人员成长规划路径，制定有针对性的培养方案，更好激活专业优势。

坚持多样化培育，通过业务培训、轮岗交流、职称评定、参与行业培训等方式，充分利用信息媒体、网络平台开展线上培训、远程教育，扩大优质培训资源覆盖面、普惠性，为各类人才提供多种培训锻炼机会，从而培养更多具有战略潜质的高层次复合型人才，建设一支具有突出技术创新能力、善于解决复杂问题的技术及管理人才队伍。2023 财年，仍然围绕“总部培养经营层，片区培养企业中层，企业培养企业基层员工”的培训思路，重点优化片区培训资源，形成“线上知识传授+线下实战演练”相结合模式，全面打造学习型组织。2023 财年，浙能锦江环境员工培训总时长为 342,312 小时，每名员工平均培训时间为 136 小时，比去年提升 11.5%。在 2024 财年，我们将继续提供培训和职业发展计划，目标是每位员工每年平均接受至少 140 小时的培训。

FY2023 2023财年	Average Hours of Training per Permanent Employee per Year (Hours) 每位员工每年的平均培训时长 (小时)
By Gender 按性别	
Female 女性	136
Male 男性	136
By Employee Category 按雇员类别	
Associate 普通职员	140
Middle management 中层管理人员	40
Senior management 高层管理人员	27
Overall 总计	
Overall 总计	136

Table 6: Average Hours of Training by Gender and Employee Category in FY2023
表 6: 2023 财年按性别和雇员类别的培训时长

Zheneng Jinjiang Environment Carried Out Southwest Regional Training for FY2023 浙能锦江环境开展区域培训



In order to improve the performance and construction level of enterprise teams, Zheneng Jinjiang Environment Southwest Region carried out high performance construction training of enterprise teams, which was undertaken by Jinghong Jiasheng WTE Facility, Kunming Jinjiang WTE Facility and Yunnan Green Energy WTE Facility, aiming to help enterprise teams better understand the importance of high performance and master effective management methods and skills.

为了提高企业班组的绩效和建设水平，浙能锦江环境西南片区开展了企业班组高绩效建设培训，培训由景洪垃圾发电厂承办，五华垃圾发电厂、西山垃圾发电厂共同参与，旨在帮助企业班组更好理解高绩效的重要性，掌握有效的管理方法和技巧。

The training programme invited production management consulting experts, combined with rich practical experience, to the participants brought a rich content, practical learning journey. The course covers the characteristics and importance of high-performing teams, teamwork and communication skills, management by objectives and performance evaluation. In order to help students better understand and apply the knowledge, the teacher also introduced specific case studies, so that everyone can more clearly understand the problems that may be encountered in the construction of high performance teams and solutions.

本次培训邀请生产管理咨询专家，结合丰富的实践经验，给参训学员带来了一场内容充实、实用性强的学习之旅。课程内容涵盖了高绩效班组的特征与重要性、团队合作与沟通技巧、目标管理与绩效评估等多个方面。为了帮助学员更好地理解和应用所学知识，老师还引入了具体的案例分析，让大家更加清晰地认识到高绩效班组建设中可能遇到的问题及解决方法。

This training has provided strong support for the high-performance construction of enterprise teams in the southwest region, and has also injected new impetus into the development of enterprises. With the joint efforts of everyone, we believe that the performance and management level of the enterprise will be further improved.

此次培训为西南片区企业班组的高绩效建设提供了有力支持，也为企业的发展注入了新的动力。相信在大家的共同努力下，企业的绩效和管理水平将得到进一步提升。



Figure 9: Zheneng Jinjiang Environment Carried Out Southwest Regional Training for FY2023
图 9: 浙能锦江环境开展 2023 财年度西南片区培训

Talent Training and Advancement

人才培养与提升

Talents Utilization

Understanding talents is the premise for making good use of talents. By mastering the professional nature, responsibility positioning, post risk and the conditions required for performing duties, Zheneng Jinjiang Environment deeply understands the ability and quality of talents through multiple channels, multiple levels and multiple angles, and evaluates their strengths and weaknesses fairly and objectively.

The Group continues to carry out organizational refinement management, focusing on positions and work needs, matching from the professional and ability, handing professional things to professional people, putting the right people in the right posts, so that people are suitable and personnel are appropriate; For those talents with potential and promising development prospects, we should properly "bear the burden" and take the initiative to "build a ladder" to weather the storm and train their skills in completing urgent, difficult and dangerous tasks and dealing with complex problems. At the same time, we insist on examining talents through specific performance in the work, so as to seek truth from facts, without selfishness or favoritism, and prevent subjective, one-sided, and simplified assessment and evaluation. In FY2023, 100% of employees received an annual performance evaluation.

We strictly abide by the "Labour Law of the People's Republic of China" and relevant local laws and regulations, to protect and respect the legitimate rights and interests of workers. Zheneng Jinjiang Environment firmly prohibits the use of child labor and forced labor, and strictly checks personal identity documents or necessary background checks during recruitment. In FY2023, there were no instances of child labour or forced labour within the Group. The Group attaches great importance to protecting the legal rights and interests of female employees and ensuring that they can enjoy equal rights to work. Our employees are entitled to maternity leave, pre-maternity leave and parental leave in accordance with relevant laws. The Group will retain positions for employees who take leave and ensure that their future career paths and salaries are not affected by the leave.

使用人才

了解人才是用好人才的前提，浙能锦江环境通过掌握不同岗位的专业性质、职责定位、岗位风险及履职应具备的条件，多渠道、多层次、多角度深入了解人才的能力素质情况，公正客观地评价其长处与不足。

集团持续开展组织精健化管理，着眼于岗位、工作需要，从专业、能力上进行匹配，把专业的事交给专业的人做，把合适的人放在合适的岗位上，使人岗相适、人事相宜；对那些有潜力、有发展前途的人才，适当“压担子”，主动“搭梯子”，在完成急难险重任务、处理复杂问题中经风雨、练本领。同时，坚持通过工作中的具体表现来考察人才，做到实事求是、不存私心、不徇私情，防止主观化、片面化、简单化考核评价。2023 财年，100% 的员工接受了年度绩效评估。

我们严格遵守《中华人民共和国劳动法》及企业所在地的相关法规，以保护和尊重劳动者的合法权益。浙能锦江环境坚决禁止使用童工和强迫劳动的行为，在招聘时严格查验个人身份文件或进行必要的背景调查，2023 财年集团不存在使用童工或强迫劳动的事件。集团重视保障女性员工的合法权益，确保她们能享有平等劳动的权利。我们的员工可根据相关法律要求享受产假、待产假、育儿假，集团会为休假的员工保留职位，并确保他们的未来职业发展方向和薪酬不受休假影响。

Category 类别	Male 男	Female 女
Number of employees who can enjoy parental leave 可享受育儿假的员工人数	109	45
Number of employees who took parental leave in FY2023 2023 财年休育儿假的员工人数	20	17
Number of employees scheduled to return to work after parental leave in FY2023 在 2023 财年放育儿假后应重返岗位的员工人数	20	17
The number of employees who returned to work in FY2023 after parental leave 育儿假结束后于 2023 财年重返岗位的员工人数	20	17
The number of employees who returned to work after parental leave in FY2022 and were still employed by the end of FY2023 2022 财年育儿假结束后重返工作岗位并于 2023 财年底仍在职的 员工人数	3	2
Return to work rate ⁶ of employees on parental leave 休育儿假的员工返岗率 ⁶	100%	100%
Retention rate ⁷ of employees on parental leave 休育儿假的员工留任率 ⁷	100%	100%

Table 7: Statistics of employees' parental leave in FY2023
表 7: 2023 财年员工育儿假统计

Retain Talents

The working environment is good, the talent is gathered, the career is prosperous. Zheneng Jinjiang Environment has always adhered to the sound working mechanism, optimized measures and measures, so that employees will remain motivated and hopeful of their career prospects in the Company so as to remain in it.

At the same time, guided by the party building, we strengthen the education of ideals and beliefs, cultivate the feelings of the family, establish lofty ideals, firmly fight for the cause of environmental protection lifelong confidence and determination, strengthen the guidance of "the capable go up, the average give way, and the mediocre go down", so that the truly capable people can "take the lead", "play the protagonist", and "win first prize". We are committed to establishing a correct orientation, improve the talent assessment and evaluation mechanism, establish a promotion and appointment, rank promotion and performance appraisal system based on work performance, and create a clean and healthy employment environment.

留住人才

环境好，则人才聚、事业兴。浙能锦江环境始终坚持健全工作机制，优化措施举措，让员工有干头、有奔头、有盼头，真正用制度、用事业、用文化将人才留下来。

同时，以党建为引领，加强理想信念教育，培养家国情怀，树立远大理想，坚定为环保事业奋斗终身的信心决心，强化“能者上、平者让、庸者下”的导向，让真正有能力的人“挑大梁”“唱主角”“出头彩”。我们致力于树立正确导向，健全人才考核评价机制，建立以工作业绩为关键依据的提拔任用、职级晋升、绩效考核制度，营造风清气正的用人环境。

6 Return to work rate = Number of employees who have returned to work in FY2023 after parental leave/Total number of employees who should return after parental leave in FY2023 x100
返岗率 = 育儿假结束后于 2023 财年重返岗位的员工人数 / 在 2023 财年放育儿假后应重返岗位的员工总数 x100

7 Retention rate = Number of employees returning to work after parental leave in FY2022 and still in employment at the end of FY2023/Number of employees returning after parental leave in FY2022 x100
留任率 = 2022 财年育儿假结束后重返工作岗位并于 2023 财年底仍在职的员工人数 / 2022 财年育儿假结束后重返岗位的员工人数 x100

Talent Training and Advancement

人才培养与提升

Zheneng Jinjiang Environment constantly improves the human resource management system, respects and protects the legitimate rights and interests of employees. All permanent employees are entitled to pension insurance, basic medical insurance, unemployment insurance, work injury insurance, maternity insurance and housing provident fund. In addition, the Group also provides commercial insurance, meal allowance and other benefits.

The Group adheres to the concept of "talent is the first resource", attaches importance to, respects and cherishes talents, and enhances the sense of belonging and happiness of talents. Leading cadres should be good Samaritans and backbone, strengthen the care and love for employees, pay attention to the growth and development of employees, stabilize people and unite people. We are people-oriented, do deep and detailed service guarantee, and strive to help grass-roots employees solve the practical difficulties in work, life, family and other aspects. The Group's subsidiaries provide employees with clean, comfortable and well-equipped dormitories with sports fields, gymnasiums and other recreational facilities, and actively organize various recreational and sports activities, such as fun sports games, basketball games, quality development, birthday celebrations, singing competitions and other team building activities to enhance team cohesion.

In FY2024, we will continue to optimize the incentive mechanism to fully mobilize the enthusiasm of employees, focus on talent development strategy to improve talent echelon construction, deepen the management of training bases to build reservoirs of talents. Looking forward to the medium-term future, Zheneng Jinjiang Environment will continue to adhere to the all-round training, introduction and use of talents, attract talents, carefully cultivate talents, appreciate talents, enrich the fertile soil for the growth of talents, complete the transformation from "practical" talents to "innovative" talents, and from "professional" talents to "composite" talents.

浙能锦江环境不断完善人力资源管理制度，尊重和保障员工的合法权益，所有正式员工均享有养老保险、基本医疗保险、失业保险、工伤保险、生育保险及住房公积金。除此之外，集团还提供商业保险、餐费津贴等福利。

集团坚持以“人才是第一资源”的理念，重视、尊重、爱惜人才，增强人才获得感归属感幸福感。领导干部当好贴心人、主心骨，加强对员工的关心关爱，关注员工的成长发展，稳定人心、凝聚人心。我们坚持以人为本，做深做细服务保障，努力帮助基层员工解决工作、生活、家庭等方面的实际困难。下属企业为员工提供了干净、舒适且配套完善的宿舍，并设有运动场、健身房等休闲设施，同时积极举办各项文娱及体育活动，如趣味运动会、篮球赛、素质拓展、生日庆祝活动、歌唱比赛等团建活动，增强团队凝聚力。

2024 财年，我们将继续优化激励机制，充分调动员工积极性；聚焦人才发展战略，完善人才梯队建设；深化培养基地管理，构建人才蓄水池。展望未来几年，浙能锦江环境将继续坚持全方位培养、引进、使用人才，倾心引才、悉心育才、真心爱才，厚植人才成长的沃土，完成从“实用型”人才向“创新型”人才的转变，从“专业型”人才向“复合型”人才的发展。



Xiaoshan Jinjiang WTE Facility in Zhejiang Province organized a fun sports meeting 浙江省杭州萧山垃圾发电厂组织开展趣味运动会

In 2023, the 19th Asian Games was held in Hangzhou, Zhejiang Province, in order to enrich the life of employees, cultivate the spirit of team cooperation, and enhance the enterprise's cohesion, on September 19, Xiaoshan Jinjiang WTE Facility organized the colorful Hangzhou • Sports Asian Games • National Fitness Fun Games.

2023年，第19届亚运会在浙江杭州召开，为丰富职工生活，培养团队协作精神，增强企业向心力，9月19日，杭州萧山垃圾发电厂组织开展了炫彩杭州·运动亚运·全民健身趣味运动会。

The fun games set up badminton, tug-of-war, crab race, south-to-north water transfer, fixed point shooting, sandbag throwing and other interesting, entertaining, collaborative and competitive games. It is both a contest of strength and a contest of wisdom. It is not only the display of individual sports competition level, but also the test of team cooperation ability.

本次趣味运动会共设置了羽毛球、拔河、螃蟹赛跑、南水北调、定点投篮、沙包掷准等集趣味性、娱乐性、协作性和竞争性于一体的竞赛项目。既是力量的角逐，又是智慧的较量；既是个人体育竞技水平的展现，又是团队协作能力的检验。

Under the hot sunshine, the competitors were enthusiastic, united and cooperated with each other, and completed the races together, showing the athletes' spirit of striving, forging ahead and surpassing themselves. The cheers, shouts and refueling on the field continued, and everyone enjoyed the fun of sports.

炙热的阳光下，各参赛选手热情高涨，团结一致，配合默契，共同完成各项比赛，展现了运动员们奋勇争先、积极进取、超越自我的精神风貌。赛场上的欢呼声、呐喊声、加油声不断，大家尽情享受运动带来的乐趣。



Figure 10: Xiaoshan Jinjiang WTE Facility in Zhejiang Province organized a fun sports meeting

图 10：浙江省杭州萧山垃圾发电厂组织开展趣味运动会

Occupational Health and Safety

职业健康和安全

We advocate safety first, adhere to the principle of life first, focus on problems, and safe development, to provide a healthy and safe working environment for all employees as our own responsibility, effectively control the occupational health and safety risks related to production and operation, strictly rectify and implement, consolidate the occupational health and safety responsibilities of enterprises, and further promote health and safety management.

Zheneng Jinjiang Environment has established the Production Safety Management Measures, set up the ESH Management Committee (formerly known as Safety Production Management Committee) at the headquarters, and the Safety Production Leading Group in each operating enterprise to ensure the personal safety of employees in the production process. The ESH Management Committee holds quarterly meetings, organizes learning safety accident warning educational films, in-depth analysis of the current safety and environmental protection situation and deployment of key safety and environmental protection work in the next stage. In FY2023, the Group experienced one workplace fatality and the rate of fatalities as a result of work-related injury was 3.97%⁸. A vehicle operator was unfortunately caught between the #2 chain plate conveyor reducer sprocket and chain during his inspection. The Group attached great importance to and treated the incident seriously. The accident investigation team of the ESH Management Committee of the Group, in accordance with the principles of “four not let go” and “scientific and rigorous, seeking truth from facts and focusing on results”, found out the process, causes and related losses of the accident, identified the nature and responsibility of the accident through site investigation, data access and investigation and analysis and dismissed the relevant responsible units and responsible persons. In view of the cause of the accident and the problems exposed, preventative measures were put forward to ensure that the overall safety and environmental protection risks of the Group were controllable. In FY2024, we will continue to improve safety standardization, deepen the construction of dual prevention mechanisms, promote the construction of enterprise intrinsic safety, and maintain a good record of safe and environmentally friendly production.

我们倡导安全为先，坚持生命至上、聚焦问题、安全发展的原则，以为所有员工提供健康安全的工作环境为己任，切实管控与生产经营相关的职业健康安全风险，严格整改落实，压实各企业职业健康和安全责任，深入推进健康和安全管理。

浙能锦江环境已在总部设立 ESH 管理委员会（以前称为安全生产管理委员会）、在各运行企业设立安全生产领导小组，以保障员工在生产过程中人身安全。ESH 管理委员会每季度召开会议，组织学习安全事故警示教育片，深入分析当期安全环保情况并对下一阶段重点安全环保工作进行部署。2023 财年，集团存在一起人身死亡事件，二十万工时工伤死亡率⁸为 3.97%。一名行车操作员在巡查过程中不幸被卷入 # 2 链板输送机减速机链轮与链条之间，事件发生后，集团高度重视、严肃对待，ESH 管理委员会事故调查组按照“四不放过”和“科学严谨、实事求是、注重实效”的原则，通过现场勘察、查阅资料和调查分析，查明了事故发生的经过、原因和相关损失情况，认定事故性质和责任，对相关责任单位、责任人进行免职处理，并针对事故原因及暴露出的问题，提出了事故防范措施，确保集团总体安全环保风险可控。2024 财年我们将持续开展安全标准化提升工作，深化双重预防机制建设，推进企业本质安全建设，保持良好的安全、环保生产记录。

8 The rate of fatalities as a result of work-related injury is based on 200,000 hours worked, using the following formula specified in GRI 403-9: Rate of fatalities as a result of work-related injury = (Number of fatalities as a result of work-related injury/Number of hours worked)* 200,000
工伤造成的死亡率是基于二十万小时，根据 GRI 403-9 规定的如下公式计算：工伤造成的死亡率 = (工伤造成的死亡数量 / 工作小时数量) * 二十万

We abide by the relevant Occupational Health and Safety ("OHS") laws and regulations and uphold the "Three Concurrent" principle, ensuring safety design and establishment during new project implementation. In FY2023, with reference to various judgment standards and requirements, such as the Judgment Standard for Major production Safety Accidents in Industry and Trade (2023 version), the Group compiled and promulgated the Judgment Standard for Major safety and Environmental Protection Accidents (2023 version), organized and carried out special activities for major accident hidden dangers investigation and completed closed-loop treatment of hidden dangers. At the same time, a number of special trainings have been carried out, such as mechanical injury, leachate fire and explosion prevention, safety standardization creation and risk classification control, and the dual prevention mechanism of hidden danger investigation and treatment, etc., and the special test of enterprise safety work procedures has been organized, and the accident risk identification and prevention ability of enterprise employees has been effectively improved through training and education activities. At the same time, it also deepens the staff's understanding of safety standardization and double prevention mechanism construction.

In addition, the Group also held a series of a variety of active safety culture thematic activities, such as activities held during its Occupational Disease Prevention and Control Law Publicity Week, Disaster Prevention and Reduction Week, Safe Production Month, Environmental Day, Safety and Environmental Protection Warning Month, Fire Safety Publicity Month and Safety Production Law Publicity Month. It has broadened the roots and promotion of active safety culture, as well as creating a strong active safety culture atmosphere.

我们遵守相关的职业健康安全 ("OHS") 法律法规, 坚持“三同时”原则, 确保在新项目实施过程中的安全设计和建立。2023 财年, 参照各类判定标准及要求, 如《工贸行业重大生产安全事故隐患判定标准 (2023 版)》等, 集团编制并颁布了《重大安全环保事故隐患判定标准 (2023 版)》, 组织开展重大事故隐患排查专项活动并完成隐患的闭环处理。同时开展了多项专项培训, 如机械伤害、渗滤液防火防爆、安全标准化创建和风险分级管控及隐患排查治理双重预防机制等, 并组织运行企业安全工作规程专项抽考, 通过培训和教育活动的开展有效提升了企业员工的事故风险辨识及防范能力, 同时也深化了员工对安全标准化及双重预防机制建设的理解。

此外, 集团还举办多样化的主动安全文化专题活动, 如职业病防治法宣传周、防灾减灾周、安全生产月、“六五”环境日、安全环保警示月、消防安全宣传月及安全生产法宣传月等一系列丰富多彩的安全宣传教育活动, 拓宽主动安全文化的植根、推广, 营造浓厚的主动安全文化氛围。





Wuhan Jinjiang WTE Facility in Hubei Province holds skills competition
湖北省武昌垃圾发电厂举办技能比武大赛

On 30 August 2023, Wuhan Jinjiang WTE Facility held a skills competition activity, and representatives of technical backbone and production front-line workers gathered together to demonstrate professional skills through fierce competition and inject new vitality into the development of enterprises. The skills competition is mainly in the form of practical skills, the professional knowledge and skills competition for two-way integration, including fire drills, cardiopulmonary resuscitation rescue, electrical wiring, fitter production of four categories. The atmosphere of the competition scene is strong, the contestants have bright skills, show style, and complete each step with high quality, fully demonstrating the solid business skills and the spirit of hard work.

2023年8月30日，武昌垃圾发电厂举行技能比武活动，技术骨干和生产一线工人代表齐聚一堂，通过激烈的比拼，展示专业技能水平，为企业发展注入新活力。本次技能比武以技能实操的形式为主，将专业知识和技能比武进行双向融合，内容包括消防演练、心肺复苏救护、电气接线、钳工制作四个类别。比赛现场氛围浓厚，参赛选手们纷纷亮技能、展风采，高质量完成每一项步骤，充分展现了扎实的业务技能和奋发向上的精神风貌。

The skills competition has effectively stimulated the initiative and enthusiasm of the staff, and triggered the enthusiasm of the majority of staff to learn technology. This competition is really targeted and effective, so that employees can benefit, and it is welcomed by enterprises. Wuhan Jinjiang WTE Facility will continue to take such activities as the fulcrum, create conditions to promote the combination of competition and employee job innovation, help employees grow into talent, enterprise innovation and development, and effectively improve the overall level of technical talent team.

技能比武大赛有效激发了职工的主动性和积极性，引发了广大职工学习技术的热情。本次比赛真正做到有针对性、实效性，让职工获益，受企业欢迎。武昌垃圾发电厂将继续以此类活动为支点，创造条件推动竞赛与职工岗位创新结合，助力职工成长成才、企业创新发展，有效提升技术人才队伍整体水平。



Figure 11: Wuhan Jinjiang WTE Facility in Hubei Province holds skills competition

图 11：湖北省武昌垃圾发电厂举办技能比武大赛

Zheneng Jinjiang Environment has always implemented the concept of "people-oriented", attached importance to the health and safety of employees, strictly complied with the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Classification of Occupational Hazard Factors and other relevant laws and regulations, and always urged the subordinate enterprises to effectively implement the main responsibility of occupational disease prevention and control, and carry out the detection and evaluation of occupational hazard factors. The Group carries out occupational health training in accordance with laws and regulations to improve employees' awareness of occupational disease hazards and protection. The Group provides free health examination for all employees, and insurance employer liability insurance and group accident insurance, the actual operation of the company's technical personnel can also enjoy long-term free occupational health examination, in order to identify potential disease hazards as early as possible.

浙能锦江环境一直以来贯彻执行“以人为本”的理念，重视员工的身体健康及安全，严格遵守《中华人民共和国职业病防治法》《职业病危害因素分类目录》等相关法律法规，始终督促下属企业切实落实职业病防治主体责任，开展职业病危害因素检测评价，依法依规开展职业健康培训，提高员工对职业病危害的重视程度和防护意识。集团为所有员工提供免费健康检查，并投保雇主责任险和团体意外险，企业实际操作的技术人员还可以享受长久免费的职业病健康体检，以便尽早识别潜在的疾病危害。

Wuhan Green Energy WTE Facility in Hubei Province carries out annual inspection of occupational hazard factors

湖北省汉口垃圾发电厂开展职业病危害因素年度检测

In order to effectively protect the rights and interests of employees, prevent the occurrence of occupational diseases, and ensure the life safety and health of employees, Wuhan Green Energy WTE Facility in Wuhan, Hubei Province has commissioned a professional occupational health testing technical unit to carry out an annual inspection of occupational hazard factors.

为切实维护职工权益，预防职业病的发生，保证职工生命安全和身体健康，湖北省武汉市汉口垃圾发电厂委托具有专业资质的职业卫生检测技术单位开展一年一度的职业病危害因素检测。

According to the characteristics of occupational hazard factors at the work site, the test conducted a comprehensive coverage test of occupational hazard factors at multiple monitoring points of the company's boiler system, steam engine system, ash removal and desulfurization system, water treatment system and coal transportation system through the combination of individual sampling and spot sampling for different places and different contact conditions. At the same time, samples of occupational hazard factors such as dust, chemical toxic and harmful gases, noise decibel, power frequency electric field, and high temperature were collected to comprehensively evaluate the company's control of occupational hazard factors at the work site. During the testing process, the testing personnel also carried out a detailed understanding and careful record of the composition of the personnel of each post, the working time and the operation mode, etc., to ensure the scientific and accuracy of the testing data.



此次检测根据作业现场职业病危害因素的特点，针对不同的场所和不同接触情况，通过个体采样和定点采样相结合的检测方式，对公司锅炉系统、汽机系统、除灰脱硫系统、水处理系统、燃煤运输系统的多个监测点进行职业病危害因素全覆盖检测。同时，对现场粉尘、化学有毒有害气体、噪声分贝、工频电场、高温等职业病危害因素进行样品采集，全面评价公司对作业现场职业病危害因素的控制情况。检测过程中，检测人员还对各岗位人员构成、上岗时间、运转模式等进行了详细了解和认真记录，确保各项检测数据的科学性和准确性。

Figure 12: Wuhan Green Energy WTE Facility in Hubei Province carries out annual inspection of occupational hazard factors

图 12: 湖北省汉口垃圾发电厂开展职业病危害因素年度检测

Regulatory Compliance

监管合规

In FY2023, Zheneng Jinjiang Environment started from the management system and process manual, focusing on key control points such as procurement and acceptance. The Company highlighted the risk prevention mechanism for common risk points, focused on cracking down on behaviors that harm the interests of the Company, and ran the concept of standardized basic management, normal risk control publicity and implementation, grid key areas and creating risk control value through daily work.

Zheneng Jinjiang Environment adheres to improving the risk monitoring, assessment and prevention and control system, defines the risk rectification period and requirements, realizes the risk "early identification, early warning, early exposure, early disposal", and continues to effectively prevent and resolve risks in key areas. In FY2023, the Group adhered to relevant environmental and social laws concerning issues like emissions and waste, air emissions, environmental disclosure requirements, labour practices and occupational health and safety practices. We also continue to take the initiative to adapt to the changing regulatory environment and actively manage our compliance risks. The Company carries out special training on procurement and warehouse line in terms of contract legal risk and procurement regulations, organizes and holds a special risk warning meeting with the theme of "Taking special governance as the starting point, creating a clean environment for the development of wind" to constantly improving the overall awareness of risk prevention.

Zheneng Jinjiang Environment adheres to the combination of serious investigation and strict system, the unity of solving problems and improving mechanisms, the deepening of style construction, and the integration of systematic thinking to promote the "three no rot". In FY2023, the Group organized the review of all existing systems and compile and revised them, ensured the standardization of systems and targeted management, comprehensively sorted out the control measures of important processes and key links, and launched the procurement, assets, contracts, sales management internal control guidance manual and eight guidelines for warehouse entry and exit, etc., to standardize enterprise behaviour from the practical level.

2023 财年，浙能锦江环境从管理制度、流程手册出发，主抓采购、验收等关键控制点，针对常见风险点突出风险预防机制，重点打击损害公司利益的行为，将规范基础管理、常态风控宣贯、网格重点领域和创造风控价值的理念贯穿日常工作当中。

浙能锦江环境坚持完善风险监测、评估与防控体系，明确风险整改期限及要求，实现风险“早识别、早预警、早暴露、早处置”，持续有效防范化解重点领域风险。2023 财年，集团遵守废物排放、环境披露、劳工实践和职业健康安全实践等相关方面的法律法规，也持续主动适应不断变化的监管环境，并积极管理合规风险，围绕合同法律风险、采购规定等方面开展采购、仓库条线专题培训，组织召开“以专项治理为抓手，营造风清气正发展环境”为主题的风险警示专题会，不断提升整体的风险防范意识。

浙能锦江环境坚持严肃查处和严密制度相结合、解决问题和完善机制相统一，纠树并举深化作风建设，以系统思维一体推进“三不腐”。2023 财年，集团组织审核所有现有制度并进行汇编修订，确保制度规范性、管理针对性，全面梳理重要流程和关键环节的控制措施，推出采购、资产、合同、销售管理内控指导手册以及仓库出入库八项指引等，从实操层面规范企业行为。

Zheneng Jinjiang Environment attaches great importance to the construction of a clean culture, requires employees to be afraid of their work, speak with respect, and stop their actions, establish the value orientation of "being clean and beautiful and proud of being clean", adhere to the red line of discipline and law, and consciously guard the working atmosphere of wind and air. We have set up a report and complaint section in our Wechat public account, so that employees and any member of the public can directly contact the company to make anonymous reports. We explicitly prohibit any form of retaliation or threatening behavior against whistleblowers, and 100% of all complaints received are handled fairly and independent investigations are arranged. In FY2023, there were no confirmed incidents of corruption. In 2024, Zheneng Jinjiang Environment aims to maintain zero incidents of confirmed corruption.

In FY2024, we will continue to be guided by "pre-risk control, in-process supervision and inspection, and post-audit and supervision", and strive to build a two-level risk control system for the company and its subordinate enterprises, implement the main responsibilities of subordinate enterprises, further strengthen the work of system construction, discipline inspection and supervision, audit inspection, legal rights protection and other aspects, pay attention to the quality and depth of risk control work, and ensure the completion of a risk control system.

浙能锦江环境重视廉洁文化建设，要求员工在工作岗位上心有所畏、言有所敬、行有所止，树立“以清为美、以廉为荣”的价值取向，坚持不越纪法红线，自觉守护风清气正的从业氛围。我们在浙能锦江环境微信公众号中设置了举报投诉版块，让员工和任何公众可以直接联系公司作出匿名举报，并明确禁止对举报人进行任何形式的报复或威胁行为，100%处理所收到的所有投诉事项并安排公平独立的调查。2023财年，集团没有发生腐败事件。在接下来的一年，浙能锦江环境的目标是继续保持零确认腐败事件。

2024财年，将继续以“事前风险控制、事中督办检查、事后审计监察”为工作导向，努力构建公司和下属企业两级风控体系，落实下属企业主体责任，进一步加强体系建设、纪检监察、审计检查、依法维权等方面工作，注重风控工作质量和深度，确保完成一个，规范一项，促进一片。

Local Community

当地社区

We adhere to implement social responsibility as a value orientation embedded in the Group's development strategy. In FY2023, Zheneng Jinjiang Environment actively fulfilled its social responsibilities, strived to stabilize and expanded employment opportunities, and continued to make contributions in environmental protection education, school-enterprise cooperation, government-enterprise linkage, public welfare donation, community care, etc.

我们坚持将履行社会责任作为一种价值导向内嵌于集团发展战略之中。2023 财年，浙能锦江环境积极履行社会责任，努力稳定和扩大就业岗位，持续在环保教育、校企合作、政企联动、公益捐赠、社区关怀等方面作出贡献。

1.

Open the Public to Deepen Environmental Education 公众开放 深化环境教育

On 24 September 2023, a total of more than 95 teachers and students from the Jinshi Primary School research group of reporters went to Kunming Jinjiang WTE Facility in Yunnan Province to carry out the theme of environmental protection small Guardian, aiming to cultivate students' environmental awareness and responsibility, stimulate students' consciousness and enthusiasm to participate in environmental protection, and promote the popularization of environmental protection education. Under the leadership of the staff of Kunming Jinjiang WTE Facility, the teachers and students visited all aspects of the waste power plant, experienced the process of waste treatment, incineration power generation, etc., and had a vivid lesson on the practice of civilization in the new era. The students also interviewed the staff about environmental protection. This activity not only satisfied the students' curiosity and thirst for knowledge, but also enhanced the students' environmental awareness and responsibility.

2023 年 9 月 24 日，金实小学研学小记者团师生共 95 余人到云南省五华垃圾发电厂开展环保小卫士主题活动，旨在培养学生环保意识和责任感，激发学生参与环保的自觉性和积极性，推动环保教育的普及。在五华垃圾发电厂工作人员的带领下，师生们参观了垃圾发电厂的各个环节，亲身体验了垃圾处理、焚烧发电等过程，上了一堂生动的新时代文明实践课。学生们还对工作人员进行了环保知识采访。此次活动不仅满足了学生们的好奇心和求知欲，也增强了学生们的环保意识和责任感。



Figure 13: Kunming Jinjiang WTE Facility received research young reporter

图 13: 云南省五华垃圾发电厂接待研学小记者

2.

School-enterprise Cooperation to Cultivate Talents
校企合作 培养人才

In order to improve the practical ability and professional level of college students, improve the professional talent structure of the power plant, and promote the high-quality and sustainable development of the power plant, the unveiling ceremony of the cooperation between Zibo Green Energy WTE Facility and Shandong University was held on 8 June 2023. School-enterprise cooperation will help the power plant to recruit and attract more outstanding graduates, and will also provide a platform for employment and internship for school graduates, improve their practical ability and enhance their ability to participate in social competition.

为提升大学生实践能力和专业水平，完善电厂专业人才结构，推动电厂高质量可持续发展，山东省淄川垃圾发电厂与山东大学校企合作揭牌仪式于2023年6月8日举行。校企合作将有利于电厂选聘、吸引更多的优秀毕业生，同时也将为学校毕业生提供就业实习的平台，提高实践能力，增强他们参与社会竞争的能力。



Figure 14: Zibo Green Energy WTE Facility and Shandong University to carry out school-enterprise cooperation
图 14：山东省淄川垃圾发电厂与山东大学开展校企合作

3.

Crack Down on Fake and Shoddy Products and Clean Up the Market
打击假冒伪劣产品 肃清市场风气

On the eve of the “3.15” International Consumer Rights Day, on 14 March 2023, Gaomi Lilangmingde WTE Facility in Shandong Province actively responded to the needs of relevant government departments and assisted in the destruction of counterfeit and shoddy commodities. On the morning of 14 March, 2023, transport vehicles loaded with fake and shoddy goods came to the discharge platform of Gaomi Lilangmingde WTE Facility. Under the supervision and witness of government staff, this batch of fake and shoddy goods were successfully destroyed, which not only cleared up the market trend, but also avoided the “secondary circulation” and “secondary pollution” of infringing counterfeit goods.

在2023年“3.15”国际消费者权益日来临之际，山东省高密垃圾发电厂积极响应政府有关部门需求，协助开展假冒伪劣商品销毁活动。2023年3月14日上午，装有假冒伪劣商品的运输车辆来到高密垃圾发电厂卸料平台，在政府工作人员的监督见证下，本批假冒伪劣商品被成功销毁，不仅肃清了市场风气，更能避免侵权假冒商品“二次流通”、“二次污染”。



Figure 15: Gaomi Lilangmingde WTE Facility in Shandong Province helped the local government destroy fake and shoddy goods

图 15：山东省高密垃圾发电厂协助当地政府销毁假冒伪劣商品

4.

Charitable Donation to Build a Beautiful Community 东西协作山海情 帮扶聚力助振兴

Zheneng Jinjiang Environment actively responded to the call of the Gongshu District in Hangzhou City, Zhejiang Province to help and cooperate with the west region, and carried out the help pairing with Bolingou Town, Zhaohua District, Guangyuan City, Sichuan Province. With a high sense of social responsibility, Zheneng Jinjiang Environment contributed to the poverty alleviation work of Matutan Village, Bolingou Town, and strive to help the poor people get rid of poverty as soon as possible. The donation of RMB150,000 is dedicated to the construction of the "Shanghai Tongxin" Party construction project – the construction of the kiwifruit Ecological Industrial Park in Matutan Village, Bolingou Town, Zhaohua District, Guangyuan City, Sichuan Province, hoping to use "real gold", "sincerity" and "sincerity" to create fruitful results on the road to common wealth, and gather forces to create a "golden card" for eastern and western cooperation, highlighting the company's mission and responsibility.

浙能锦江环境积极响应浙江省杭州市拱墅区东西部对口帮扶及协作工作计划号召，与四川省广元市昭化区柏林沟镇开展帮扶结对，以高度的社会责任感，为共建柏林沟镇马蹄滩村脱贫工作尽心出力，力争帮助贫困群众早日脱贫致富，捐赠人民币15万元专项用于四川省广元市昭化区柏林沟镇“山海同心”党建共建项目——马蹄滩村猕猴桃生态产业园的建设，希望用“真金”“真心”“真情”打造共富之路上的硕果累累，聚力打造东西部协作“金名片”，彰显了公司的使命和担当。



Figure 16: Zheneng Jinjiang Environment donated to Bolingou Town, Zhaohua District, Guangyuan City, Sichuan Province

图 16: 浙能锦江环境捐赠四川省广元市昭化区柏林沟镇

5.

Care for the Elderly to Send Warmth During Double Ninth Festival
情暖重阳 关爱老人送温暖

Party branch of Yunan Green Energy WTE Facility in Yunnan Province carried the Double Ninth Festival condolences activities with the theme of "warm Chongyang, care for the elderly to send warmth", for the community over 60 years old to send condolences and thick holiday blessings, so that the old people feel the festival and warmth. Warmed by the gesture, the old people moved to hold everyone's hands and to say thanks. Yunan Green Energy WTE Facility has inherited traditional Chinese virtues with practical actions, and further promoted the exchanges between communities and enterprises.

“秋来又重阳，情系桑榆晚”，云南省西山垃圾发电厂党支部以“情暖重阳 关爱老人送温暖”为主题开展重阳节慰问活动，为社区60岁以上老人送去慰问品和浓浓的节日祝福，让老人们感受到了节日的喜庆及温暖。殷殷细语，切切温情，老人们感动的拉着大家的手，不停说着感谢。西山垃圾发电厂以实际行动传承了中华传统美德，进一步促进了社区与企业的交流。



Figure 17: Yunan Green Energy WTE Facility cared for the elderly to send warmth.

图 17: 云南省西山垃圾发电厂关爱老人送温暖

6.

Villages Cooperating With Enterprises to Build a Happy Life
村企手拉手共建幸福生活

Tangshan Jiasheng WTE Facility in Hebei Province and Zicaoowu Village to build the party to unite the strength of both sides to promote the common development of both sides. Tangshan Jiasheng WTE Facility provides a large number of jobs for the unemployed people in the nearby villages, and gives full play to the social effect of the "village enterprise co-construction" model. Zicao Wood for Tangshan Jiasheng WTE Facility to send "ten thousand enterprises in the village help do practical work to build a happy life" banner, in order to express its gratitude to the enterprise.

河北省唐山垃圾发电厂与紫草坞村以党建共建凝聚双方力量，推动双方共同发展。唐山垃圾发电厂为附近村庄失业人群提供了大量就业岗位，充分发挥了“村企共建”模式的社会效应。紫草坞为唐山垃圾发电厂送上“万企驻村帮扶办实事 手拉手共建幸福生活”锦旗，以表达对企业的感谢。



Figure 18: Tangshan Jiasheng WTE Facility received a banner from the local village committee


图 18: 河北省唐山垃圾发电厂收到当地村委的锦旗


Local Community

当地社区

In FY2023, Zheneng Jinjiang Environment and its subsidiaries received commendations from the local governments for their outstanding contributions, mainly listed as follows:

2023 财年，浙能锦江环境及旗下多家企业因其出色的贡献获得当地政府授予的荣誉，主要列示如下：

	In December, Xingjin Green Energy WTE Facility in Henan Province won the honorary title of "Advanced Collective of environmental sanitation work in 2023"	12 月，河南省荥阳垃圾发电厂获得“2023 年度环卫工作先进集体”荣誉称号
	In December, Wenling Green Energy WTE Facility in Zhejiang Province was awarded the title of "2023 Healthy Enterprise of Wenling City" by the Leading Group of Occupational Disease Prevention and Control of Wenling City	12 月，浙江省温岭垃圾发电厂被温岭市职业病防治领导小组授予“2023 年温岭市健康企业称号”
	In December, Leting Jinhuan WTE Facility in Hebei Province won the title of "Provincial Water-saving Enterprise in 2023"	12 月，河北省乐亭垃圾发电厂荣获“2023 年度省级节水型企业”称号
	In December, Zheneng Jinjiang Environment was awarded "2023 Top 50 Environmental Enterprises in China", which was issued by the China Environment Chamber of Commerce	12 月，浙能锦江环境蝉联由全国工商联环境商会颁发的“2023 中国环境企业 50 强”荣誉
	In October, Kitchen Waste Treatment Facilities in Wenling city, Zhejiang Province was selected as the third batch of Collaborative Benchmarking Projects for Pollution Reduction and Carbon Reduction in Zhejiang Province	10 月，浙江省温岭餐厨处理设施入选浙江省第三批减污降碳协同标杆项目
	In September, Zheneng Jinjiang Environment was recognised as the "2023 Top 500 Global New Energy Companies", which was jointly issued by China Energy News and China Institute of Energy Economics	9 月，浙能锦江环境继续蝉联中国能源报和中国能源经济研究院联手发布的“2023 全球新能源企业 500 强”
	In July, Mr. Ying Shenlin, the management of a subsidiary of Zheneng Jinjiang Environment, was awarded the title of "Advanced Individual in Pollution Prevention and Control Work of Jilin Province"	7 月，浙能锦江环境旗下电厂管理层英慎林同志荣获“吉林省污染防治工作先进个人”称号
	In June, Zheneng Jinjiang Environment was awarded the status of "Top Ten Enterprises with Comprehensive Strength in China's Domestic Waste Incineration Industry" by the China Association of Urban Environment Sanitation	6 月，浙能锦江环境荣获中国城市环境卫生协会授予的“中国生活垃圾焚烧行业综合实力十强企业”称号
	In April, Tianjin Sunrise WTE Facility won the title of "Worker Pioneer" in Beichen district	4 月，天津垃圾发电厂荣获北辰区“工人先锋队”称号

	In March, Leting Jinhuan WTE Facility in Hebei Province and its employees were awarded the honorary titles of "Occupational Health Enterprise" and "Occupational Health Master" of Tangshan city for FY2022 respectively	3月, 河北省乐亭垃圾发电厂及其员工分别荣获唐山市 2022 年度“职业健康企业”和“职业健康达人”荣誉称号
	In March, Shijiazhuang Jiasheng WTE Facility in Hebei Province won the title of "Advanced Unit of Urban Management in 2022"	3月, 河北省石家庄垃圾发电厂荣获“2022 年度城市管理工作先进单位”称号
	In March, Lianyungang Sunrise WTE Facility in Jiangsu Province passed the second-level enterprise identification of power safety production standardization	3月, 江苏省连云港垃圾发电厂通过电力安全生产标准化二级企业认定
	In March, Zheneng Jinjiang Environment was awarded the "Polaris Cup" 2022 Social Benefit Low Carbon Brand Award	3月, 浙能锦江环境荣获“北极星杯”2022 社会效益低碳品牌奖项
	In March, Wuhan Green Energy WTE Facility was awarded the 2022 Operation Management Benchmarking Power Plant	3月, 湖北省汉口垃圾发电厂获 2022 运行管理标杆电厂
	In March, Wuhan Jinjiang WTE Facility was awarded the 2022 Innovative Development Power Plant	3月, 湖北省武昌垃圾发电厂获 2022 创新发展电厂
	In March, Kuming Jinjiang WTE Facility and Wenling Green Energy WTE Facility were awarded the 2022 Public Opening Excellent Power Plant	3月, 云南省五华垃圾发电厂和浙江省温岭垃圾发电厂获 2022 公众开放优秀电厂
	In February, Yunnan Green Energy WTE Facility was jointly awarded by the CPC Kunming Xishan District Committee and Kunming Xishan District People's Government as the "Special Contribution Unit of Xishan District in 2022 to Revitalize Industry, Stabilize Economy, Protect People's Livelihood and Promote Development"	2月, 云南省昆明西山垃圾发电厂被中共昆明市西山区委和昆明市西山区人民政府联合授予“2022 年度西山区兴产业、稳经济、保民生、促发展特别贡献单位”
	In February, Leting Jinhuan WTE Facility in Hebei Province won the Special Equipment Safety "Double Control" System Construction "winning unit" in Tangshan City for FY2022	2月, 河北省乐亭垃圾发电厂荣获 2022 年度唐山市特种设备安全“双控”体系建设“优胜单位”
	In January, Lianyungang Sunrise WTE Facility in Jiangsu Province was recognized as a city-level Enterprise with Harmonious Labor Relations	1月, 江苏省连云港垃圾发电厂认定为市级劳动关系和谐企业
	In January, Wenling Green Energy WTE Facility in Zhejiang Province won the title of Water-saving Benchmarking Enterprise for FY2022 in Zhejiang Province	1月, 浙江省温岭垃圾发电厂获得浙江省 2022 年度节水标杆企业称号

Moving forward, in FY2024 and the medium-term future, the Group will continue to practice social responsibility with practical actions, take the initiative to explore, take responsibility in economic development, environmental education, community service, job creation, public welfare and charity, and contribute its own strength to achieve harmonious coexistence and common development between enterprises and society.

展望未来, 在 2024 财年和近几年, 集团将持续用实际行动践行社会责任, 主动探索, 在经济发展、环境教育、社区服务、创造就业、公益慈善方面勇担责任, 为实现企业与社会的和谐共生和共同发展贡献自己的力量。

GRI CONTENT INDEX

GRI 内容索引

Statement of use 使用说明	The information cited in this GRI Content Index is reported by Zheneng Jinjiang Environment for the period from 1 January 2023 to 31 December 2023 with reference to GRI standards. 浙能锦江环境在 2023 年 1 月 1 日至 2023 年 12 月 31 日参照 GRI 标准报告了在此份 GRI 内容索引中引用的信息。
GRI 1 used 使用的 GRI 1	GRI 1: Foundation 2021 GRI 1: 基础 2021

GRI Standards GRI 标准	Disclosure 披露项	Page reference 页码位置
GRI 3-3 (2021)	Management of material topics 实质性议题的管理	Sustainability Report – Materiality Assessment, pages 47 to 50 可持续性报告 – 重要因素评估, 第 47 至 50 页
GRI 201-1 (2016)	Direct economic value generated and distribution 直接产生和分配的经济价值	Consolidated Statement of Comprehensive Income, page 151; Statements of Financial Position, page 152 综合收益合并报表, 第 151 页; 财务状况报表, 第 152 页
GRI 201-2 (2016)	Financial implications and other risks and opportunities due to climate change 气候变化带来的财务影响以及其他风险和机遇	Sustainability Report – Addressing Climate Change, pages 69 to 78 可持续性报告 – 应对气候变化, 第 69 至 78 页
GRI 202-2 (2016)	Proportion of senior management hired from the local community 从当地社区雇用高管的比例	Sustainability Report – Talent Training and Advancement, Page 80 可持续性报告 – 人才培养与提升, 第 80 页
GRI 205-3 (2016)	Confirmed incidents of corruption and actions taken 经确认的腐败事件和采取的行动	Sustainability Report – Regulatory Compliance, page 93 可持续性报告 – 监管合规, 第 93 页
GRI 301-1 (2016)	Materials used by weight or volume 所用物料的重量或体积	Sustainability Report – Green Operations, pages 65 to 66 可持续性报告 – 绿色经营, 第 65 至 66 页
GRI 302-1 (2016)	Energy consumption within the organization 组织内部的能源消耗量	Sustainability Report – Green Operations, pages 65 to 66 可持续性报告 – 绿色经营, 第 65 至 66 页
GRI 306-2 (2020)	Management of significant waste-related impacts 废弃物相关重大影响的管理	Sustainability Report – Sustainable Business of Zheneng Jinjiang Environment, pages 53 to 55 – Green Operations, pages 65 to 68 可持续性报告 – 浙能锦江环境可持续业务, 第 53 至 55 页 – 绿色经营, 第 65 至 68 页
GRI 401-1 (2016)	New employee hires and employee turnover 新进员工雇佣率和员工流动率	Sustainability Report – Talent Training and Advancement, page 79 可持续性报告 – 人才培养与提升, 第 79 页
GRI 401-2 (2016)	Benefits provided to full-time employees that are not provided to temporary or part-time employees 提供给全职员工 (不包括临时或兼职员工) 的福利	Sustainability Report – Talent Training and Advancement, page 86 可持续性报告 – 人才培养与提升, 第 86 页
GRI 401-3 (2016)	Parental leave 育儿假	Sustainability Report – Talent Training and Advancement, pages 84 to 85 可持续性报告 – 人才培养与提升, 第 84 至 85 页

GRI Standards GRI 标准	Disclosure 披露项	Page reference 页码位置
GRI 403-1 (2018)	Occupational health and safety management system 职业健康安全管理体系	Sustainability Report – Occupational Health and Safety, page 89 可持续性报告 – 职业健康和安全的，第 89 页
GRI 403-9 (a)(i) 2018	Work-related injuries: 工伤： (a) For all employees: (a) 对于所有员工： i. The number and rate of fatalities as a result of work-related injury; i. 工伤导致的死亡数量和死亡率；	Sustainability Report – Occupational Health and Safety, page 88 可持续性报告 – 职业健康和安全的，第 88 页
GRI 404-1 (2016)	Average hours of training per year per employee 每名员工每年接受培训的平均小时数	Sustainability Report – Talent Training and Advancement, pages 82 to 83 可持续性报告 – 人才培养与提升，第 82 至 83 页
GRI 404-3 (2016)	Percentage of employees receiving regular performance and career development reviews 接受定期绩效和职业发展考核的员工百分比	Sustainability Report – Talent Training and Advancement, page 84 可持续性报告 – 人才培养与提升，第 84 页
GRI 405-1 (2016)	Diversity of governance bodies and employees 管治机构与员工的多元化	Sustainability Report – Talent Training and Advancement, pages 79 to 81 可持续性报告 – 人才培养与提升，第 79 至 81 页



TCFD CONTENT INDEX

TCFD 内容索引

TCFD Recommendation TCFD 建议	Page Reference and Remarks 页码位置和备注
Governance 治理: Disclose the organization's governance around climate-related risks and opportunities. 披露组织围绕气候相关风险和机遇的治理。	
A) Describe the board's oversight of climate-related risks and opportunities. 描述董事会对气候相关风险和机遇的监督	Addressing Climate Change, pages 71 to 72 应对气候变化, 第 71 至 72 页
B) Describe management's role in assessing and managing risks and opportunities. 描述管理层在评估和管理风险和机遇方面的作用	Addressing Climate Change, pages 71 to 72 应对气候变化, 第 71 至 72 页
Strategy 战略: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material. 披露与气候相关的风险和机遇对组织业务、战略和财务规划的实际和潜在影响 (如果此类信息很重要)。	
A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. 描述组织在短期、中期和长期内确定的与气候相关的风险和机遇	Addressing Climate Change, pages 72 to 76 应对气候变化, 第 72 至 76 页
B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. 描述气候相关风险和机遇对组织业务、战略和财务规划的影响	Addressing Climate Change, pages 72 to 76 应对气候变化, 第 72 至 76 页
C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. 描述组织战略的弹性, 同时考虑不同的气候相关情景, 包括 2°C 或更低的情景	Zheneng Jinjiang Environment is adopting a progressive strategy towards managing climate related risks. Scenario analysis will be carried out in subsequent sustainability reports. 浙能锦江环境正在采取渐进式的战略来管理与气候相关的风险。情景分析将在后续的报告中进行。
Risk Management 风险管理: Disclose how the organization identifies, assesses, and manages climate-related risks. 披露组织如何识别、评估和管理气候相关风险。	
A) Describe the organization's processes for identifying and assessing climate-related risks. 描述组织识别和评估气候相关风险的流程	Addressing Climate Change, pages 77 to 78 应对气候变化, 第 77 至 78 页
B) Describe the organization's processes for managing climate-related risks. 描述组织管理气候相关风险的流程	Addressing Climate Change, pages 77 to 78 应对气候变化, 第 77 至 78 页
C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. 描述如何将识别、评估和管理气候相关风险的过程整合到组织的整体风险管理中	Addressing Climate Change, pages 77 to 78 应对气候变化, 第 77 至 78 页

TCFD Recommendation TCFD 建议	Page Reference and Remarks 页码位置和备注
<p>Metrics and Targets 指标和目标：</p> <p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material. 披露用于评估和管理相关气候相关风险和机遇的指标和目标（如果此类信息很重要）。</p>	
<p>A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. 根据其战略和风险管理流程，披露组织用于评估气候相关风险和机遇的指标</p>	<p>Addressing Climate Change, page 78 应对气候变化，第 78 页</p> <p>Zheneng Jinjiang Environment is adopting a progressive strategy towards managing climate related risks. Identification and disclosure of appropriate metrics will be carried out in subsequent sustainability reports in compliance with the prevailing listing rules of the SGX-ST. 浙能锦江环境正在采取渐进式的战略来管理与气候相关的风险。确定和披露适当的衡量标准将根据新交所现行规则在后续报告中披露。</p>
<p>B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. 披露范围 1、范围 2 和（如适用）范围 3 温室气体 (GHG) 排放和相关风险</p>	<p>Zheneng Jinjiang Environment is adopting a progressive strategy towards managing climate related risks. GHG emissions will be measured and disclosed in subsequent sustainability reports in compliance with the prevailing listing rules of the SGX-ST. 浙能锦江环境正在采取渐进式的战略来管理与气候相关的风险。温室气体排放将根据新交所现行规则在后续的报告中进行测量和披露。</p>
<p>C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. 描述组织用于管理气候相关风险和机遇的目标，以及针对目标的绩效</p>	<p>Zheneng Jinjiang Environment is adopting a progressive strategy towards managing climate related risks. Appropriate targets will be set and disclosed in subsequent sustainability reports in compliance with the prevailing listing rules of the SGX-ST. 浙能锦江环境正在采取渐进式的战略来管理与气候相关的风险。适当的目标将被设定并根据新交所现行规则在后续的报告披露。</p>

Corporate Governance Report

Zheneng Jinjiang Environment Holding Company Limited (the “**Company**” or “**Zheneng Jinjiang Environment**”) and its subsidiaries (collectively referred to as the “**Group**”) is committed to maintaining good corporate governance in all its business activities.

This report sets out Zheneng Jinjiang Environment’s corporate governance practices with reference to the Principles and Provisions of the Code of Corporate Governance 2018 (the “**CG Code**”). Where the Company’s practices differ from the Provisions under the CG Code, comprehensive and meaningful explanations on how such practices it had adopted are consistent with the aim, intent and philosophy of the relevant Principle have been included in this report.

Board Matters

Principle 1: The Board’s Conduct of Affairs

Role of the Board

The Board oversees the Group’s business and its performance. It is collectively responsible and works with management for the long-term success of the Company. The Board’s principal roles include guiding and establishing strategic and business objectives. The Board considers sustainability issues, including environmental and social factors, as part of its strategic formulation. Executives of the Board are tasked to execute these by setting direction and goals for management and staff and ensuring that the business of the Group is effectively managed and properly conducted day to day towards these ends. The Board reviews the Group’s performance and satisfies itself on the adequacy and effectiveness of the framework and processes for internal controls. The Board also sets the tone for the Group in respects of ethics, values and desired organisational culture, and ensures proper accountability within the Group. The Board assumes the overall responsibility for good corporate governance.

The Group’s key stakeholders include its shareholders, customers, suppliers, business partners, employees and the community. The Group has put in place a code of business and ethical conduct for its employees to ensure that obligations to these key stakeholders are understood and met.

Independent Judgement

All Directors are fiduciaries of the Company who act objectively in the best interests of the Company and hold management accountable for performance. In determining the independence of the Directors, please refer to “Board Independence” under Principle 2 in this Corporate Governance Report. Also, Directors who face conflicts of interest or are directly or indirectly interested in a transaction or proposed transaction recuse themselves from discussions and decisions involving the issues of conflict. The Board has established a Nominating Committee (the “**NC**”) which makes recommendations to the Board on the appointments and re-appointments of the Directors and assesses their independence annually and as and when circumstances require. When assessing their independence, the NC takes into account the Director’s independence in conduct, character and judgment and any relationships between the Director and the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgment in the best interests of the Company.

Corporate Governance Report

Delegation by the Board

To assist in the execution of its responsibilities as a listed company, the Board has established an Audit and Risk Management Committee (the “**ARMC**”), a Remuneration Committee (the “**RC**”) and an NC (each a “**Committee**” or a “**Board Committee**”). These Committees function within clearly defined written terms of references setting out their compositions, authorities and duties including reporting back to the Board, which are reviewed on a periodic basis to ensure their continued relevance. The composition and effectiveness of each Committee is also periodically reviewed by the Board. The delegation of authority by the Board to the Committees enables the Board to achieve operational efficiency by empowering the Committees to decide on matters within their respective terms of reference, and yet without abdicating its responsibility. Please refer to Principles 10, 6 and 4 in this Corporate Governance Report for further information on the activities of the ARMC, the RC and the NC respectively.

Non-Executive Independent Directors (also referred to as “**Independent Directors**”) comprise a majority of, and chair, each of the Committees. The details of each Director’s membership in the Committees are set out as follows:

	ARMC	NC	RC
Wei Dongliang	–	Member	–
Ang Swee Tian	Member	Chairman	Chairman
Ni Mingjiang	– ⁽¹⁾	Member	Member
Kan Yaw Kiong (Ernest)	Chairman	–	Member
Liang Weiwen ⁽²⁾	Member	–	Member

Notes:

(1) Prof. Ni Mingjiang retired as a member of the ARMC on 24 April 2023.

(2) Mr. Liang Weiwen was appointed as a Non-Executive and Non-Independent Director of the Company at the conclusion of the Company’s annual general meeting (“**AGM**”) held on 24 April 2023, and was appointed as a member of the ARMC and the RC on the same day.

Board Processes

The Board meets at least quarterly and whenever necessary to address any specific significant matters that may arise. Records of such meetings, including key deliberations and decisions taken, are maintained by the Joint Company Secretaries. The Company’s Articles of Association allow a Board meeting to be conducted by way of telephonic or video-conference. Board approval may be obtained by circulation via written resolutions.

Corporate Governance Report

Directors' Attendance at General Meetings, Board and Board Committee Meetings during FY2023

The number of general meetings, Board meetings and Committee meetings held during the financial year ended 31 December 2023 ("FY2023") and the attendance of each Director thereat are as follows:

	Board	AGM	EGM	ARMC	NC	RC
Number of meetings held in FY2023	4	1	–	5	1	1
Name of Director	Number of meetings attended in FY2023					
Wei Dongliang	4	1	–	4 [^]	1	1 [^]
Wang Ruihong	4	1	–	4 [^]	–	–
Jin Ruizhi ⁽¹⁾	3	–	–	4 [^]	–	–
Ang Swee Tian	4	1	–	5	1	1
Ni Mingjiang	4	1	–	1 ⁽²⁾ +3 [^]	1	1
Kan Yaw Kiong (Ernest)	4	1	–	5	1 [^]	1
Liang Weiwen ⁽³⁾	3	–	–	4	–	–

Notes:

[^] : by invitation

- (1) Mr. Jin Ruizhi, the Chief Financial Officer of the Company, was appointed as an Executive Director of the Company at the conclusion of the AGM held on 24 April 2023. Accordingly, the table above only reflects meetings which he had attended after his appointment as an Executive Director of the Company.
- (2) Prof. Ni Mingjiang retired as a member of the ARMC on 24 April 2023.
- (3) Mr. Liang Weiwen was appointed as a Non-Executive and Non-Independent Director of the Company at the conclusion of the AGM held on 24 April 2023, and was appointed as a member of the ARMC and RC on the same day. Accordingly, the table above only reflects meetings which he had attended after his respective aforesaid appointments.

The Board is of the view that the contribution of each Director should not only be focused on his or her attendance at Board and Board Committee meetings but should extend beyond attendance at meetings. A Director may share his opinion, advice and experience with other Directors and management and doing so can also further the interest of the Group. Directors taking on multiple directorships have ensured that sufficient time and attention are given to the affairs of the Company.

Board Approval

The Board has identified certain key matters that are specifically reserved for approval by the Board, including:

- the Group's long-term objectives and commercial strategy, and the annual operating and capital expenditure budgets;
- material investments in, and acquisitions and disposal of assets or projects in the People's Republic of China above certain specified thresholds;
- material investments in, and acquisitions and disposal of, assets or projects outside the People's Republic of China;

Corporate Governance Report

- major corporate or financial restructuring, changes to the Group's capital structure, debt financing which results in the Group's gearing ratio exceeding certain limits specified in the Group's annual budget and provision of intra-Group guarantees for which the Board's approval is requested by the financial institutions;
- dividend policy and any changes thereto, and the declaration or recommendation of dividends;
- the results of the Company, the annual report, significant changes in accounting policies or practices, transactions whereby there is a conflict of interest involving a substantial shareholder or director, and the Group's risk and control processes and corporate governance arrangements; and
- resolutions and documentation to be put forth to shareholders at a general meeting.

The ARMC, the NC and the RC evaluate and report to the Board on other specific matters including but not limited to, compliance with the provisions of the non-competition agreement entered into by the Company with certain of its controlling shareholders, interested person transactions and any general mandate for interested person transactions, management's remuneration packages and the Jinjiang Environment Performance Share Plan ("**Jinjiang Environment PSP**").

The Board has formally refined the above matters to facilitate execution and also incorporated approval limits that require Board or management approval. The above was clearly communicated by the Board to management in writing.

Orientation and Training

The Board recognises the importance of appropriate induction, training and development for its Directors. Newly appointed Executive Directors will be given an orientation program which includes presentations and briefings by the CEO and management. Physical or virtual site visits to overseas plants may also be conducted to facilitate a better understanding of the Group's operations, processes, internal controls and governance practices. Meetings with various key executives allow the Directors to be acquainted with the management team and ensure that the Directors have direct independent access to the management team in future. All newly appointed Directors will be briefed on the general duties and obligations as a Director, pursuant to the relevant legislation and regulations.

In addition to the above, all Directors and management are encouraged to undergo relevant training to enhance their skills and knowledge, particularly on new laws and regulations affecting the Group's business and governance practices, on the Company's expense. Directors who have no prior experience as a director of an issuer listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") are required to attend prescribed training within the prescribed timelines under the Listing Manual of the SGX-ST ("**SGX-ST Listing Manual**") to acquire the relevant knowledge on the roles and responsibilities of a director of an issuer listed on the SGX-ST. All Directors must also undergo training on sustainability matters as prescribed by the SGX-ST under the SGX-ST Listing Manual. The Joint Company Secretaries coordinate with the relevant Director to complete such training, subject to the training schedule and the Director's availability.

All Directors have undergone prescribed training on sustainability matters organised by the Singapore Institute of Directors ("**SID**") in accordance with the requirements under the SGX-ST Listing Manual. As first-time directors of an issuer listed on the SGX-ST, Mr. Jin Ruizhi and Mr. Liang Weiwen have attended the Listed Entity Director Programme (which includes training on sustainability matters) organised by the SID within one year from the date of their appointment to the Board in accordance with the requirements under the SGX-ST Listing Manual.

The Directors are also provided with updates periodically by the Company's compliance adviser, Joint Company Secretaries, external and internal auditors and other professionals relating to directors' duties, relevant laws, regulations and codes, financial reporting standards, internal controls, corporate governance and risk management. All the orientation and training expenses are fully funded by the Group.

Corporate Governance Report

Complete, Adequate and Timely Information

The Board and Board Committees are provided with a meeting agenda and the relevant papers prior to the meetings. Complete, adequate and timely information are provided prior to meetings and on an on-going basis to allow proper deliberation on issues. Draft agenda are circulated in advance to the Board and Board Committees for review and additional items can be added where necessary. Management, external and internal auditors, the compliance adviser and other professionals are invited to the meetings when necessary to provide additional inputs on the matters for discussion. The minutes of meetings are circulated to all Board members for comments and confirmation.

The Directors may request for additional information of the Company's operations or business from the management to make informed decisions. Necessary arrangements will be made to provide such information. The Board has separate and independent access to management.

Joint Company Secretaries

At least one of the Joint Company Secretaries or his/her representative(s) will attend all Board and Board Committee meetings and ensure that all Board and Board Committee procedures are followed. Together with the management, the Joint Company Secretaries assist the Company in complying with all applicable laws and regulations. The Joint Company Secretaries also advise on all corporate governance matters, ensure good information flows within the Board and between management and Directors, facilitate the participation of newly appointed Directors in mandatory prescribed training and assist with continuing professional training and development for the Directors. On an ongoing basis, the Directors have separate and independent access to the Joint Company Secretaries at the expense of the Company, whose duties and responsibilities are clearly defined. The appointment or the removal of the Joint Company Secretaries is a decision of the Board as a whole.

Independent Professional Advice

The Directors, whether individually or as a group, are entitled to obtain independent professional advice at the expense of the Company, in the furtherance of their duties and when circumstances warrant the advice.

Principle 2: Board Composition and Guidance

Board of Directors

As at the date of this Report, the Board comprises 7 Directors: 1 Executive Chairman, 1 Executive Deputy Chairman, 1 Executive Director, 1 Non-Executive and Non-Independent Director, and 3 Independent Directors, as follows:

Name of Director	Age	Date of first appointment	Position(s)
Wei Dongliang	49	26 September 2019	Executive Chairman
Wang Ruihong	58	23 December 2010	Executive Deputy Chairman and Deputy General Manager
Jin Ruizhi	50	24 April 2023	Executive Director and Chief Financial Officer
Ang Swee Tian	75	29 June 2016	Lead Independent Director
Ni Mingjiang	74	29 June 2016	Independent Director
Kan Yaw Kiong (Ernest)	66	22 July 2022	Independent Director
Liang Weiwen	57	24 April 2023	Non-Executive and Non-Independent Director

Corporate Governance Report

Accordingly, non-executive directors make up the majority of the Board.

Prior to the appointments of Mr. Jin Ruizhi and Mr. Liang Weiwen on 24 April 2023, the Board comprised 5 Directors: 1 Executive Chairman, 1 Executive Director and 3 Independent Directors. Accordingly, Independent Directors made up the majority of the Board where the Chairman is not independent, for the period from 1 January 2023 and prior to 24 April 2023.

On 27 March 2024, Mr. Wang Ruihong, who was previously an Executive Director and Deputy General Manager of the Company, was appointed as the Executive Deputy Chairman of the Company. In addition to his appointment as Executive Deputy Chairman of the Company, Mr. Wang Ruihong will remain as Deputy General Manager of the Company.

Provision 2.2 of the CG Code recommends that independent directors make up a majority of the Board where the Chairman is not independent. In this regard, notwithstanding that the Chairman of the Board is not an Independent Director of the Company, there is already an appropriate level of checks and balances to ensure that the process of decision-making by the Board is independent and based on collective decisions without any individual or small group of individuals exercising any considerable concentration of power.

The Board presently includes (i) three Independent Directors (including a Lead Independent Director), (ii) two Executive Directors (including the Chairman of the Board) nominated by the single largest shareholder of the Company, namely Zhejiang Provincial Energy Group Co., Ltd. ("**Zheneng Group**"), (iii) an Executive Director who is the Deputy Chairman of the Board and whilst not nominated by any shareholder, is the longest serving director on the Board and has a longstanding working relationship with the second largest shareholder of the Company, namely, Hangzhou Jinjiang Group Co., Ltd., going back to before the initial public offering of the Company, and (iv) a Non-Executive and Non-Independent Director jointly nominated by two substantial shareholders of the Company, namely Harvest Global Dynamic Fund SPC acting on behalf of and for the account of Harvest Environmental Investment Fund SP and Whitel Management Company Limited. Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board and the decisions are based on collective decision, and no single major shareholder can dictate the decision-making process of the Board.

The Independent Directors and/or Non-Executive Directors also play an important role in ensuring that the strategies and plans proposed by management are constructively challenged, fully discussed and examined, and take into account the long-term interests of not only the shareholders but also other stakeholders of the Group.

In addition, the Company has appointed a lead Independent Director from amongst the Independent Directors of the Company, who is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman of the Board or management are inappropriate or inadequate, and who holds discussions with the other Independent Directors without the presence of the Executive Chairman or management. Further, pursuant to discussions on the Board Diversity Policy, targets of having at least one female representative on the Board and the appointment of one additional Independent Director (who may or may not be resident in Singapore) by 2026 have also been established to further strengthen checks and balances on the Board and prevent groupthink. In view of the foregoing, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 2 of the CG Code.

Review of Director's Independence

The NC conducts an annual review of each director's independence in accordance with Rule 210(5)(d) of the SGX-ST Listing Manual and Provision 2.1 of the CG Code. Rule 210(5)(d)(iv) of the SGX-ST Listing Manual is not applicable as none of the Independent Directors have been a director of the Company for an aggregate period of more than nine years (whether before or after listing).

Corporate Governance Report

For FY2023, the Board, taking into account the views of the NC, has determined that the three Independent Directors of the Company are independent in character and judgement and that there are no relationships or circumstances with the Company, its related corporations, its substantial shareholders (as defined in the SGX-ST Listing Manual) or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of these Directors' objective business judgment in the best interests of the Company, thus providing a strong and independent element on the Board. Each of the Independent Directors had recused himself from the NC's and Board's deliberations on his own independence.

Board Composition and Size, and Board Diversity

The NC reviews the size and composition of the Board and each Board Committee annually to ensure they are of an appropriate size and comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The Board is committed to achieve an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company. The Board recognises that a diverse Board of an appropriate size is an important element which will better support the Company's achievement of its strategic objectives for sustainable development, avoid groupthink and foster constructive debate. A diverse Board also enhances decision-making process through the perspectives derived from various skills, business experience, industry discipline, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service and other distinguishing qualities of the Directors.

The current Board comprises persons with ages ranging from the 40s to the 70s who have served on the Board for different tenures with diverse expertise and experience in accounting, audit, business and management, asset management and finance, risk management and sustainable energy who as a group provide core competencies necessary to meet the Company's requirements. The Directors' objective judgment on corporate affairs and collective experience and knowledge are invaluable to the Group and allows for the useful exchange of ideas and views. Accordingly, the combination of skills, talents, experience and diversity of the Directors serves the needs and plans of the Company.

Pursuant to Rule 710A of the SGX-ST Listing Manual and Provision 2.4 of the CG Code, the Board has also adopted a Board Diversity Policy that addresses gender, skills and experience, and any other relevant aspects of diversity. Under the Board Diversity Policy, the NC will, in reviewing the Board's composition, rotation and retirement of Directors and succession planning, consider a number of aspects, including but not limited to gender, age, nationalities, ethnicity, cultural background, educational background, experience, skills, knowledge, independence and length of service. In this respect, the NC considers gender to be an important aspect of diversity and strives to ensure that there is an adequate gender mix on the Board. The Board Diversity Policy has been discussed and targets of having at least one female representative on the Board and the appointment of one additional Independent Director (who may or may not be resident in Singapore) by 2026 have been established.

In FY2023, the Company made significant strides towards achieving the aforesaid targets within the specified timelines, which included the NC adopting and taking into account the Board Diversity Policy targets as a key criterion in its identification and evaluation of suitable candidates to ensure there is diversity (including gender diversity) on the Board and expanding the pool of potential candidates to encompass a broader range of backgrounds and experiences. The NC and the Board may also consider engaging external search consultants, if required, to assist to search for candidates for appointment to the Board, and such consultants will be specifically directed to include diverse candidates and female candidates. Following assessment of the candidates, the NC will interview short-listed candidates and thereafter make its recommendations to the Board including appointments to the appropriate Board committees after matching the candidates' skills-set to the needs of each Board committee. The ultimate decision on the selection of Director(s) to be appointed on the Board will be based on merit, and candidates will be considered against objective criteria, having due regard for the benefits of diversity and needs on the Board.

Corporate Governance Report

While the current Board does not have mixed gender diversity, consistent with the intent of Principle 2 of the CG Code, the Board currently comprises suitably qualified Directors with a good balance of expertise and experience, complemented by sound industry knowledge. Taking into account the combination of skills, talents, experience and diversity possessed by the members of the Board and the Board Committees and the views of the NC, the Board considers that the Directors meet the criteria under its Board Diversity Policy. Accordingly, the Board is of the opinion that it possesses the necessary diversity of thought and background to enable it to make decisions in the best interests of the Company.

The NC monitors the Company's progress towards achieving the targets within the timelines stated, and will review the Board Diversity Policy from time to time as appropriate to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. The NC will also continue its identification and evaluation of suitable candidates to ensure there is diversity (including gender diversity) on the Board. Any further progress made towards the implementation of the Board Diversity Policy will be disclosed in future Corporate Governance Reports, as appropriate.

The Independent Directors are kept informed of the Group's business and performance through quarterly Board meetings and have unrestricted access to management. They are encouraged to participate actively in Board meetings to provide constructive input, help develop proposals on strategy and review the performance of the Group. The Independent Directors are encouraged to meet regularly without the presence of management, and the chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

Principle 3: Chairman and Chief Executive Officer (“CEO”)

Chairman and CEO

Mr. Wei Dongliang is the Executive Chairman of the Group and he is also responsible for the overall strategic planning and management of the Group, and is responsible for leading the Board to ensure its effectiveness on all aspects of its role, setting and allocating time for discussion on all agenda items, promoting an open environment for constructive debate at the Board, encouraging non-executive Directors to speak and contribute constructively and ensuring quality, quantity and timeliness of information flow between the Board and management. He also leads the Group in its commitment to achieve and maintain good corporate governance and facilitates dialogue between shareholders, the Board and management during shareholders' meetings.

For FY2023, there was no CEO of the Company. Mr. Wei Dongliang is responsible for overseeing the day-to-day operations of the Group and works together with the Executive Deputy Chairman and Deputy General Manager, Mr. Wang Ruihong, and the Executive Director and Chief Financial Officer, Mr. Jin Ruizhi, in the day-to-day management of the Group.

Although the roles and responsibilities of both the Executive Chairman and the CEO are vested in Mr. Wei Dongliang, being a deviation from the Provision 3.1 of the CG Code, the Board believes that vesting the roles of both Executive Chairman and CEO in the same person who is knowledgeable in the business of the Group provides the Group with a strong and consistent leadership and thus allows for effective planning and execution of long-term business strategies.

Nonetheless, any major decisions made by Mr. Wei Dongliang are required to be reviewed and approved by the Board. There are also two other Executive Directors on the Board, namely the Executive Deputy Chairman and Deputy General Manager Mr. Wang Ruihong and the Executive Director and Chief Financial Officer Mr. Jin Ruizhi. Should Mr. Wei Dongliang face any conflict of interest in the proposed transaction, he is required to recuse himself from discussions and decisions involving the issues of conflict. He is also required to avoid situations in which his own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Group. As such, consistent with the intent of Principle 3 of the CG Code, the Board believes that there are adequate safeguards and checks in place to ensure

Corporate Governance Report

that the process of decision-making by the Board is independent and based on collective decision without any individual exercising any considerable concentration of power of influence. Accordingly, there is a balance of power and authority and, therefore, no one individual has unfettered powers and can control/dominate the decision-making process of the Company. The Board is not considering separating the roles of the Executive Chairman and the CEO at this moment. The NC will review the need to separate these roles from time to time and make its recommendations when necessary.

Lead Independent Director

Given that the Chairman is not independent, Mr. Ang Swee Tian has been appointed as the Lead Independent Director (“**Lead ID**”). The Board is of the view that the process of decision making by the Board is independent and based on collective decision-making without any individuals exercising any considerable concentration of power or influence. All major decisions made by the Group will be subject to review by the Board. The Lead ID is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman of the Board or management are inappropriate or inadequate. The Lead ID has also held discussions with the other independent Directors without the presence of the Executive Chairman or management.

Principle 4: Board Membership

NC Composition and Role

The NC comprises three directors namely:

1. Ang Swee Tian (NC Chairman and Lead Independent Director)
2. Wei Dongliang (Executive Chairman)
3. Ni Mingjiang (Independent Director)

Two out of three members of the NC are independent. The NC Chairman is also the Lead ID.

The NC’s key terms of reference, approved by the Board, include the following:

- making recommendations to the Board on relevant matters relating to:
 - (a) the review of structure, size and composition of the Board;
 - (b) the review of succession plans for the chairman of the Board, Directors, CEO and other key management personnel;
 - (c) the development of a transparent process for evaluating the performance of the Board, its Board Committees and Directors, including assessing whether Directors are able to commit enough time to discharge their responsibilities and the maximum number of listed company directorships a Director may hold;
 - (d) the review of training and professional development programmes for the Board and its Directors;
 - (e) the appointment and re-appointment of all Directors (including any alternate directors); and

Corporate Governance Report

- (f) the annual review and confirmation of the independence of each Director
- to have regular and strategic review of the structure, size and composition (including the skills, gender, age, qualification, experience and diversity) of the Board and Board committees. The NC will then recommend changes, if any, to the Board to ensure that the Board retains an appropriate balance of skills and diversity;
- to identify and nominate candidates to fill Board vacancies as they occur;
- reviewing other directorships and principal commitments held by each Director and decide whether a Director is able to carry out, and has been adequately carrying out, his/her duties as a Director, taking into consideration the number of listed company directorships held by the Director and his/her principal commitments;
- to disclose the process for selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates; and
- reviewing and determining annually (or whenever necessary), the independence of Directors (and that of the alternate Directors (if applicable)), having regard to the CG Code and the SGX-ST Listing Manual.

Based on the NC and the Board evaluation checklists completed by the NC and the Directors respectively, the NC believes that it has fulfilled its responsibilities and discharged its duties as set out in its written terms of reference. The Joint Company Secretaries maintain records of all NC meetings and these checklists. For more information on these checklists, please refer to Principle 5 of this Corporate Governance Report.

Selection, Nomination and Appointment of New Directors

In the selection and nomination for new Directors, the NC identifies the key attributes that an incoming Director should possess based on the requirements of the Group. The NC taps on the Directors, management and external parties for recommendations of potential candidates. The NC meets with the potential candidates to assess their suitability before formally recommending them for appointment to the Board for further evaluation.

In the selection process, the NC considers:

- the candidate's track record, experience and expertise, age, gender and other attributes that the Board identifies;
- the independence of the candidate, in the case of the appointment of an independent director;
- competing time commitments if the candidate has multiple listed company board representations and other principal commitments; and
- the composition requirements of the Board and Board Committees.

Corporate Governance Report

Re-election/re-appointment of Directors

The NC reviews the nomination of relevant Directors for re-election and appointment, including their independence as a director, if applicable. When considering the nomination for re-appointment, the NC considers the composition and progressive renewal of the Board and each Director's contribution and performance (e.g. attendance, preparedness, participation and candour).

The Company's Articles of Association provide that each Director shall retire at least once every three years and a retiring Director shall be eligible for re-election. The Company's Articles of Association further provide that where the Directors at any time appoint a natural person as a Director either to fill a casual vacancy or as an additional Director, any such person shall hold office only until the next AGM. At the forthcoming AGM, Mr. Ang Swee Tian and Prof. Ni Mingjiang, who were last re-elected at the annual general meeting of the Company for the financial year ended 31 December 2020 held on 26 April 2021, will be retiring by rotation and have offered themselves for re-election. Each of Mr Ang Swee Tian and Prof. Ni Mingjiang, being a member of the NC, has abstained from the deliberation in respect of his re-nomination as a Director. The NC (with Mr. Ang Swee Tian and Prof. Ni Mingjiang abstaining) recommended that Mr. Ang Swee Tian and Prof. Ni Mingjiang be nominated for re-election at the forthcoming AGM.

Supplemental Information on Directors pursuant to Rule 720(6) of the Listing Manual of the SGX-ST

The information required under Rule 720(6) of the SGX-ST Listing Manual relating to the Directors being proposed for re-election, namely, Mr. Ang Swee Tian and Prof. Ni Mingjiang, are set out below:

Name of Director	Ang Swee Tian	Ni Mingjiang
Date of Appointment	29 June 2016	29 June 2016
Date of Last Re-Appointment (if applicable)	26 April 2021	26 April 2021
Age	75	74
Country of Principal Residence	Singapore	People's Republic of China
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	<p>The re-election of Mr. Ang Swee Tian as Director was recommended by the Nominating Committee ("NC") and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experience and overall contributions since he was appointed as a Director of the Company.</p> <p>Mr. Ang Swee Tian has abstained from the deliberation of the NC and the Board pertaining to his re-election.</p>	<p>The re-election of Prof. Ni Mingjiang as Director was recommended by the Nominating Committee ("NC") and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experience and overall contributions since he was appointed as a Director of the Company.</p> <p>Prof. Ni Mingjiang has abstained from the deliberation of the NC and the Board pertaining to his re-election.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive

Corporate Governance Report

Name of Director	Ang Swee Tian	Ni Mingjiang
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Director, Chairman of NC and Remuneration Committee and Member of Audit and Risk Management Committee	Independent Director and Member of NC and Remuneration Committee
Professional Qualifications	Please refer to the “Board of Directors” section	Please refer to the “Board of Directors” section
Working experience and occupation(s) during the past 10 years	Please refer to the “Board of Directors” section	Please refer to the “Board of Directors” section
Shareholding interest in the listed issuer and its subsidiaries	Direct interest of 171,000 shares	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7.7 under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* including Directorships – Past (for the last 5 years)	Director of:– <ul style="list-style-type: none"> • China Aviation Oil (Singapore) Corporation Ltd • Cosco Shipping International (Singapore) Co., Ltd. 	None
Other Principal Commitments* including Directorships – Present	Director of:– <ul style="list-style-type: none"> • ICE Singapore Holdings Pte. Ltd. • ICE Futures Singapore Pte. Ltd. • ICE Clear Singapore Pte. Ltd. • IWOW Technology Limited 	None

* The term “principal commitments” shall include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

Corporate Governance Report

The Company confirms that the responses to declaration items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual concerning the Directors to be re-elected, which are a “no”.

Additional information on the Directors of the Company can be found under the “Board of Directors”.

Directors’ time commitments and multiple Directorships

The NC also decides if a Director is able to and has been adequately carrying out his or her duties as a Director of the Company. The NC reviews the directorships and principal commitments held by each Director annually. Where a Director holds a significant number of listed company directorships and principal commitments, the NC and the Board will make a reasoned assessment of the ability of the Director to diligently discharge his or her duties. Each Director is also required to confirm annually to the NC whether he has any issue with competing time commitments which may impact his ability to provide sufficient time and attention to his duties as a Director of the Company. The NC and the Board will also take into consideration whether a Director had previously served on the board of a company with an adverse track record or with a history of irregularities or is or was under investigation by regulators. The NC and the Board will also assess whether a Director’s resignation from the board of any such company casts any doubt on the director’s qualification and ability to act as a Director of the Company. Based on the analysis, the confirmation from the Directors, the number of listed company directorships and principal commitments of each Director and their contribution to the Company, the NC is of the view that all the Directors are able to and have adequately carried out their duties as Directors of the Company.

Although Practice Guidance 4 of the CG Code recommends the Board to determine the maximum number of listed company board representations which any Director may hold, the NC does not recommend setting this limit. The Board considers several factors as described above to be a more effective assessment of a Director’s commitment rather than to prescribe a limit. Suitable candidates who have multiple board representations may still have the capacity to participate and contribute as members of the Board. Currently, the number of directorships in other listed companies, excluding the Company, held by the Directors ranges from nil to one.

The Board requires a Director to inform the Board when accepting any new principal commitment or listed company board appointment. The Director will be required to confirm that the new commitment or appointment will not affect his ability to adequately carry out his duties as a Director of the Company. Directors are also required to disclose to the Board details of any relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence¹, including business relationships which a Director, his or her immediate family member, or an organisation which the Director, or his or her immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director in has with the Company or any of its related corporations, and the Director’s direct association with a substantial shareholder of the Company, in the current and immediate past financial year. No Director or his or her immediate family member, or a company that he, she or they are a substantial shareholder in, provides to or receives from the company or its subsidiaries any significant payments or material services.

¹ “independence” has the same meaning as defined in the CG Code and Rule 210(5)(d) of the SGX-ST Listing Manual.

Corporate Governance Report

The present and past (at least for the past five years) listed company directorships and principal commitments of each Director

Name	Present Directorships	Past Directorships
Wei Dongliang	<u>Group Companies</u>	<u>Group Companies</u>
	Hangzhou Jinjiang Environment Investment Co., Ltd. (杭州锦环投资有限公司)	–
	Singapore Jinjiang Environment Pte. Ltd. (新加坡锦江环境私人有限公司)	<u>Other Companies</u> Zhejiang Fuzhe Investment Co., Ltd. (浙江富浙投资有限公司)
	Lamoon Holding Limited	Zhejiang Provincial Energy Group Venture Capital Co., Ltd. (浙江浙能创业投资有限公司)
	Outstanding Mode Developments Limited	Zhejiang Zheneng Beilun Power Generation Co., Ltd. (浙江浙能北仑发电有限公司)
	Sunrise Development Group Limited (晨兴发展集团有限公司)	Zhejiang Zheneng Changxing Power Generation Co., Ltd. (浙江浙能长兴发电有限公司)
	Gevin Limited (格闻有限公司)	Zheneng Equity Investment Fund Management Co., Ltd. (浙能股权投资基金管理有限公司)
	Prime Gain Investments Limited (鸿盈投资有限公司)	Zhejiang Zheneng Investment Management Co., Ltd. (浙江浙能投资管理有限公司)
	Lin'an Jiasheng Environment Co., Ltd. (临安嘉盛环保有限公司)	Zhejiang Zheneng Ningbo Natural Gas Technology Development Limited Liability Company (now known as Cnooc Lvneng Port and Zhejiang Ningbo Energy Co. Ltd) (浙江浙能宁波天然气科技开发有限责任公司, 现名称为中海油绿能港浙江宁波能源有限公司)
	<u>Other Companies</u>	Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司)
	–	

Corporate Governance Report

Name	Present Directorships	Past Directorships
Wang Ruihong	<u>Group Companies</u>	<u>Group Companies</u>
	Lin'an Jiasheng Environmental Protection Co., Ltd. (临安嘉盛环保有限公司)	Hohhot Jiasheng New Energy Co., Ltd. (呼和浩特嘉盛新能源有限公司)
	Green Energy (Hangzhou) Enterprise Management Co., Ltd. (绿能(杭州)企业管理有限公司)	Baishan Green New Energy Co., Ltd. (白山绿能新能源有限公司)
	Hangzhou Jinjiang Environment Investment Co., Ltd. (杭州锦环投资有限公司)	Hunchun Green New Energy Co., Ltd. (琿春绿能新能源有限公司)
	Hangzhou Xiaoshan Jinjiang Green Energy Co., Ltd. (杭州萧山锦江绿色能源有限公司)	Linzhou Jiasheng New Energy Co., Ltd. (林州市嘉盛新能源有限公司)
	Hangzhou Yuhang Jinjiang Environmental Energy Co., Ltd. (杭州余杭锦江环保能源有限公司)	Zhongwei Green New Energy Co., Ltd. (中卫市绿能新能源有限公司)
	Wenling Green New Energy Co., Ltd. (温岭绿能新能源有限公司)	Tangshan Jiasheng New Energy Co., Ltd. (唐山嘉盛新能源有限公司)
	Wuhan Green Energy Co., Ltd. (武汉市绿色环保能源有限公司)	Lüliang Green New Energy Co., Ltd. (吕梁绿能新能源有限公司)
	Wuhan Hankou Green Energy Co., Ltd. (武汉汉口绿色能源有限公司)	Zibo Green New Energy Co., Ltd. (淄博绿能新能源有限公司)
	Kunming Xinxingze Environmental Resources Industry Co., Ltd. (昆明鑫兴泽环境资源产业有限公司)	Shanghai Sunrise Management Co., Ltd. (上海晨兴企业管理有限公司) (wound up by way of a members' voluntary winding up on 30 June 2023) (于2023年6月30日以成员自愿清盘的方式清盘)
	Yunnan Green Energy Co., Ltd. (云南绿色能源有限公司)	PT. Indo Green Power
	Zibo Environmental Energy Co., Ltd. (淄博环保能源有限公司)	<u>Other Companies</u> -
	Zibo Green Environmental Energy Co., Ltd. (淄博绿能环保能源有限公司)	

Corporate Governance Report

Name	Present Directorships	Past Directorships
	Gaomi Lilangmingde Environmental Protection Technology Co., Ltd. (高密利朗明德环保科技有限公司)	
	Jilin Xinxiang Co., Ltd. (吉林省鑫祥有限责任公司)	
	Songyuan Xinxiang New Energy Co., Ltd. (松原鑫祥新能源有限公司)	
	Suihua Green New Energy Co., Ltd. (绥化市绿能新能源有限公司)	
	Qitaihe Green New Energy Co., Ltd. (七台河绿能新能源有限公司)	
	Lianyungang Sunrise Environmental Protection Industry Co., Ltd. (连云港晨兴环保产业有限公司)	
	Zhengzhou Xingjin Green Environmental Energy Co., Ltd. (郑州荣锦绿色环保能源有限公司)	
	Yinchuan Zhongke Environmental Electrical Co., Ltd. (银川中科环保电力有限公司)	
	Zhejiang Zhuji Bafang Thermal Power Co., Ltd. (浙江诸暨八方热电有限责任公司)	
	Wuhu Lüzhou Environmental Protection Energy Co., Ltd. (芜湖绿洲环保能源有限公司)	
	Tianjin Sunrise Environmental Protection Science and Technology Development Co., Ltd. (天津市晨兴力克环保科技发展有限公司)	
	Shijiazhuang Jiasheng New Energy Co., Ltd. (石家庄嘉盛新能源有限公司)	

Corporate Governance Report

Name	Present Directorships	Past Directorships
	Tangshan Jinhuan New Energy Co., Ltd (唐山市锦环新能源有限公司)	
	Ecogreen Energy Private Limited	
	Ecogreen Energy Gurgaon Faridabad Private Limited	
	Ecogreen Energy Lucknow Private Limited	
	Ecogreen Energy Gwalior Private Limited	
	PT Jinjiang Environment Indonesia	
	Singapore Jinjiang Environment Pte. Ltd. (新加坡锦江环境控股有限公司)	
	<u>Other Companies</u>	
	–	
Jin Ruizhi	<u>Group Companies</u>	<u>Group Companies</u>
	–	–
	<u>Other Companies</u>	<u>Other Companies</u>
	–	–
Ang Swee Tian	<u>Group Companies</u>	<u>Group Companies</u>
	–	–
	<u>Other Companies</u>	<u>Other Companies</u>
	ICE Singapore Holdings Pte. Ltd.	* China Aviation Oil (Singapore) Corporation Ltd
	ICE Futures Singapore Pte. Ltd.	* Cosco Shipping International (Singapore) Co., Ltd.
	ICE Clear Singapore Pte. Ltd.	
	* IWOW Technology Limited	
Ni Mingjiang	<u>Group Companies</u>	<u>Group Companies</u>
	–	–
	<u>Other Companies</u>	<u>Other Companies</u>
	–	–

Corporate Governance Report

Name	Present Directorships	Past Directorships
Kan Yaw Kiong (Ernest)	<u>Group Companies</u>	<u>Group Companies</u>
	–	–
Liang Weiwen	<u>Other Companies</u>	<u>Other Companies</u>
	* CapitaLand India Trust	–
Liang Weiwen	<u>Group Companies</u>	<u>Group Companies</u>
	–	–
Liang Weiwen	<u>Other Companies</u>	<u>Other Companies</u>
	Guangzhou Ruizhan Equity Investment Management Co., Ltd.	–
Liang Weiwen	Guangdong Fuqiang Technology Co., Ltd.	–
	Foshan Denghu Zhiyuan Enterprise Management and Consulting Partnership (L.P.)	–
Liang Weiwen	Guangdong Denghu High-Tech Private Equity Management Co., Ltd.	–
	–	–

Note:

* : denotes public listed companies listed on the SGX-ST

The principal commitments, working experience, academic and professional qualifications and shareholding in the Company and its related corporations (if any) of the Directors can be found in the sections entitled “Board of Directors” and “Directors’ Statement” of this Annual Report.

Pursuant to the composite approach to analysing a Director’s effectiveness outlined above, although some of the Non-Executive Directors held multiple directorships in other listed companies during FY2023, the NC and the Board believe that such multiple board representations did not hinder each Non-Executive Director from carrying out his duties as a Director of the Company, and they have been able to and will continue to adequately discharge their duties diligently.

Succession Planning

In reviewing succession plans, the NC considers the Company’s strategic priorities and the factors affecting the long-term success of the Company. In relation to succession plans for Directors, the NC aims to maintain an optimal Board composition by considering the trends affecting the Company, reviewing the skills needed, and identifying gaps (including considering whether there is an appropriate level of diversity of thought). In relation to succession plans for key management personnel, the NC takes an active interest in how key talent is managed within the Group and reviews the mechanisms for identifying strong candidates and developing them to take on senior positions in the future. The NC considers different time horizons for succession planning as follows: (1) long-term planning, to identify competencies needed for the Company’s strategy and objectives, (2) medium-term planning, for the orderly replacement of Board members and key management personnel, and (3) contingency planning, for preparedness against sudden and unforeseen changes.

Corporate Governance Report

Principle 5: Board Performance

Board Evaluation Process

The Board has a process in place for undertaking a formal annual assessment of the effectiveness of the Board as a whole, each of its Board Committees and for assessing the contribution by each Director to the effectiveness of the Board. No external facilitator was used. The NC assesses performance using objective performance criteria and processes, which were recommended by the NC and approved by the Board, for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Executive Chairman and each Director to the Board. The overall evaluation and recommendations for improvement are presented to the Board.

Board Evaluation and Board Committees Evaluation Criteria

The NC evaluates the overall Board performance based on various factors including the Board composition, its roles and responsibilities, financial performance, the access to information and its conduct of meetings. Financial performance includes the quarterly and full year performance against the prior corresponding period and against the budget.

For the financial year under review, Directors were requested to complete a board evaluation checklist to assess the overall effectiveness of the Board and Board Committees. In addition, the Chairmen of the respective Board Committees are also required to complete a questionnaire on the effectiveness of the Board Committees, which would be tabled at the NC meeting for further discussion. The results of these checklists were considered by the NC in its assessment of the Board's and the Board Committees' performance.

Individual Director Evaluation Criteria

In the assessment of a Director's performance, the NC evaluates the Director's expertise and competencies, attendance records and the level of constructive participation at Board meetings and the contribution to the Board processes and the Group's strategy and performance. When deliberating the performance of a Director who is also an NC member, that member abstains from the discussions to avoid any potential conflict of interest.

The evaluation results of each Director are used by the NC in consultation with the Executive Chairman, in the review of the Board and Board Committees composition as well as recommendations for the re-appointment and re-election of retiring Directors. Any comments from Directors relating to the Board and its performance are also presented to the Board.

Remuneration Matters

Principle 6: Procedures for Developing Remuneration Policies

RC Composition and Role

Mr. Liang Weiwen was appointed as a member of the RC on 24 April 2023. The RC currently comprises four directors, namely:

1. Ang Swee Tian (RC Chairman and Lead Independent Director)
2. Ni Mingjiang (Independent Director)
3. Kan Yaw Kiong (Ernest) (Independent Director)
4. Liang Weiwen (Non-Executive and Non-Independent Director)

Corporate Governance Report

All the members of the RC are non-executive, and the majority of the RC (including the Chairman of the RC who is also the Lead ID) are independent.

The RC's key terms of reference, approved by the Board, includes the following:

- reviewing and making recommendations to the Board on all aspects of remuneration, including Directors' fees and the Company's remuneration policies;
- reviewing and making recommendations to the Board on the framework of remuneration for the Board chairman, the Directors, the CEO and other key management personnel;
- reviewing and making recommendations to the Board on the specific remuneration packages for each Director, the CEO and other key management personnel;
- reviewing the remuneration of any employees who are immediate family members of the Directors, CEO or substantial shareholders;
- reviewing and making recommendations to the Board on the talent management and remuneration framework for the Group, including staff development and succession planning;
- monitoring the level and structure of remuneration for key management personnel relative to internal and external peers and competitors;
- ensuring that the contractual terms and any termination payments are fair to the individual and the Company; and
- administering the Jinjiang Environment PSP in accordance with the respective rules adopted (if applicable).

The Company has in place a remuneration framework for the Executive Directors and Key Management Personnel. The RC has reviewed the contracts for Executive Directors and Key Management Personnel. Overall, the RC considers all aspects of remuneration, including termination terms, to ensure that they are fair. In doing so, the RC has not engaged any remuneration consultants. No Director is involved in deciding his own remuneration.

The RC oversees and administers the Jinjiang Environment PSP. It has the power to make or vary arrangements or guidelines for the implementation and administration of the Jinjiang Environment PSP. There were no share awards granted under the Jinjiang Environment PSP during FY2023. No shares were issued and allotted pursuant to the Jinjiang Environment PSP during FY2023.

Based on the RC and the Board evaluation checklists completed by the RC and the Directors respectively, the RC believes that it has fulfilled its responsibilities and discharged its duties as set out in its terms of reference. The Joint Company Secretaries maintain records of all RC meetings and these checklists. For more information on these checklists, please refer to Principle 5 of this Corporate Governance Report.

Corporate Governance Report

Principle 7: Level and Mix of Remuneration

Remuneration of Directors and Management

The RC periodically considers and reviews the remuneration packages in order to maintain their attractiveness, to attract, retain and motivate the Directors to provide good stewardship of the Company and Key Management Personnel to successfully manage the Company for the long term, and to ensure that the level and structure of remuneration of the Board and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives, and the long-term interests and risk policies of the Company.

The Company adopts a performance-based remuneration system for employees, including its Executive Directors and Key Management Personnel. A significant and appropriate proportion of Executive Directors' and Key Management Personnel's remuneration is structured so as to link rewards with the achievement of corporate and individual performance targets in an objective and equitable way and reflects the degree of responsibility held by each employee. The Group seeks to ensure that the variable component is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company. To ensure that the level and structure of remuneration is proportionate to the sustained performance and value creation of the Group, the Company has put in place a framework of remuneration for its executive directors and key management personnel. The key areas of focus of the remuneration framework and details of the implementation within the Group are set out below:

Key Areas of Focus	Details
Pay for performance	<ul style="list-style-type: none">• Instil and drive a pay-for-performance culture• Ensure that remuneration is closely linked to annual and long-term business objectives• Set, communicate and monitor key performance targets and indicators• Adjust the proportion of fixed and variable remuneration to emphasise sustainable performance that is aligned with the Group's strategic objectives, considering qualitative and quantitative factors
Competitive remuneration	<ul style="list-style-type: none">• Benchmark total remuneration against other organisations of similar size and standing in the Group's industry
Accountability and Risk-taking	<ul style="list-style-type: none">• Focus on achieving risk-adjusted returns that are consistent with prudent risk taking and capital management as well as emphasis on long-term sustainable outcomes• Design remuneration structure to align incentive payments with the long-term performance of the Group through deferred vesting of incentives

The remuneration package is made up of both fixed and variable components. The fixed component is essentially base salary and fixed allowances. The variable component is determined based on the performance of the individual employee as well as the Group's performance. It is made up of year-end bonus and other benefits. The variable component, annual increments and adjustments to remuneration are reviewed and approved taking into account the results of the annual review made by the Executive Directors and the various heads of department. The Group seeks to ensure that the variable component is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

All the Executive Directors have entered into service agreements with the Company. The service agreements are for a term of three years and thereafter continue from year to year, unless terminated. The service agreements set out the salary, bonus and other benefits that the Executive Directors are entitled to. The Independent Directors receive Directors' fees, which are appropriate to their level of contribution and determined after taking into account factors such as time and effort spent, frequencies of meetings, roles and responsibilities of the Directors, and the need to pay competitive fees to attract and retain the Directors. Directors' fees are subject to shareholders' approval at the AGM. The Company does not discourage the Directors from holding shares in the Company. There is no requirement under the Company's Articles of Association for Directors to hold shares in order to qualify to act as a Director of the Company.

The Jinjiang Environment PSP is a longer-term incentive plan in the form of share awards granted by the Company. The plan increases the Group's effectiveness and flexibility in its efforts to recruit, reward and motivate employees to exceed the key financial and operational goals of the Group and to strive for long-term shareholder value. Shares allotted and issued to employees pursuant to the vesting of share awards granted under the Jinjiang Environment PSP are subject to a moratorium on trading for a period of one year. The Group encourages but does not require the employees to hold on to the shares upon expiry of the moratorium period.

Principle 8: Disclosure on Remuneration

Disclosure on Remuneration

The remuneration package for Directors and Key Management Personnel is made up of a fixed component (base salary and fixed allowances) and a variable component (year-end bonus and other benefits), and may also include longer-term incentives. There were no termination, retirement and post-employment benefits granted to Directors and Key Management Personnel in FY2023.

The policy and criteria for setting remuneration and the link between remuneration paid to Directors and Key Management Personnel and performance is set out under Principle 7 above. Information on the Jinjiang Environment PSP can be found under "Share Options and Performance Shares" in the Directors' Statement.

Corporate Governance Report

Remuneration for Directors and Key Management Personnel

For FY2023, there was no CEO of the Company. The remuneration for the Directors of the Company for FY2023 is set out below:

Name	Base/Fixed Salary	Variable Bonus	Directors' Fees ¹	Allowances	Awards of Shares under the Jinjiang Environment PSP	Total
	%	%	%	%	%	%
Wei Dongliang	67	32	–	1	–	100
Wang Ruihong	67	32	–	1	–	100
Jin Ruizhi	67	32	–	1	–	100
Ang Swee Tian	–	–	100	–	–	100
Ni Mingjiang	–	–	100	–	–	100
Kan Yaw Kiong (Ernest)	–	–	100	–	–	100
Liang Weiwen	–	–	–	–	–	–

Note:

1 The Directors' fees for FY2023 are subject to approval by shareholders as a lump sum at the AGM.

The remuneration for the Key Management Personnel (who are not Directors) of the Company for FY2023 is set out below:

Name	Base/Fixed Salary	Variable Bonus	Allowances	Awards of Shares under the Jinjiang Environment PSP	Total
	%	%	%	%	%
Wang Wuzhong	66	33	1	–	100
Qi Liang	66	33	1	–	100
E Hongbiao ¹	54	9	37	–	100

Note:

1 Mr. E Hongbiao's remuneration was paid until his last day of service on 31 May 2023 following his resignation as Deputy General Manager of the Company. The allowance component of his remuneration in FY2023 was comparatively larger than that of the other Key Management Personnel (who are not Directors) as this mainly comprised the payment to him of accrued fees for serving as director and/or the legal representative of certain operating subsidiaries of the Company during his employment with the Group.

Corporate Governance Report

The Board believes that it is not in the best interest of the Company to fully disclose the precise remuneration for each individual Director given the highly competitive industry conditions for the waste-to-energy sector particularly in the People's Republic of China.

Notwithstanding provision 8.1(b) of the CG Code, as there were only three persons who served as Key Management Personnel (who are not Directors) during FY2023, disclosure is only made in respect of the remuneration of these three persons. The Executive Directors are also part of the management team and, together with Mr. Wang Wuzhong and Mr. Qi Liang, are responsible for planning, directing and controlling the activities of the Company. The aggregate remuneration paid to the Executive Directors and persons who served as Key Management Personnel in FY2023 is RMB6,769,752.

Due to the confidentiality and commercial sensitivity attached to remuneration matters, in particular those of our Key Management Personnel, given the highly competitive environment the Group operates in, the Company does not fully disclose the remuneration of each individual Director and the Key Management Personnel. However, disclosures had been provided as above, with a breakdown in percentage of the remuneration earned through base/fixed salary, variable bonus, allowances, and/or awards of Shares under the Jinjiang Environment PSP as well as the aggregate remuneration paid to the Executive Directors and persons who served as Key Management Personnel in FY2023. Despite having varied from Provision 8.1(a) of the CG Code, the Board believes that consistent with the intent of Principle 8 of the CG Code, there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, procedure for setting remuneration, and the relationships between remuneration, performance and value creation, details of which are further set out under Principle 7 above, which provides reasonable amount of information on the Company's remuneration framework to enable shareholders to have an adequate appreciation of the remuneration of its Directors and Key Management Personnel and to understand the link between the Company's performance and the remuneration of the Executive Directors and other Key Management Personnel. The fees to the Independent Directors are put forward to shareholders for approval on an annual basis at the Company's AGM. Accordingly, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 8 of the CG Code.

Employees who are Substantial Shareholders/Immediate Family Member of Directors/CEO/Substantial Shareholders

The Group does not have any employee who is a substantial shareholder of the Company or an immediate family member of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S\$100,000 during FY2023.

Accountability and Audit

Principle 9: Risk Management and Internal Controls

The Directors recognise that they have overall responsibility for the governance of risk and ensuring that management maintains a sound system of risk management and internal controls including financial, operational, compliance and information technology controls, to safeguard the interests of the Company and its shareholders.

The management has put in place an Enterprise Risk Management Framework. The Framework seeks to formalise and document the internal processes to enable significant strategic, financial, operational, compliance and information technology risks within the Group to be identified, assessed, managed and monitored. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation, and oversees management in the design, implementation and monitoring of the risk management and internal control systems. Management reviews the Group's business operations to identify key risk areas and risk mitigating strategies to ensure that risks are adequately managed within the Group's risk tolerance limits.

Corporate Governance Report

Management has designed and put in place the Group's internal controls structure to provide reasonable assurance against material financial misstatements or loss, for safeguarding Company's assets, for maintenance and provision of reliable and relevant accounting, financial and other information, and in compliance with the applicable laws and regulations. However, the Board notes that no internal controls system can provide absolute assurance in view of inherent limitations of any internal controls system against the occurrence of human and system errors, poor judgment in decision making, losses, fraud or other irregularities.

For the financial year under review, the Executive Chairman and the Chief Financial Officer (“**CFO**”) provided assurance to the Board on the integrity of the half year and the full year unaudited financial statements. The Board in turn provided a negative assurance confirmation in respect of the unaudited financial statements for the half year and the full year for FY2023 to the shareholders in accordance with the regulatory requirements. The Executive Chairman and other Key Management Personnel also provided the Board with such information and explanations as the Board may require from time to time.

The Executive Chairman and the CFO provided written assurances to the Board that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances. The Executive Chairman and other Key Management Personnel who are responsible also provided written assurances to the Board that the internal controls and risk management systems in place are adequate and effective to address in all material aspects, the financial, operational, compliance and information technology risks within the current scope of the Group's business.

The ARMC reviews the adequacy and effectiveness of the Group's key internal controls and risk management systems with the assistance of management and external and internal auditors. The internal audit identified some control weaknesses at some of the Group's subsidiaries in China and provided recommendations for improvements. Management has adopted the recommendations to address these weaknesses and the internal auditors will follow up to ensure that the recommendations were properly implemented. The external auditors, PricewaterhouseCoopers LLP (“**PwC**”), during the course of the audit of the Group's financial statements, identified several possible improvements to the relevant procedures, controls and other aspects, which were presented to the ARMC for consideration. Management action plans are initiated to address the weaknesses identified. Management has assessed and determined that these weaknesses do not have significant financial impact on the financial statements for the Group for FY2023. For the avoidance of doubt, PwC's recommendations do not in any way modify their audit opinion. The Company's management has noted PwC's observations and recommendations and is taking the necessary steps to implement PwC's recommendations.

Based on the above audits and the written assurance from management, the Board and the ARMC are of the opinion that the system of internal controls and risk management to address the financial, operational, compliance and information technology risks of the Company, are adequate and effective as at 31 December 2023.

Management will continue to periodically review and strengthen the Group's control environment and further refine its internal policies and procedures. Management continues to devote resources and expertise to maintain a high level of governance and internal controls for the Group.

Principle 10: Audit Committee

Composition of ARMC

The ARMC currently comprises three directors, namely:

1. Kan Yaw Kiong (Ernest) (ARMC Chairman and Independent Director)
2. Ang Swee Tian (Lead Independent Director)
3. Liang Weiwen (Non-Executive and Non-Independent Director)

All the members of the ARMC (including the Chairman of the ARMC) are non-executive and a majority of them (including the Chairman of the ARMC) are independent. Prof. Ni Mingjiang retired as a member of the ARMC, and Mr. Liang Weiwen was appointed as a member of the ARMC, on 24 April 2023. At least two members of the ARMC, including the ARMC Chairman, possess recent and relevant accounting or related financial management expertise and experience. With the current composition, the ARMC believes that it has the relevant accounting or related financial management expertise and experience to discharge its functions within its written terms of reference which has been approved by the Board. None of the ARMC members is a former partner or director of the Group's existing auditing firms within the last 24 months and none of the ARMC members has any financial interest in the Group's existing auditing firms.

Powers and Duties of the ARMC

The ARMC is authorised by the Board to review and investigate any matters it deems appropriate within its terms of reference. The ARMC had full access to and co-operation of the management and external auditors. To facilitate discussions, the ARMC can invite any Director or management of the Group and external and internal auditors to attend its meetings. In addition, the ARMC can engage any firm of accountants, lawyers or other professionals as it deems fit to provide independent advice, at the Company's expense.

The key responsibility of the ARMC is to assist the Board in maintaining a high standard of corporate governance. The ARMC provides an independent review of the Group's financial reporting processes, including the review of accounting policies and practices, and the key internal controls, covering financial, operational, compliance, information technology and risk management controls. The ARMC's key terms of reference are as follows:

- reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Group's financial performance;
- reviewing at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems. The ARMC also reviews the Board's comments regarding the adequacy and effectiveness of the Group's internal controls and risk management systems and states whether it concurs with the Board's comments received. The ARMC may commission an independent audit on the internal controls and risk management systems for its assurance, or where it is not satisfied with the internal controls and risk management systems;
- reviewing the assurance from the Group CEO and the CFO on the financial records and financial statements;
- reviewing the adequacy, effectiveness, independence, scope and results of the Company's external audit function and making recommendations to the Board on the appointment, re-appointment or removal of the Company's external auditors as well as the remuneration and terms of engagement of the Company's external auditors;

Corporate Governance Report

- reviewing the adequacy, effectiveness, independence, scope and results of the Company's internal audit function, being the primary reporting line of the internal audit function and deciding on the appointment, termination and remuneration of the internal audit function;
- ensuring that the Group complies with the applicable laws and regulations and to ensure that the Company has programmes and policies in place to identify and prevent fraud or irregularity, and discussing with the Company's external auditors, and at an appropriate time report to the Board, if the ARMC becomes aware of any suspected fraud or irregularity or suspected infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position, and commission and review the findings of internal investigations into such matters;
- reviewing and ensuring that policies and arrangements are in place for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, and to ensure that the Company publicly discloses, and clearly communicates to employees of the Company, the existence and operation of a whistle-blowing policy and procedures for raising their concerns;
- reviewing all interested person transactions and related party transactions to ensure that they are on normal commercial terms, and that they do not prejudice the interests of the Company or its minority shareholders;
- monitoring and approving the exercise of any of the rights under the Non-Competition Agreement by the Group;
- monitoring entrusted loan arrangements entered into by the Group (whether as borrower or lender);
- monitoring and approving any lending by the Group to third parties which are not subsidiaries or associated companies of the Company;
- reviewing and monitoring the measures the Group has put in place in respect of the legal representatives of all its PRC-incorporated subsidiaries;
- reviewing the adequacy of and approving procedures put in place related to the Group's policy for entering into any future hedging transactions; and
- undertaking generally such other functions and duties as may be required by law or the Listing Manual, and by amendments made thereto from time to time.

The ARMC is scheduled to meet at least four times a year. During FY2023, the ARMC reviewed the financial updates presented by management on a quarterly basis, the half-yearly and annual financial statements and announcements, the financial reporting and compliance procedures, the report of the internal auditor on the Company's internal controls, and the re-appointment of the external auditors. It held informal meetings and discussions with management from time to time. The ARMC meets with the external and internal auditors without the presence of management at least once a year and holds discussions as and when necessary.

Based on the ARMC and the Board evaluation checklists completed by the ARMC and the Directors respectively, the ARMC believes that it has fulfilled its responsibilities and discharged its duties as set out in its terms of reference. The Joint Company Secretaries maintain records of all ARMC meetings and these checklists. For more information on these checklists, please refer to Principle 5 of this Corporate Governance Report.

External Auditors

The ARMC undertook a review of the independence of PwC and gave careful consideration to the Group's relationship with PwC for FY2023. In determining the independence, the ARMC reviewed the Group's relationship with PwC and considered the nature and fees of non-audit services supplied by PwC. The ARMC is of the opinion that the nature and amount of such non-audit services did not impair PwC's position as an independent external auditor. Based on the review, the ARMC is of the opinion that PwC is, and is perceived to be, independent for the purpose of the Group's statutory financial audit.

During the year under review, the Company has paid an aggregate of approximately RMB4,260,000 to the external auditor for its audit services. There were no non-audit fees paid to the external auditor.

In reviewing the nomination of PwC for re-appointment in respect of the financial year ending 31 December 2024, the ARMC has considered the adequacy of the resources, experience and competence of PwC. The consideration includes the experience of the audit partner-in-charge and key team members in handling the audit of the Group in different jurisdictions. The audit fees, the size and complexity of the audit of the Group as well as the number and experience of the supervisory and professional staff assigned to the audit of the Group were taken into account. The ARMC had also considered the audit team's ability to work in a co-operative manner with management while maintaining integrity and objectivity.

PwC is registered with the Accounting and Corporate Regulatory Authority. The audit partner-in-charge assigned to the audit, Mr Tham Tuck Seng, is also a public accountant under the Accountants Act 2004. The Company is therefore in compliance with Rule 712 and Rule 715 (read together with Rule 716) of the SGX-ST Listing Manual in relation to the appointment of the Group's auditors.

On the basis of the above, the Board has accepted the ARMC's recommendation to nominate PwC for re-appointment as external auditors of the Company at the forthcoming AGM.

ARMC's Commentary on Significant Financial Reporting Matters

The ARMC considered the following financial reporting matters as significant based on their potential impact on the Group's results, or based on the level of complexity, judgement, or estimation involved in their application.

Going Concern Basis of Preparation of Financial Statements

The application of the going concern basis for the preparation of the financial statements requires the Directors to consider whether the Group can meet its payment obligations as and when they fall due in the foreseeable future. The ARMC conducted an assessment as part of its supporting role given the inherent judgements required to be made in relation to the review of the cashflow forecast and compliance with debt financial covenants.

As of 31 December 2023, the Group was in a negative working capital position with the current liabilities of the Group exceeding the current assets by approximately RMB1,192 million. This is mainly due to borrowings due for repayment within the next 12 months.

Corporate Governance Report

Notwithstanding the above, the Board believes that the Company and the Group will be able to continue as a going concern, and have prepared the financial statements on a going concern basis, after considering the following:

- (A) the Group's ability to finalise and obtain additional financing, including additional credit facilities from financial institutions subsequent to 31 December 2023;
- (B) the Group has continued to generate operating profits in the full year ended 31 December 2023 and been able to generate positive cash flows from its operations;
- (C) as at the date of Company's announcement of its unaudited results for the second half and full year ended 31 December 2023, the Group has RMB5,410 million of undrawn credit facilities;
- (D) the Group has continued to receive financial support, credit support and loans from its largest shareholder, Zheneng Group, as follows:
 - (i) as of 31 December 2023, the Group has obtained and re-financed working capital loan of RMB540 million (drawn down from the new credit line of RMB900 million obtained from Zhejiang Provincial Energy Group Finance Co., Ltd. in 2023, as announced by the Company on 6 May 2023) from Zheneng Group. RMB540 million has been included in current liabilities as at 31 December 2023;
 - (ii) the credit assessment and credit approval process of the Group's bankers generally involves the relevant banks assessing the Group's credit based on their credit assessment of Zheneng Group, and the relevant banks would typically earmark credit lines to be extended to the Group out of the overall credit lines and limits extended to Zheneng Group; and
 - (iii) Management will continue to actively seek an even greater degree of support from Zheneng Group, which is a state-owned provincial energy enterprise with great financial strength and good credit standing that can enhance the stability of the Group's capital structure. This will help to improve broadening the Group's financing channels and reduce financing costs in relation to the Group's future fund-raising plans, so as to strengthen the working capital position and the relevant financial ratios of the Group.
- (E) Management has reviewed the Group's cash flow projection, which covers a period of at least twelve months from 31 December 2023, and is of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient funds to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2023.

The ARMC had the discussions with the external auditors on their audit procedures to test the cashflow forecast. The ARMC also noted the assessment of the ability of the Company and the Group to continue as a going concern by the external auditors and the relevant disclosures made in Note 2.2 to the financial statements.

In view of the foregoing, the ARMC is of the view that the Group is a going concern and the financial statements of the Company and the Group have been drawn up on this basis.

Recognition of revenue from construction services provided under service concession arrangements

The recognition of revenue from Build-Operate-Transfer (“**BOT**”) service concession agreements with the local government for the construction of waste-to-energy (“**WTE**”) plants which are within the scope of International Financial Reporting Interpretations Committee 12 Service Concession Arrangements requires a significant degree of management judgement and estimates of the projected construction costs and the gross profit margin. The construction revenue is accounted by reference to the fair value of the construction services delivered in the construction phase in accordance with International Financial Reporting Standard 15 Revenue from Contracts with Customer. The fair value of such services is estimated on a cost-plus basis with reference to the prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered. In addition, the determination of the fair values of the consideration receivables and allocation of the consideration between service concession receivables and intangible assets involve the forecasting and discounting of future cash flows.

Based on the discussion with the management and the external auditors in conjunction with the annual audit, the ARMC is satisfied that the revenue has been appropriately recognized in accordance with the Group’s accounting policies and the gross profit margin is within a reasonable range of market rates applicable to construction services rendered by comparable companies.

Impairment of Property, Plant and Equipment

The ARMC considered the appropriateness of the methodology and processes applied by the management to review for indicators of impairment of property, plant and equipment (“**Assets**”). In addition, if required, the ARMC will hold discussion with the management and review the reasonableness of the key assumptions and the significant judgement made by the management in determining the recoverable amount of the Assets or the amount of impairment losses required to be recorded.

As at 31 December 2023, the carrying value of the Group’s Assets amounted to RMB10,836 million, accounting for 49% of the Group’s total assets. These assets are predominantly made up of buildings which the Group’s WTE plants operate in and the plant and machinery used in the day-to-day business. The Group has carried out impairment assessment on Assets’ carrying amounts to identify whether there are indicators for impairment. Where there are indicators of impairment, management assess the recoverable amount based on the higher of value in use and fair value less costs to sell.

As disclosed in the Company’s announcement of its unaudited results for the second half and full year ended 31 December 2023, the Group is continuing to follow up on the progress of the compensation for the closure of the Old Kunming Wuhua WTE Facility in Kunming, Yunnan Province. An entrusted storage agreement will need to be signed between Kunming Soil Storage Center and the Wuhua District government in respect of the land parcel before the terms of the closure compensation agreement can be confirmed. Kunming Soil Storage Center has submitted the entrusted storage agreement to the Wuhua District government, and the terms of the entrusted storage agreement will be confirmed after the executive meeting of the Wuhua District government in the near future, following which the entrusted storage agreement can be signed to officially start the land acquisition and storage negotiations. The Group is currently in further communication with the Kunming government in the hope of signing the closure compensation agreement as soon as possible.

In 2023, for certain WTE plants with impairment indicators, management performed assessment on impairment of the assets at cash generating unit level. Based on the impairment assessment carried out by management, no impairment loss was recorded.

Corporate Governance Report

In view of the foregoing, no additional impairment charge has been recognized in the statement of profit and loss. In 2023, one of the subsidiaries of the Company, Jinjiang Environment Holding Limiteda, had been wound up by way of a members' voluntary winding up and the related assets of RMB4,366,000, which were fully impaired in 2020, have been written off.

Impairment loss on intangible assets, loss allowance recognised for trade and other receivables and pledged bank deposits for BOT projects in India

The Company has observed that some Chinese enterprises have been facing challenges for their businesses in India and that led to a more cautious approach being adopted by lenders and credit insurance companies when reviewing project financing in India. The Group has also been facing difficulties and uncertainty in relation to the financing, the collection and transportation of municipal solid waste, and the progress of construction of its power plant projects in India and is currently reviewing the commercial feasibility of terminating its investments in India and evaluating various options for achieving this. During the financial year ended 31 December 2023, management has evaluated the recoverable amounts of the assets of the India subsidiaries and an impairment loss of RMB167,775,000 was recognised on the intangible assets due to the difficulties and uncertainty encountered in the progress of the power plant of the BOT projects in Lucknow and Gurgaon, India. In addition, loss allowances of RMB66,847,000 and RMB37,206,000 were recognised for trade and other receivables and pledged bank deposits for performance bond respectively.

Having considered the management's assessment, and the approach taken by the external auditors and their findings, the ARMC concurred with the management's conclusion on the loss recognised in FY2023, and that the disclosures in the financial statements were appropriate.

Interested Person Transactions

On 20 July 2016, the Company obtained a general mandate from the shareholders of the Company ("**Shareholders**") for the Company, its subsidiaries and its associated companies that are considered to be "entities at risk" within the meaning of Chapter 9 of the SGX-ST Listing Manual to enter into certain recurrent interested person transactions which are of a revenue or trading nature or certain interested person transactions necessary for day-to-day operations such as the purchase and sale of supplies and materials, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders (the "**IPT General Mandate**"). At extraordinary general meetings of the Company held on 30 April 2018, 31 December 2018 and 25 November 2019, Shareholders had approved certain modifications to the IPT General Mandate. At the AGM of the Company held on 24 April 2023, Shareholders had last approved the renewal of the IPT General Mandate. The approval of Shareholders is being sought at the forthcoming AGM for the renewal of the IPT General Mandate.

The ARMC has confirmed that an independent financial advisor's opinion is not required for the renewal of the IPT General Mandate as the methods and procedures for determining the transaction prices have not changed since the IPT General Mandate was last approved by Shareholders, and such methods and procedures are sufficient to ensure that the mandated transactions carried out thereunder will be on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Corporate Governance Report

The following table summarises the interested person transactions during FY2023 which require disclosure under Rule 907 of the SGX-ST Listing Manual:

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
		RMB'000	RMB'000
Purchases of materials from:			
Zhejiang Petroleum Integrated Energy Sales Co., Ltd	Associate of Zheneng Group	–	4,655
Zhejiang Petroleum Fuel Oil Sales Co., Ltd.	Associate of Zheneng Group	–	912
Engineering, procurement and construction services from:			
Zhejiang Tiandi Environmental Protection Technology Co., Ltd.	Associate of Zheneng Group	–	23,298
Interest expenses to:			
Zhejiang Provincial Energy Group Finance Co., Ltd.	Associate of Zheneng Group	19,888	–
Revenue from waste treatment and sales of steam:			
Lianyuangang Jinchí Bio-technology Co., Ltd*	Associate of Mr. Dou Zhenggang, a controlling shareholder of the Company ("Mr. Dou")	–	620
Hangzhou Jinjiang Group Environmental Protection Technology Co., Ltd.	Associate of Mr. Dou	–	881
WTE project consulting services from:			
Hangzhou Deyi Investment Management Co., Ltd.	Associate of Mr. Dou	1,000	–
Interest income from:			
Zibo Green New Energy Co., Ltd.	Associate of Mr. Dou	3,635	–
Total		24,523	30,366

* Due to subsequent changes in shareholding, Lianyuangang Jinchí Bio-technology Co., Ltd has ceased to be an associate of Mr. Dou since 30 September 2023.

Note: For purchases of coal, the framework agreement signed between the parties only indicates the unit price of coal and the value of each transaction is determined only when orders are placed. For energy management contracting services, the aggregate value of each project can be determined only after the service has been provided and the Group's share of the energy savings for that particular project has been computed. For interest income, the value of interest can be determined only after the quarter as the interest rate is based on the interest rate agreed in the financing agreement signed between Zibo Green New Energy Co., Ltd. and the third-party financial institution, and will be reviewed every quarter. Accordingly, for these categories of transactions, disclosure of the aggregate value is based on the actual amount incurred for the period.

Corporate Governance Report

Material Contracts

Apart from those transactions disclosed as interested person transactions above, there were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholder during the financial year under review.

Whistle-Blowing Policy

The Company has in place a whistle-blowing policy which sets out the procedures for staff of the Group or any other persons to, in confidence, make a report to the Company on misconduct or wrongdoing relating to the Company and its officers. A whistle-blower may submit a report to the Company's designated internal audit personnel either directly or through the Company's Official WeChat Account on an anonymous basis. The contact details of the designated internal audit personnel, the whistle-blowing policy and its procedures are clearly communicated and are made available to employees in order to facilitate and encourage reporting, investigation and resolution of such matters.

The designated internal audit personnel will then promptly and independently investigate whistle-blowing reports made in good faith and report the findings of the investigation to the ARMC, which will then recommend appropriate follow up actions to be taken. If required, the ARMC may engage professional advisors at the Group's expense to assist in any investigation. The investigation team keeps the identity of the whistle-blower and contents of the report strictly confidential and will not disclose the identity of the whistle-blower except as required by law or regulatory authorities. The Company is committed to ensure protection of the whistle-blower against detrimental or unfair treatment. No adverse action will be taken against any Director, officer, employee or other individual for making a whistle-blowing report in good faith under the Company's whistle-blowing policy. Where a whistle-blowing report has been made, the Company will take all reasonable steps to ensure that no other person victimizes the whistle-blower. The ARMC is responsible for overseeing the implementation of the whistle-blowing policy and its terms of reference include the oversight and monitoring of whistle-blowing.

Dealings in Securities

The Company has adopted a code of conduct for dealing in securities which sets out the implications of insider trading and provides guidance and internal regulation with regards to dealings in the Company's securities by Directors and officers.

Specifically, the code of conduct has procedures in place prohibiting dealings in the Company's shares by its Directors and officers while (a) in possession of unpublished material price sensitive information, (b) (if the Company announces its quarterly financial statements) during the periods commencing two weeks preceding the announcement date of the Company's quarterly results and one month preceding the announcement date of the Company's full year results and ending one full trading day following such announcements, and (c) (if the Company does not announce its quarterly financial statements) during the period commencing one month preceding the announcement date of the Company's half year and full year financial results and ending one full trading day following such announcement. Internal memorandums are regularly sent to remind Directors and officers on the period where dealings are prohibited. Directors and officers are also expected to observe insider trading laws at all times, even when dealing in securities within the permitted trading period. An officer should not deal in the Company's shares on short-term considerations.

The Board confirms that for FY2023, the Company has complied with Rule 1207(19) of the SGX-ST Listing Manual.

Internal Audit and Internal Controls

The objective of an internal audit is to assist the Board to evaluate the reliability, adequacy and effectiveness of the internal controls and risk management processes of the Group. The internal audit reviews and tests the controls in areas of key risks identified.

The internal audit function is independent of the activities it audits. During FY2023, the Board engaged RSM China CPA LLP (“**RSM China**”) to perform review on the internal controls and risk management processes (including sustainability reporting processes) of the Group. RSM China’s primary reporting line is to the ARMC Chairman. The ARMC reviews and approves the appointment, termination, and remuneration of the head of the internal audit function. The ARMC meets with RSM China at least once annually without the presence of management. RSM China has unfettered access to all the Company’s documents, records, properties and personnel, including access to the ARMC and management, and has appropriate standing within the Company.

RSM China’s core team are members of the Institute of Internal Auditors as well as the Chinese Institute of Certified Public Accountants. The experience, qualifications and size of the engagement team members are also evaluated before assigning to audit the Group. The firm carried out its internal audit according to the standards set by the Institute of Internal Auditors. The ARMC reviews and approves the internal audit plan and reviews the reports from RSM China for its adequacy and effectiveness, at least on an annual basis, and is of the view that the Group’s internal audit function is independent, effective and adequately resourced. The internal audit is conducted two to three times yearly, including audits at the corporate headquarters of the Group and a selected operating facility of the Group, as well as audits in respect of interested person transactions. Copies of the internal audit reports are provided to management and the external auditors. Processes are in place such that recommendations raised are followed up to ensure that they are implemented where possible, within a reasonable time frame, taking into account the severity and nature of the control weaknesses identified.

Shareholder Rights and Engagement

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders’ rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects. The Company facilitates the exercise of shareholders’ rights by ensuring that all material and financial information relating to the Group is disclosed in an accurate and timely manner via SGXNET.

The Board provided shareholders with half-yearly and annual financial results in relation to FY2023. Results for the half-year are released to shareholders within 45 days of the end of half year and the annual results are released within 60 days from the financial year end. In presenting the Group’s half-yearly and annual results, the Board aims to provide shareholders with a balanced and understandable assessment of the Group’s performance and financial position with a commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which it operates.

General meetings of the Company are one of the principal forums for dialogue with shareholders. At general meetings, shareholders are given the opportunity to communicate their views and to ask the Directors questions on the various matters affecting the Company. All Directors are usually present and available at general meetings to address any queries. The external auditors are present at general meetings to assist the Directors in answering questions from shareholders as well as attending to queries on the conduct of audit and the preparation and content of the auditors’ report. All Directors were present at all such general meetings of the Company held during FY2023. The Directors’ attendance at the general meetings of the Company held in 2023 is disclosed under Principle 1 above.

Corporate Governance Report

Due to the various control and safe distancing measures put in place in Singapore to prevent the spread of COVID-19, the AGMs for the financial years ended 31 December 2019, 2020, 2021 and 2022 were convened and held, by way of electronic means. The forthcoming AGM will be held physically as stated in the Notice of AGM, and Shareholders will not be able to attend by way of electronic means.

The Company provides for separate resolutions at general meetings on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are “bundled”, the Company will explain the reasons and material implications in the notice of the general meeting. Detailed information on each item in the agenda for the general meeting is provided in the explanatory notes to the Notice of meeting.

The Company prepares minutes of general meetings, which record substantial comments and queries from Shareholders relating to the agenda of such meetings and are published on its corporate website and SGXNET together with presentation slides. The Board believes that consistent with the intent of Principle 11 of the CG Code, the Company treats all Shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company, and has given shareholders a balanced and understandable assessment of its performance, position and prospects.

Shareholders are encouraged to attend the Company's general meetings where the respective Chairmen of the Board and the Board Committees are in attendance to engage shareholders in dialogue and to address their queries.

All Shareholders are given the opportunity to participate effectively in and to vote at general meetings in person or by proxy. The rules including the voting procedures are set out in the notice of the general meetings. Shareholders may appoint one or two proxies each to attend, speak and vote at general meetings in their absence. “Relevant intermediaries” such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund Board, are allowed to appoint more than two proxies to attend, speak and vote at general meetings. The proxy forms must be deposited with the Company's share registrar not less than seventy-two hours before the time set for the general meetings. However, the Company's Memorandum and Articles of Association do not permit voting in absentia by mail, facsimile or e-mail as such voting methods would need to be cautiously evaluated to ensure that the authenticity of the vote and shareholders' identities are not compromised.

For the AGM for the financial year ended 31 December 2022 (“**FY2022 AGM**”), the Company utilised real-time remote electronic voting and real-time electronic communication. Shareholders were able to participate at the FY2022 AGM by (a) observing and/or listening to the FY2022 AGM proceedings via “live” audio-and-video webcast or “live” audio-only feed; (b) submitting questions to the Chairman of the FY2022 AGM in advance of or “live” at the FY2022 AGM; and/or (c) voting at the FY2022 AGM “live” by themselves or their duly appointed proxy/proxies (other than the Chairman of the FY2022 AGM) via electronic means or appointing the Chairman of the FY2022 AGM as proxy to vote on their behalf at the FY2022 AGM.

For the forthcoming AGM, Shareholders may attend, speak and vote at the AGM in person or by proxy, and there will be no “live” webcast. Shareholders may also submit questions in advance of or “live” at the forthcoming AGM.

All resolutions tabled by the Company at a general meeting are put to the vote by poll pursuant to Rule 730A(2) of the SGX-ST Listing Manual. Voting by poll allows for an equitable and transparent voting process. Shareholders will be better able to demonstrate their concerns in a manner more accurately reflective of their shareholdings. Independent scrutineers are appointed to conduct the voting process. The results of the general meetings are announced via SGXNet after the general meetings.

Corporate Governance Report

The Company currently does not have a fixed dividend policy. When making recommendations on the timing, amount and form of future dividends, if any, the Board will consider, among other things, the Group's results of operations and cash flow, expected financial performance and working capital needs, future prospects, capital expenditures and other investment plans, other investment and growth plans and the general economic and business conditions and other factors deemed relevant by the Board and statutory or contractual restrictions on the payment of dividends. For FY2023, the Board recommended a final cash dividend of 1.30 Singapore cents per ordinary share, which is subject to approval by Shareholders at the forthcoming AGM.

Principle 12: Engagement with Shareholders

The Company ensures that timely and accurate material information are given to shareholders and investors so that they will be apprised of developments that may have a material impact on the Company. The financial statements and other presentation materials are presented at the Company's general meetings. Material and price-sensitive information are disseminated and publicly released via the SGXNET and the Company's website on a timely basis. The notice of AGM is advertised in the press and the annual report and the notice of AGM are released via SGXNET and the Company's website.

The Company is open to meetings with shareholders, investors, media and analysts, and in conducting such meetings, the Company is mindful of the need to ensure fair disclosure to all shareholders. The Company seeks to solicit and understand the views of shareholders through analyst briefings that coincide with the release of financial results, meeting local and foreign fund managers in investor roadshows and conferences and dialogues with shareholders in general meetings. The Company has in place an investor relations programme which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders. The investor relations programme sets out the mechanisms through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

Managing Stakeholders Relationships

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served. The Company has identified its stakeholders as those who are impacted by the Group's business and operations and those who are able to materially impact the Company's business and operations. Four stakeholder groups have been identified following an assessment of their significance to the Group's business operations. The Group's stakeholders are, namely, shareholders/investors, employees, the local community and the government/regulators.

Corporate Governance Report

In FY2023, the Group has reported on its sustainability practices in accordance with the requirements of Rules 711A and 711B of the SGX-ST Listing Manual, prepared with reference to the Global Reporting Initiative (GRI) Standards and has aligned its climate-related disclosures with the Task Force on Climate-related Financial Disclosures (TCFD) in the four key areas of governance, strategy, risk management and metrics and targets. The Company has undertaken a materiality assessment to determine eight material environmental, social and governance (ESG) factors which are important to these stakeholders and are the Company's sustainability priorities. These issues form the materiality matrix upon which targets, performance and progress are reviewed and endorsed by the Board annually. Underpinned by the eight material ESG factors, the Company focuses on five priority areas in sustainability, namely, economic performance, environmental services and impacts, workforce, corporate governance and social responsibility, to bring about positive value for its key stakeholders. Having identified its stakeholders and the material ESG factors, the Company has mapped out the key areas of focus in relation to the management of the respective stakeholder relationships. Please refer to the Sustainability Report on pages 43 to 103 of this Annual Report for further details. In compliance with Rule 711B(3) of the SGX-ST Listing Manual, the assessment of the Company's sustainability reporting process has been covered within the Internal Audit Plan by the Company's internal auditors, RSM China, in FY2023.

The Company has made available its sustainability report in the annual report. Sustainability is essential to provide sustainable solutions and bring about positive values for our customers, investors, employees, the local community and regulators.

The Company's website can be found at <http://www.znjihj.com/>, which remains updated and current and offers a platform to communicate and engage with stakeholders.

Financial Contents

142	Directors' Statement
146	Independent Auditor's Report
151	Consolidated Statement of Comprehensive Income
152	Statements of Financial Position
153	Consolidated Statement of Changes in Equity
155	Statement of Changes in Equity
156	Consolidated Statement of Cash Flows
158	Notes to the Financial Statements

Directors' Statement

For the financial year ended 31 December 2023

The directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 31 December 2023 and the statement of financial position of the Company as at 31 December 2023 and the statement of changes in equity of the Company for the year then ended.

In the opinion of the directors, the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group as set out on pages 151 to 235 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2023, the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Directors

The directors of the Company in office at the date of this statement are as follows:

Wei Dongliang
Wang Ruihong
Ang Swee Tian
Ni Mingjiang
Kan Yaw Kiong (Ernest)
Jin Ruizhi (appointed on 24 April 2023)
Liang Weiwen (appointed on 24 April 2023)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share Options and Performance Shares" in this statement.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At	At	At	At
	31.12.2023	1.1.2023	31.12.2023	1.1.2023
Zheneng Jinjiang Environment Holding Company Limited (No. of ordinary shares)				
Wang Ruihong	2,100,000	2,100,000	–	–
Ang Swee Tian	171,000	171,000	–	–

(b) The directors' interest in the ordinary shares and convertible securities of the Company as at 21 January 2024 were the same as those as at 31 December 2023.

Directors' Statement

For the financial year ended 31 December 2023

Share Options and Performance Shares

The Company has adopted the Jinjiang Environment Performance Share Plan (the "Plan") which was approved by the shareholders on 29 June 2016 and was subsequently amended and approved by the shareholders at an Extraordinary General Meeting held on 25 April 2017. The Plan shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of ten years commencing from 29 June 2016.

At the date of this statement, the Remuneration Committee which administers the Plan comprises the following directors:

- (i) Ang Swee Tian (Chairman)
- (ii) Ni Mingjiang
- (iii) Kan Yaw Kiong (Ernest)
- (iv) Liang Weiwen

During the current financial year, there were no shares granted under the Plan. As at 31 December 2023, the Company has granted 23,394,700 shares under the Plan. All entitled employees are required to pay 30% of the closing market price of the shares awarded to them on the date of grant in cash as a condition for the vesting of the share awards. These shares were granted without a vesting period but will be subject to a moratorium on trading of 12 months from the date of issuance and allotment.

The Plan is a performance incentive scheme which will form an integral part of the Group's incentive compensation program. The purpose of the Plan is to provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty by issuing them with ordinary shares of the Company based on the merits of their performance. The number of shares available under the Plan shall not exceed 15% of the issued share capital of the Company.

- (a) The information on directors of the Company participating in the Plan is as follows:

Name of directors	Granted in financial year ended 31.12.2023	Aggregate granted since commencement of scheme to 31.12.2023	Aggregate exercised since commencement of scheme to 31.12.2023	Aggregate outstanding as at 31.12.2023
Wang Ruihong	–	2,100,000	–	2,100,000

Save as disclosed above, there were no shares granted to directors or controlling shareholders of the Company, or associates of controlling shareholders of the Company, from the commencement of the Plan to the end of the financial year. In addition, no individual has been granted 5% or more of the total number of shares to be comprised in share awards available under the Plan, from the commencement of the Plan to the end of the financial year.

- (b) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

Directors' Statement

For the financial year ended 31 December 2023

Share Options and Performance Shares (Continued)

(c) Options exercised

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(d) Unissued shares under options

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under options.

Audit and Risk Management Committee

The members of the Audit and Risk Management Committee at the end of the financial year were as follows:

Kan Yaw Kiong (Ernest) (Chairman)
Ang Swee Tian
Liang Weiwen

All members of the Audit and Risk Management Committee were non-executive directors.

The Audit and Risk Management Committee has reviewed the following:

- the internal and external auditors' audit plans and results of their examination and evaluation of the Group's systems of internal accounting controls;
- the Group's financial and operating results and accounting policies;
- the Group's key financial risk areas and risk management structure;
- the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditor's report on those financial statements;
- the quarterly and annual announcements on the results and financial position of the Company and the Group;
- the interested person transactions as defined under Chapter 9 of the SGX-ST Listing Manual;
- the scope, approach and results of the audit and its cost effectiveness, and the independence and objectivity of the external auditor;
- the co-operation and assistance given by the management to the Group's internal and external auditors; and
- the re-appointment of the external auditors of the Group.

Directors' Statement

For the financial year ended 31 December 2023

Audit and Risk Management Committee (Continued)

The Audit and Risk Management Committee has full access to and has the co-operation of the management and has been given the resources required to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit and Risk Management Committee.

The Group has complied with Rules 712 and 715 read together with Rule 716 of the Listing Manual issued by Singapore Exchange Securities Trading Limited in relation to its auditors.

The Audit and Risk Management Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent Auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Wei Dongliang
Director

Wang Ruihong
Director

8 April 2024

Independent Auditor's Report

To the Members of Zheneng Jinjiang Environment Holding Company Limited

Our Opinion

In our opinion, the accompanying consolidated financial statements of Zheneng Jinjiang Environment Holding Company Limited ("the Company") and its subsidiaries ("the Group") and the statement of financial position and statement of changes in equity of the Company present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year then ended in accordance with IFRS Accounting Standards.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2023;
- the consolidated statement of financial position of the Group as at 31 December 2023;
- the statement of financial position of the Company as at 31 December 2023;
- the consolidated statement of changes in equity of the Group and the statement of changes in equity of the Company for the financial year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes, comprising material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Independent Auditor's Report

To the Members of Zheneng Jinjiang Environment Holding Company Limited

Our Audit Approach (Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Recognition of revenue from construction services provided under service concession arrangements (the “construction services revenue”)</p> <p>(Refer to Notes 2.3, 2.14, 3.1(a), 3.2, and 4 to the consolidated financial statements.)</p> <p>The Group entered into certain service concession arrangements (such as “Build-Operate-Transfer” arrangements (“BOT arrangements”)) in respect of its waste-to-energy (“WTE”) plants with local government authorities in the People’s Republic of China (“PRC”).</p> <p>BOT arrangements are assessed to be under the scope of IFRIC 12 “Service Concession Arrangements”, and the Group accounted for their construction revenue by reference to the fair value of the construction services delivered in the construction phase. The fair value of such services is estimated on a cost-plus basis with reference to the prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered.</p> <p>The construction services revenue recognized for the year ended 31 December 2023 amounted to approximately RMB257 million.</p> <p>We focused on auditing the revenue from construction services under BOT arrangements because it is material and can be materially affected by the assumptions and estimates used (i.e. the estimates on projected construction costs and the gross margin). The inherent risk is considered significant due to subjectivity of these assumptions and estimates.</p>	<p>Our audit procedures in relation to the recognition of construction services revenue included:</p> <ul style="list-style-type: none">• Understanding and evaluating the management’s policies, key controls and processes in allocation of the considerations for the construction of the WTE plants among the different services as provided by the Group under BOT arrangements and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the level of other inherent risk factors such as subjectivity of the key assumptions and estimates applied;• Assessing the reasonableness of the key assumptions and estimates as applied by management in determining the amounts of construction services revenue by:<ul style="list-style-type: none">– Comparing the projected construction costs as applied by management against the total budget costs as approved by management and inspected the relevant signed construction contracts;– Comparing the estimated gross margins as applied by management against those of the comparable companies in the construction industry.• Testing the mathematical accuracy of the calculations of the amounts of construction services revenue recognised by the Group. <p>Based on our audit procedures, we found the key assumptions and estimates used by management in determining the recognition amount of construction services revenue to be supportable by the evidence obtained and procedures performed.</p>

Independent Auditor's Report

To the Members of Zheneng Jinjiang Environment Holding Company Limited

Key Audit Matter

Impairment of property, plant and equipment

(Refer to Notes 2.12, 3.1 (c) and 19 to the consolidated financial statements)

As at 31 December 2023, the carrying amounts of the Group's property, plant and equipment amounted to approximately RMB10,836 million, representing approximately 49% of the Group's total assets.

Property, plant and equipment are tested for impairment whenever there is an indication that these assets may be impaired. The Group regularly reviews whether there are any indications of impairment and recognizes an impairment loss if the carrying amount of an asset is higher than its recoverable amount (which is the higher of the fair value less costs of disposal and the value in use).

As at 31 December 2023, for certain WTE plants under "Build-Own-Operating" arrangements ("BOO arrangements") with impairment indicators, management performed assessment on impairment of the assets at cash generating unit ("CGU") level. Based on the assessment, the Group does not expect any impairment arising from these WTE plants. We focused on the impairment of property, plant and equipment due to the significant management's judgements, assumptions and estimates involved in the impairment assessment (including identification of the existence of impairment indicators). The inherent risk is considered significant due to the subjectivity of significant judgement and estimates used by management.

How our audit addressed the Key Audit Matter

Our audit procedures in relation to impairment assessment of property, plant and equipment included:

- Understanding and evaluating the management's internal control and process in assessing the impairment of property, plant and equipment (including the identification of the existence of impairment indicators) and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias;
- Assessing the reasonableness of management's determination of CGU based on our knowledge of business including the use of assets and internal reporting process;
- Assessing the appropriateness of management's use of valuation methodology and its compliance with management's circumstances and relevant accounting standards;
- Assessing management's forecast and calculation of the CGU's value in use, including:
 - Assessing the reasonableness of revenue growth rate by comparing the historical operating results and future operation plans of the CGUs, taking into consideration of the economic and industry outlook;
 - Assessing the discount rate by referencing to market data, and risk factors of comparable companies and market premium;
 - Assessing the reasonableness of other key input data such as capital expenditure by comparing with the management budget and corroborating with industry information; and
 - Testing the mathematical accuracy of the discounted cash flows model.

Based on the audit procedures performed above, we found management's judgement and estimates in relation to the impairment assessment of property, plant and equipment to be supportable by the evidence obtained and procedures performed.

Independent Auditor's Report

To the Members of Zheneng Jinjiang Environment Holding Company Limited

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report

To the Members of Zheneng Jinjiang Environment Holding Company Limited

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Tham Tuck Seng.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 8 April 2024

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2023

	Note	2023 RMB'000	2022 RMB'000
Revenue	4	3,750,417	4,073,855
Cost of sales	5	(2,619,912)	(2,916,100)
Gross profit		1,130,505	1,157,755
Other income			
– Interest	7	39,457	22,862
– Others	7	238,213	172,135
Loss allowance recognised on financial assets	36(b)	(110,642)	(765)
Other gains and losses, net	8	5,348	(203,016)
Expenses			
– Administrative	5	(268,863)	(248,122)
– Finance	9	(397,488)	(417,443)
– Others	10	(167,775)	–
Share of profit/(loss) of associates		289	(38)
Share of (loss)/profit of joint ventures		(8,635)	2,891
Profit before income tax		460,409	486,259
Income tax expense	11	(154,606)	(141,343)
Profit for the year		305,803	344,916
Other comprehensive income/(loss):			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising from consolidation	31(iv)	13,773	(10,112)
Other comprehensive income/(loss), net of tax		13,773	(10,112)
Total comprehensive income		319,576	334,804
Profit attributable to:			
Equity holders of the Company		281,647	325,022
Non-controlling interests	15	24,156	19,894
		305,803	344,916
Total comprehensive income attributable to:			
Equity holders of the Company		295,420	314,910
Non-controlling interests	15	24,156	19,894
		319,576	334,804
Earnings per share attributable to the equity holders of the Company: (RMB cents per share)			
Basic and diluted earnings per share	12	19.37	22.35

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

As at 31 December 2023

	Note	Group		Company	
		2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
ASSETS					
Current assets					
Cash and cash equivalents		462,426	627,047	182,330	11,623
Pledged bank deposits	13	1,411,938	1,281,047	1,841	86,160
Trade and other receivables	14	2,947,267	2,789,208	–	–
Amounts due from related parties	16	258,354	248,674	804	658
Service concession receivables	17	68,088	68,088	–	–
Inventories	18	126,532	108,371	–	–
Total current assets		5,274,605	5,122,435	184,975	98,441
Non-current assets					
Other receivables	14	165,565	159,877	2,953,794	2,995,972
Service concession receivables	17	714,152	743,373	–	–
Property, plant and equipment	19	10,835,918	10,402,440	–	–
Investments in associates	20	14,044	13,755	–	–
Investments in joint ventures	21	279,000	295,115	5,039	5,039
Investments in subsidiaries	22	–	–	1,799,828	1,798,280
Investment property	23	27,711	27,013	–	–
Intangible assets	26	4,637,015	4,708,883	–	–
Total non-current assets		16,673,405	16,350,456	4,758,661	4,799,291
Total assets		21,948,010	21,472,891	4,943,636	4,897,732
LIABILITIES					
Current liabilities					
Trade and other payables	27	2,121,493	2,094,340	1,983,083	761,330
Amounts due to related parties	16	31,951	37,405	–	–
Borrowings and lease liabilities	28	4,175,372	4,903,709	1,153,799	1,942,533
Income tax liabilities		137,618	130,362	–	–
Total current liabilities		6,466,434	7,165,816	3,136,882	2,703,863
Net current liabilities		(1,191,829)	(2,043,381)	(2,951,907)	(2,605,422)
Non-current liabilities					
Trade and other payables	27	351,386	357,515	–	–
Borrowings and lease liabilities	28	7,138,119	6,344,903	92,729	370,313
Deferred tax liabilities	29	789,938	701,525	–	–
Provision for major overhauls	34	33,220	28,425	–	–
Total non-current liabilities		8,312,663	7,432,368	92,729	370,313
Total liabilities		14,779,097	14,598,184	3,229,611	3,074,176
NET ASSETS		7,168,913	6,874,707	1,714,025	1,823,556
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	30	96	96	96	96
Share premium	30	1,601,100	1,601,100	1,601,100	1,601,100
Other reserves	31	648,621	548,817	1,057,112	1,057,112
Retained profits/(accumulated losses)		4,796,891	4,561,996	(944,283)	(834,752)
		7,046,708	6,712,009	1,714,025	1,823,556
Non-controlling interests	15	122,205	162,698	–	–
Total equity		7,168,913	6,874,707	1,714,025	1,823,556

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2023

	Attributable to equity holders of the Company						Non-controlling Interests (Note 15) RMB'000	Total equity RMB'000
	Share capital (Note 30) RMB'000	Share premium (Note 30) RMB'000	Other reserves (Note 31) RMB'000	Retained profits RMB'000	Total RMB'000			
Group								
2023								
Balance as at 1 January								
2023	96	1,601,100	548,817	4,561,996	6,712,009	162,698	6,874,707	
Profit for the year	–	–	–	281,647	281,647	24,156	305,803	
Other comprehensive income for the year	–	–	13,773	–	13,773	–	13,773	
Total comprehensive income for the year	–	–	13,773	281,647	295,420	24,156	319,576	
Appropriation and use of safety production expenses								
Appropriation to special reserves	–	–	28,773	–	28,773	–	28,773	
Use of special reserves	–	–	(18,627)	–	(18,627)	–	(18,627)	
Appropriation for statutory surplus reserves								
Appropriation to other reserves	–	–	46,752	(46,752)	–	–	–	
Transactions with owners, recognised directly in equity								
Capital contribution from non-controlling interests	–	–	–	–	–	2,200	2,200	
Dividends paid to non-controlling interests	–	–	–	–	–	(2,875)	(2,875)	
Changes in ownership interests in subsidiaries								
Acquisition of additional interests in a subsidiary (Note 22)	–	–	29,133	–	29,133	(52,776)	(23,643)	
Winding up of a subsidiary	–	–	–	–	–	(11,198)	(11,198)	
Balance as at 31 December								
2023	96	1,601,100	648,621	4,796,891	7,046,708	122,205	7,168,913	

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2023

	Attributable to equity holders of the Company					Non-controlling Interests (Note 15) RMB'000	Total equity RMB'000
	Share capital (Note 30) RMB'000	Share premium (Note 30) RMB'000	Other reserves (Note 31) RMB'000	Retained profits RMB'000	Total RMB'000		
Group							
2022							
Balance as at 1 January 2022	96	1,601,100	515,890	4,280,013	6,397,099	141,388	6,538,487
Profit for the year	–	–	–	325,022	325,022	19,894	344,916
Other comprehensive loss for the year	–	–	(10,112)	–	(10,112)	–	(10,112)
Total comprehensive income for the year	–	–	(10,112)	325,022	314,910	19,894	334,804
Transactions with owners, recognised directly in equity							
Appropriation to reserves	–	–	43,039	(43,039)	–	–	–
Capital contribution from non-controlling interests	–	–	–	–	–	5,735	5,735
Dividends paid to non-controlling interests	–	–	–	–	–	(4,319)	(4,319)
Balance as at 31 December 2022	96	1,601,100	548,817	4,561,996	6,712,009	162,698	6,874,707

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

For the financial year ended 31 December 2023

	Attributable to equity holders of the Company				
	Share capital (Note 30) RMB'000	Share premium (Note 30) RMB'000	Other reserves (Note 31) RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Company					
2023					
Balance as at 1 January 2023	96	1,601,100	1,057,112	(834,752)	1,823,556
Loss for the year, representing total comprehensive loss for the year	-	-	-	(109,531)	(109,531)
Balance as at 31 December 2023	96	1,601,100	1,057,112	(944,283)	1,714,025
2022					
Balance as at 1 January 2022	96	1,601,100	1,057,112	(752,041)	1,906,267
Loss for the year, representing total comprehensive loss for the year	-	-	-	(82,711)	(82,711)
Balance as at 31 December 2022	96	1,601,100	1,057,112	(834,752)	1,823,556

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

	2023 RMB'000	2022 RMB'000
Cash flows from operating activities		
Profit before tax	460,409	486,259
Adjustments for:		
– Amortisation of intangible assets	188,389	159,434
– Deferred grant recognised	(41,903)	(40,294)
– Depreciation of investment property	983	911
– Depreciation of property, plant and equipment	495,967	419,753
– Depreciation of right-of-use assets	17,093	85,454
– Finance expenses	397,488	417,443
– Foreign exchange loss	5,781	194,794
– Financial income under service concession arrangements	(49,678)	(43,968)
– Bank interest income	(39,457)	(22,862)
– Impairment loss on intangible asset	167,775	–
– Gain on disposal of shares of an associate	–	(421)
– Gain on disposal of shares of joint venture	(2,260)	–
– Loss on disposal of property, plant and equipment	278	651
– Loss allowance on pledged bank deposits	37,206	–
– Loss allowance on trade receivables	70,991	765
– Loss allowance on other receivables	2,445	–
– Share of loss/(profit) of joint ventures	8,635	(2,891)
– Share of (profit)/loss of associates	(289)	38
	1,719,853	1,655,066
Change in working capital		
– Trade and other receivables	(246,217)	(12,928)
– Service concession receivables	78,899	32,915
– Inventories	(18,161)	(46,155)
– Intangible assets	(278,328)	(567,764)
– Trade and other payables	140,499	181,230
– Amounts due from related parties	(9,680)	241,271
– Amounts due to related parties	(5,150)	242
Cash generated from operations	1,381,715	1,483,877
Income tax paid	(58,937)	(51,467)
Net cash generated from operating activities	1,322,778	1,432,410

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2023

	2023 RMB'000	2022 RMB'000
Cash flows from investing activities		
Interest received	39,457	17,097
Additions to property, plant and equipment	(940,385)	(1,057,893)
Additions to intangible assets – software	(1,051)	(7,322)
Acquisition of additional interest in a subsidiary	(6,519)	–
Investments in joint ventures	–	(87,459)
Proceeds from disposal of shares of an associate	–	2,241
Proceeds from disposal of subsidiaries	–	114,255
Proceeds from disposal of shares of a joint venture	9,740	–
Receipt of non-trade amounts due from joint ventures	–	229,031
Change in pledged bank deposits	34,447	6,552
Proceeds from disposal of property, plant and equipment	935	383
Net cash used in investing activities	(863,376)	(783,115)
Cash flows from financing activities		
Proceeds from borrowings	8,607,083	7,870,654
Repayment of borrowings	(8,549,616)	(7,337,981)
Payment of finance costs	(477,307)	(478,550)
Capital contributions from non-controlling interests	2,200	1,416
Pledged bank deposits for borrowings	(202,005)	(462,007)
Dividends paid to non-controlling interests	(2,875)	–
Repayment of lease liabilities	(4,018)	(5,193)
Net cash used in financing activities	(626,538)	(411,661)
Net (decrease)/increase in cash and cash equivalents	(167,136)	237,634
Cash and cash equivalents		
Beginning of financial year	627,047	387,801
Effects of currency translation on cash and cash equivalents	2,515	1,612
End of financial year	462,426	627,047

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Zheneng Jinjiang Environment Holding Company Limited (the “Company”) was incorporated on 8 September 2010 as an exempt company with limited liability in Cayman Islands with its registered office presently at Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands and principal place of business at 1 Yinxiu Road, Level 19, Tower A, Hangyue Commercial Center, Gongshu District, Hangzhou City, Zhejiang Province, the People’s Republic of China (the “PRC”). The single largest shareholder is Zhejiang Provincial Energy Group Co., Ltd., which is controlled by State-owned Assets Supervision and Administration Commission of the People’s Government of Zhejiang Province.

The Company was listed on the Mainboard of Singapore Exchange Securities Trading Limited (“SGX-ST”) on 3 August 2016.

The consolidated financial statements are expressed in Renminbi (“RMB”), which is the Company’s functional currency.

The principal activity of the Company is that of an investment holding company. The Group is mainly engaged in the generation and sales of electricity and steam, operation of waste-to-energy plants and project management, technical consulting and advisory services and energy management contracting business. The principal activities of the subsidiaries, associates and joint ventures are disclosed in Notes 22, 20 and 21 to the consolidated financial statements respectively.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to exercise judgement in applying the Group’s accounting policies. It also requires the use of accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2023

On 1 January 2023, the Group has adopted the new or amended IFRS Accounting Standards and IFRIC Interpretations that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS Accounting Standards and IFRIC Interpretations.

The adoption of these new or amended IFRS Accounting Standards and IFRIC Interpretations did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation (Continued)

Interpretations and amendments to published standards effective in 2023 (Continued)

The following are the new or amended IFRS Accounting Standards and IFRIC Interpretations (issued up to 31 December 2023) that are not yet applicable, but may be early adopted for the current financial year.

Annual periods

Annual periods commencing on	Description
1 January 2024	Amendments to: <ul style="list-style-type: none">– IAS 1: Non-current Liabilities with Covenants– IAS 1: Classification of Liabilities as Current or Non-current– IFRS 16: Lease Liability in a Sale and Leaseback– IAS 7 and IFRS 7: Supplier Finance Arrangements
To be determined	Amendments to: <ul style="list-style-type: none">– IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The new or amended IFRS Accounting Standards and IFRIC Interpretations listed above are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Going concern

As of 31 December 2023, the current liabilities of the Group and of the Company exceeded the current assets by approximately RMB1,191,829,000 and RMB2,951,907,000 respectively.

The financial statements have been prepared on a going concern basis as the directors and management have assessed that it is appropriate to do so after considering the following:

- the Group's and the Company' ability to comply with all financial covenants for its outstanding borrowings;
- the Group's and the Company' ability to finalise and obtain additional credit facilities or manage their renewal from financial institutions subsequent to year end; and
- the Group's ability to generate positive cash flows from its operations and control the capital expenditure.

The cash flow projections prepared by management cover a period of at least twelve months from 31 December 2023, takes into account the above-mentioned plans and measures, and indicates that the Group and the Company will have sufficient funds to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2023. Accordingly, the directors are satisfied that it is appropriate to prepare the accompanying financial statements on a going concern basis.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

(a) Sale of goods

The Group sells electricity and steam to the customers. Revenue is recognised when the electricity and steam has been transferred to the end users upon usage based on the meter reading. A receivable is recognised by the Group when the electricity and steam are delivered to the customers as this represents the point in time which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

(b) Rendering of services

(i) Project technical and management service and Energy Management Contracting (“EMC”) business

Project technical and management fees and EMC service fees from customers are recognised as revenue over time when services are rendered based on agreed rates. Management has assessed that the stage of completion is determined as the proportion of the total service period that has elapsed as at the end of the reporting period as it is an appropriate measure of progress towards complete satisfaction of these performance obligations under IFRS 15 as the customer simultaneously receives and consumes the services provided by the Group over the service period.

(ii) Equipment selection and sale

The Group enters into contracts with customers for equipment with unique specifications and engages a vendor to manufacture the specified equipment. Revenue is recognised at a point in time when control of the equipment has transferred to the customer which coincides with the delivery of the equipment to the customer.

(iii) Revenue from waste treatment

Revenue from waste treatment is recognised based on agreed rates when the relevant services are rendered over time as the grantor simultaneously receives and consumes the services provided by the Group over the service period.

(c) Interest income

Interest income is recognised using the effective interest rate method.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Revenue (Continued)

(d) Construction services

(i) Construction contracts

The Group's performance in respect of construction services creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, thus the Group satisfies a performance obligation and recognises revenue from construction contracts over time, as measured by the proportion of the contract costs incurred for work performed to date relative to the estimated total contract costs. Revenue from the construction services under a service concession agreement is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered.

Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under IFRS 15 – Revenue from Contracts with Customers.

(ii) Contract costs

Costs incurred in fulfilling a contract with a customer are recognised as an asset if such costs relate directly to a contract and generate or enhance the Group's resources used in satisfying future performance obligations and are expected to be recovered.

(iii) Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligation.

Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Government grants

Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants are deferred and recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to the purchase of assets are included in non-current liabilities as deferred grant and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

2.5 Accounting for common control transactions

The predecessor values method of accounting is used to account for the transfer of businesses from entities under common control.

In the application of the predecessor values method of accounting, the transaction can either be accounted for as if it had taken place at the beginning of the earliest period presented (or the date that the entities were first under common control, if later), or prospectively from the date of transfer of the businesses. The Group and the Company has elected to account for such transactions as if it had taken place at the beginning of the earliest period presented (or the date that the entities were first under common control, if later).

The net assets of the combining entities or businesses are combined using the existing carrying amounts. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination.

The consolidated statement of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, whichever is earlier.

2.6 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Group accounting (Continued)

(a) Subsidiaries (Continued)

(i) Consolidation (Continued)

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group, unless it is an acquisition under common control, in which case, the accounting policy set out in Note 2.5 applies.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Group accounting (Continued)

(a) Subsidiaries (Continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, associates and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associates and joint ventures

Associates are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisition

Investments in associates and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associates and joint ventures represents the excess of the cost of acquisition of the associates or joint venture over the Group's share of the fair value of the identifiable net assets of the associates company or joint venture and is included in the carrying amount of the investments.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Group accounting (Continued)

(c) Associates and joint ventures (Continued)

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associates' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associates or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associates or joint venture equals to or exceeds its interest in the associates or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associates or joint venture. If the associates or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associates or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associates or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associates or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associates or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and joint ventures" for the accounting policy on investments in subsidiaries and joint ventures in the separate financial statements of the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Property, plant and equipment

(a) Measurement

(i) Buildings

Buildings are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Other property, plant and equipment

Other property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(iii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories. Cost also includes borrowing costs (refer to Note 2.9 on borrowing costs).

(b) Depreciation

Depreciation on property, plant and equipment (other than construction-in-progress) is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	30 – 50 years
Buildings	25 years
Plant and machinery	12 – 20 years
Furniture, fixture and equipment	5 years
Motor vehicles	8 years

No depreciation is charged for assets under construction until they are completed and transferred to appropriate asset categories. The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Property, plant and equipment (Continued)

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other gains and losses, net".

2.8 Intangible assets

(a) Acquired computer software licences

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

(b) Service concession arrangements

The Group recognises an intangible asset at fair value upon initial recognition when it has a right to charge for usage in relation to a concession infrastructure (as a consideration for providing construction services in a service concession arrangement). Subsequent to initial recognition, the intangible asset is measured at cost less accumulated amortisation and impairment losses. Amortisation is provided on straight-line basis over the respective periods of the operating concessions granted to the Group of 21 to 30 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.9 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction expenditures that are financed by general borrowings.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Investment property

Investment property comprises of office units that are held for long-term rental yields and/or for capital appreciation.

Investment property are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Investment property is subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

Depreciation is calculated using a straight-line method after taking into account of their estimated residual value to allocate the depreciable amounts over the estimated useful lives of 99 years.

The residual values, useful lives and depreciation method of investment property are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.11 Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.12 Impairment of non-financial assets

Intangible assets

Property, plant and equipment

Right-of-use assets

Investments in subsidiaries, associates and joint ventures

Intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.12 Impairment of non-financial assets (Continued)

Intangible assets

Property, plant and equipment

Right-of-use assets

Investments in subsidiaries, associates and joint ventures (Continued)

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.13 Financial assets

(a) Classification and measurement

The Group classifies its financial assets as measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.13 Financial assets (Continued)

(a) Classification and measurement (Continued)

At subsequent measurement

Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, pledged bank deposits, trade and other receivables, service concession receivables and amounts due from related parties.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, amounts due from related parties, service concession receivables and cash and cash equivalents, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk from initial recognition, lifetime expected credit loss will be calculated and recognised.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.13 Financial assets (Continued)

(c) Recognition and derecognition (Continued)

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.14 Service concession arrangements

Consideration given by the grantor

A financial asset (receivable under service concession arrangement) is recognised to the extent that the Group has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services rendered and/or the consideration paid and payable by the Group for the right to manage and operate the infrastructure for public service. The Group has an unconditional right to receive cash if the grantor contractually guarantees to pay the Group (a) specified or determinable amounts or (b) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if the payment is contingent on the Group ensuring that the infrastructure meets specified quality of efficiency requirements. The financial asset (receivable under service concession arrangement) is accounted for in accordance with the policy set out for "Financial assets" in Note 2.13.

An intangible asset (operating concession) is recognised to the extent that the Group receives a right to charge users of the public service. The intangible assets (operating concession) are stated at cost less accumulated amortisation and any accumulated impairment loss and are amortised on a straight-line basis over the operation phase of the concession periods.

If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognised initially at the fair value of the consideration.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.14 Service concession arrangements (Continued)

Construction of service concession related infrastructure

Revenue and costs relating to construction phase of a concession arrangement is accounted for in accordance to IFRS 15. The Group recognises the construction revenue with reference to the fair value of the construction service delivered in the construction phase. The fair value of such service is estimated on a cost-plus basis with reference to the prevailing market rate of gross margin. Consequently, the Group recognised a profit margin on the construction work by reference to the stage of completion and in accordance with the policy for “Revenue (Construction services)” in Note 2.3(d).

Operating services

Revenue relating to operating services is accounted for in accordance with the policy for “Revenue (Rendering of services)” in Note 2.3(b).

Contractual obligations to restore the infrastructure to a specified level of serviceability

When the Group has contractual obligations that it must fulfil as a condition of its licence for operating concessions under the “Intangible Asset” model, that is (a) to maintain the infrastructure to a specified level of serviceability and/or (b) to restore the infrastructure to a specified condition before they are handed over to the grantor at the end of the service concession arrangement, these contractual obligations to maintain or restore the infrastructure are recognised and measured in accordance with the policy set out for “Provisions” in Note 2.20.

Repair and maintenance and other expenses that are routine in nature are expensed and recognised in profit or loss as incurred.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.16 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.17 Leases

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within "Property, plant and equipment".

- Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.17 Leases (Continued)

When the Group is the lessee: (Continued)

- Short term and low value leases

The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

When the Group is the lessor:

The Group leases investment property under operating leases.

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

2.18 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.19 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.19 Income taxes (Continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment property. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of performance shares is recognised as an expense with a corresponding increase in the share award reserve on the grant date. The total amount to be recognised on the grant date is determined by reference to the fair value of the performance shares granted on grant date.

There is no vesting period for the performance shares. On the date of grant, the Group recognises the number of performance shares granted and recognises the impact in profit or loss, with a corresponding adjustment to the share award reserve. The proceeds received (net of transaction costs) and the related balance previously recognised in the share award reserve are credited to the share capital account, when new ordinary shares are issued, or to the “treasury shares” account, when treasury shares are re-issued to the employees.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the balance sheet date.

2.22 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Renminbi, which is the functional currency of the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.22 Currency translation (Continued)

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses impacting profit or loss are presented in the income statement within "Other gains and losses, net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.25 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.26 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

Notes to the Financial Statements

For the financial year ended 31 December 2023

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

(a) Service concession arrangements

(i) Recognition of intangible assets and/or financial assets

The Group recognises the right to operate the infrastructure (consideration received or receivable in exchange for the construction services provided) as an intangible asset in accordance with the build-operate-transfer (“BOT”) arrangements entered into with the local government for the project where there are no future guaranteed receipts over its service concession period.

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or other financial asset from or at the direction of the grantor for the construction services provided. Such financial assets are measured at fair value on initial recognition and classified as service concession receivable.

If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is initially recognised at the fair value of the consideration.

In determining the fair values of the service concession receivables and intangible assets under service concession arrangements on initial recognition, estimates used include discount rates, budgeted costs of construction and gross profit margins for construction services revenue.

The assumptions used and estimates made can materially affect the fair value on initial recognition. The carrying amount of the Group’s service concession receivables and intangible assets arising from service concession arrangements at the end of the reporting period is disclosed in Notes 17 and 26 respectively.

(ii) Revenue from construction services

The stage of completion of each construction contract is assessed on a cumulative basis in each accounting year. Changes in estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract could impact the amount of revenue recognised in profit or loss in the year in which the change is made and in subsequent years.

Revenue from construction services provided under service concession arrangements is disclosed in Note 4 to the consolidated financial statements. The gross profit margins recognised for third party constructed infrastructure in relation to service concession arrangement are estimated by management based on the prevailing market rate applicable to construction services rendered by comparable companies.

Notes to the Financial Statements

For the financial year ended 31 December 2023

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

3.1 Critical accounting estimates and assumptions (Continued)

(b) Useful lives and residual values of property, plant and equipment

Management exercises their judgement in estimating the useful lives and residual values of the depreciable assets. The estimated useful lives reflect management's estimate of the period that the Group intends to derive future economic benefits from the use of the depreciable asset.

Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives.

The carrying amount of property, plant and equipment is disclosed in Note 19 to the consolidated financial statements.

(c) Impairment of property, plant and equipment

The Group regularly reviews whether there are any indicators of impairment and recognises an impairment loss if the recoverable amount of an asset is lower than its carrying amount.

The recoverable amounts, being the higher of fair value less costs to sell or value in use, are determined by management with reference to the best information available as of the balance sheet date. These management's assumptions in their value in use calculations include the revenue growth rate, the discount rate and capital expenditure within the forecast period.

The carrying amount of property, plant and equipment is disclosed in Note 19 to the consolidated financial statements.

(d) Loss allowance for trade and other receivables

The Group and the Company assess at the end of reporting period the expected credit loss ("ECL") required for its trade and other receivables, amounts due from non-controlling interests and amounts due from related parties taking into consideration the estimation of future cash flows. When measuring ECL, the Group and the Company use reasonable and supportable forward-looking information, including taking into consideration the credit worthiness, past collection history, subsequent receipts from the debtors and future economic conditions of the industry in which the debtors operate.

The carrying amounts of trade and other receivables, amounts due from non-controlling interests and amounts due from related parties are disclosed in Notes 14, 15 and 16 to the consolidated financial statements respectively.

Notes to the Financial Statements

For the financial year ended 31 December 2023

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

3.2 Critical judgements in applying the entity's accounting policies

Service concession arrangements

The Group has entered into build-own-operate ("BOO") and BOT arrangements in respect of certain of its waste-to-energy ("WTE") plants with the local government. Whether the arrangements are BOO or BOT would result in different accounting treatments that have different financial impacts on the Group.

The Group assessed that the BOO arrangements are not service concession arrangements under IFRIC 12 Service Concession Arrangements because the local government does not control the significant residual interest in the infrastructure at the end of the term of the arrangements. Under the terms of the arrangement, the Group has the practical ability to pledge the infrastructure throughout the period of the arrangement. At the end of the respective BOO arrangement, the Group retains the ownership and control to the infrastructure and holds the right of first refusal on renewal of the service concession arrangement by the local government. In addition to the initial investment in the infrastructure, the Group performs technical upgrade periodically to improve the capacity and efficiency of the infrastructure. Management believes such improvements will further enhance the residual interest in the overall infrastructure at the end of the service concession arrangement.

On the other hand, the Group concluded that the BOT arrangements are service concession arrangement under IFRIC 12 Service Concession Arrangements, because (i) the local government controls and regulates the services that the Group must provide with the infrastructure at a pre-determined service charge and the parties to whom the Group must provide the services, and (ii) the local government controls significant residual interest in the infrastructure at the end of the term of the arrangements. Under the terms of the arrangement, upon expiry of the respective BOT arrangements, the infrastructure has to be transferred to the local government under good condition at no or minimal consideration.

See above involving estimations that management has made in relation to revenue recognition for construction services arising from service concession arrangements.

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Disaggregation of revenue from contracts with customers

	2023 RMB'000	2022 RMB'000
Waste-to-energy project construction and operation		
Sales of electricity	1,651,860	1,613,648
Sales of steam	831,847	735,725
Revenue from waste treatment ⁽¹⁾	941,306	985,802
Revenue from construction services provided under service concession arrangements (Notes 17 and 26)	256,530	593,928
Financial income under service concession arrangements ⁽²⁾ (Note 17)	49,678	43,968
	3,731,221	3,973,071
Project technical and management service, equipment selection and sale and EMC business		
Service income – non-related parties	17,660	92,643
Service income – related parties (Note 16(a))	1,536	8,141
	19,196	100,784
Total	3,750,417	4,073,855

(1) Included in the revenue from waste treatment are operating services under service concession arrangements amounting to RMB938,179,000 (2022: RMB957,354,000).

(2) Effective interest applied ranges from 5.9% to 11% per annum (2022: from 5.9% to 11% per annum).

Timing of revenue recognition

	2023 RMB'000	2022 RMB'000
<u>At a point in time</u>		
Sales of electricity	1,651,860	1,613,648
Sales of steam	831,847	735,725
Equipment selection and sale	–	69,881
	2,483,707	2,419,254
<u>Over time</u>		
Revenue from waste treatment	941,306	985,802
Revenue from construction services provided under service concession arrangements (Notes 17 and 26)	256,530	593,928
Project technical and management service and EMC business	19,196	30,903
	1,217,032	1,610,633
Financial income under service concession arrangements (Note 17)	49,678	43,968
Total	3,750,417	4,073,855

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

(b) Contract assets and liabilities

	31 December		1 January
	2023	2022	2022
	RMB'000	RMB'000	RMB'000
Contract assets			
– Equipment sale and selection	–	–	17,832
Less: Loss allowance	–	–	–
Total contract assets	–	–	17,832
Contract liabilities (Note 27)			
– Service concession arrangements	27,615	30,757	35,591
– Sale of steam	3,878	5,304	–
	31,493	36,061	35,591

Contract assets relating to equipment sale and selection are balances due from customers under the contracts that arise when the Group has delivered the equipment to the customer. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Contract liabilities for service concession arrangements relate to the advances received from the customer relating to the waste treatment services. Contract liabilities for sale of steam are advances received from the customer before the steam has been delivered to the customer.

(i) Revenue recognised in relation to contract liabilities

	2023	2022
	RMB'000	RMB'000
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period		
– Service concession arrangements	3,142	4,834
– Sale of steam	5,304	–
	8,446	4,834

Notes to the Financial Statements

For the financial year ended 31 December 2023

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

(b) Contract assets and liabilities (Continued)

(ii) Unsatisfied performance obligations

	31 December	
	2023	2022
	RMB'000	RMB'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 December		
– Service concession arrangements	–	175,365
– Sale of steam	3,878	5,304
	3,878	180,669

Management expects that 100% of the transaction price allocated to unsatisfied performance obligations as of 31 December 2023 will be recognised as revenue during the next reporting period. The amount disclosed above does not include variable consideration which is constrained.

As permitted under IFRS 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less, or are billed based on time incurred, is not disclosed.

(c) Trade receivables from contracts with customers

	Note	31 December		1 January
		2023	2022	2022
		RMB'000	RMB'000	RMB'000
Group				
<i>Current assets</i>				
Trade receivables from contracts with customers	14	2,257,479	2,041,584	2,003,425
Loss allowance	14	(102,664)	(31,673)	(30,908)
		2,154,815	2,009,911	1,972,517

Notes to the Financial Statements

For the financial year ended 31 December 2023

5. EXPENSES BY NATURE

	Group	
	2023 RMB'000	2022 RMB'000
Cost of inventories recognised as expense	759,715	856,116
Construction cost	221,539	519,390
Environmental protection cost	239,616	234,418
Depreciation of property, plant and equipment	495,967	419,753
Depreciation of right-of-use assets	17,093	85,454
Depreciation of investment property	983	911
Amortisation of intangible assets	188,389	159,434
Employee compensation (Note 6)	403,005	373,300
Audit fees:		
– to auditors of the Company	1,000	1,000
– to member firms of the auditors of the Company	3,121	3,121
– to other auditors	860	783
Non-audit fees:		
– paid to other auditors	761	739
Repair and maintenance	137,615	109,538
Transportation	77,242	72,526
Utilities	58,589	52,563
Outsourcing labour cost	80,519	81,179
Lease expense (Note 24(d))	16,706	25,220
Others	186,055	168,777
Total cost of sales and administrative expenses	2,888,775	3,164,222

6. EMPLOYEE COMPENSATION

	Group	
	2023 RMB'000	2022 RMB'000
Wages and salaries	369,326	343,140
Employer's contribution to defined contribution plans	33,679	30,160
	403,005	373,300

Notes to the Financial Statements

For the financial year ended 31 December 2023

7. OTHER INCOME

	Group	
	2023 RMB'000	2022 RMB'000
Government grant (Note (i))	41,903	40,294
Value added tax refund (Note (ii))	77,501	43,734
Bank interest income	39,457	22,862
Sales of scrap materials	105,141	67,440
Interest income from joint ventures and others	13,668	20,667
	277,670	194,997

Notes:

(i) The government grants represented the government incentive funds and government subsidies of different nature received from the local government by the PRC operating entities of the Group, among them are grants in relation to environmental initiatives, waste management and technological output transformation. During the year ended 31 December 2023, government grants included: (a) the incentive primarily in relation to waste-to-energy business development to enterprises established in the PRC which amounted to RMB21,198,000 (2022: RMB19,003,000); and (b) the subsidies received on acquisition of properties, plant and equipment amortised to profit or loss which amounted to RMB20,705,000 (2022: RMB21,291,000). There were no unfulfilled conditions and other contingencies attached to the receipt of those grants.

(ii) The amount represents the Group's entitlement to the refund of value-added tax paid on the sales of electricity and steam, and rendering of waste treatment service, in accordance with the Notice of the Ministry of Finance and State Administration of Taxation of the PRC on policies regarding the Value-Added Tax on Comprehensive Utilisation of Resources. There were no unfulfilled conditions and other contingencies attached to the receipts of such tax refund.

8. OTHER GAINS AND LOSSES, NET

	Group	
	2023 RMB'000	2022 RMB'000
Foreign exchange gain/(loss)	5,662	(195,414)
Loss on disposal of property, plant and equipment	(278)	(651)
Gain on disposal of shares of a joint venture	2,260	–
Gain on disposal of shares of an associate	–	421
Others	(2,296)	(7,372)
	5,348	(203,016)

9. FINANCE EXPENSES

	Group	
	2023 RMB'000	2022 RMB'000
Interest expenses		
– Borrowings	460,881	513,367
– Lease liabilities	76	182
– Others	2,336	1,772
	463,293	515,321
Less: capitalised interest	(65,805)	(97,878)
	397,488	417,443

Finance expenses on general borrowings were capitalised at a rate of 4.50% per annum (2022: 4.85% per annum).

Notes to the Financial Statements

For the financial year ended 31 December 2023

10. OTHER EXPENSES

	Group	
	2023	2022
	RMB'000	RMB'000
Impairment loss on intangible assets	167,775	–

During the financial year ended 31 December 2023, an impairment loss of RMB167,775,000 was recognised on the intangible assets due to the difficulties and uncertainty encountered for the BOT projects in Lucknow and Gurgaon, India (Note 26).

11. INCOME TAXES

Income tax expense

	Group	
	2023	2022
	RMB'000	RMB'000
Current tax:		
– PRC enterprise income tax	64,793	56,688
– Under provision in the prior years	1,400	2,083
	66,193	58,771
Deferred tax (Note 29):		
– Current year charges	88,413	82,572
	154,606	141,343

Domestic PRC income tax is calculated at 25% of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Certain PRC subsidiaries are entitled to a preferential income tax rate of 5% for three years from the date that they are certified as a “High and New Technology Enterprise”.

Certain PRC subsidiaries are regarded as qualified environmental protection enterprises and were entitled to an exemption from PRC enterprise income tax for three years from commencement date of commercial operations, followed by a 50% tax relief for the next three years, according to the relevant tax rules.

Notes to the Financial Statements

For the financial year ended 31 December 2023

11. INCOME TAXES (CONTINUED)

Income tax expense (Continue)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the PRC standard rate of income tax as follows:

	Group	
	2023 RMB'000	2022 RMB'000
Profit before tax	460,409	486,259
Tax calculated at tax rate of 25% (2022: 25%)	115,102	121,565
Effects of:		
– different tax rates in other countries	13,345	38,775
– tax concessions granted to PRC subsidiaries	(117,645)	(87,637)
– expenses not deductible for tax purposes	1,467	1,074
– utilisation of tax losses/deductible temporary differences previously not recognised	(24,847)	(7,302)
– tax losses/deductible temporary differences not recognised	165,784	72,785
– under provision of tax in prior financial years	1,400	2,083
Tax charge	154,606	141,343

12. EARNINGS PER SHARE

Basic/diluted earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential shares.

	2023	2022
Earnings (RMB'000)		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	281,647	325,022
Number of shares ('000)		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	1,454,025	1,454,025
Basic and diluted earnings per share (RMB cents)	19.37	22.35

The fully diluted earnings per share and basic earnings per share are the same as there are no dilutive potential shares outstanding at the end of the financial years ended 31 December 2023 and 2022.

Notes to the Financial Statements

For the financial year ended 31 December 2023

13. PLEDGED BANK DEPOSITS

The Group's and Company's pledged bank deposits are primarily for borrowings (Note 28) and projects tendering. During the financial year ended 31 December 2023, a loss allowance of RMB37,206,000 was recognised in connection with the enforcement of the deposit for performance bond relating to the BOT projects in India (Note 26).

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Trade receivables – third parties	2,257,479	2,041,584	–	–
Less: Loss allowance (Note (i))	(102,664)	(31,673)	–	–
Bills receivables	21,996	19,959	–	–
	2,176,811	2,029,870	–	–
Amount due from non-controlling interests – trade (Note 15)	35,045	13,773	–	–
Total trade and bills receivables	2,211,856	2,043,643	–	–
Advances to suppliers (Note (ii))	208,155	219,258	–	–
Other receivables:				
– Staff advances	19,073	19,864	–	–
– Refundable deposits	104,075	112,141	–	–
– Compensation receivable on closure of WTE plant	198,241	198,241	–	–
– Others	45,390	37,450	–	–
Less: Loss allowance (Note (i))	(44,801)	(42,356)	–	–
Sub-total of other receivables	321,978	325,340	–	–
Amount due from subsidiaries				
– non-trade	–	–	2,953,794	2,995,972
Amount due from non-controlling interests – non-trade (Note 15)	–	11,030	–	–
Other tax recoverable				
– Value added tax recoverable	330,383	311,574	–	–
– Others	1,971	1,054	–	–
Prepayments	38,489	37,186	–	–
Total trade and other receivables	3,112,832	2,949,085	2,953,794	2,995,972
Analysed for reporting purposes as:				
– Current assets	2,947,267	2,789,208	–	–
– Non-current assets	165,565	159,877	2,953,794	2,995,972
	3,112,832	2,949,085	2,953,794	2,995,972

Notes:

(i) Included in loss allowance for trade receivables and other receivables are impairment losses of RMB62,200,000 (2022: nil) and RMB4,650,000 (2022: nil) respectively, due to the difficulties and uncertainty encountered for the BOT projects in Lucknow and Gurgaon, India.

(ii) Advances to suppliers comprise the prepayments agreed in the Group's equipment procurement contracts and project construction contracts for its projects under construction and are unsecured and interest free.

Notes to the Financial Statements

For the financial year ended 31 December 2023

14. TRADE AND OTHER RECEIVABLES (CONTINUED)

Certain of the Group's borrowings were secured by certain of the Group's trade receivables amounting to RMB1,396,850,000 (2022: RMB1,112,425,000).

The credit terms granted by the Group on the sale of electricity, steam, waste treatment and rendering of services is 60 to 120 days (2022: 60 to 120 days).

Amounts due from subsidiaries

The Company's receivables from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

As at 31 December 2023 and 2022, amounts due from subsidiaries have been classified as non-current assets as the Company does not expect repayment within 12 months from the end of the reporting date. Management is of the view that the amounts due from subsidiaries approximate their fair values as the effect of discounting is not expected to be significant.

Management estimates the loss allowance on amounts due from subsidiaries at an amount equal to 12-month ECL, taking into account the historical default experience, current financial conditions of the subsidiaries and the future prospects of the industry of each subsidiary. None of the amounts due from subsidiaries at the end of the reporting period is past due.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for amounts due from subsidiaries.

Based on the assessment, management is of the view that the ECL is insignificant as the credit risk of the subsidiaries are low.

Notes to the Financial Statements

For the financial year ended 31 December 2023

15. NON-CONTROLLING INTERESTS

The table below shows details of subsidiaries of the Group with significant non-controlling interests:

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		At 31 December		Year ended 31 December		At 31 December	
		2023	2022	2023	2022	2023	2022
		%	%	RMB'000	RMB'000	RMB'000	RMB'000
Kunming Jinjiang ⁽¹⁾	Kunming, the PRC	1.67	1.67	1,763	1,948	19,520	17,757
Jilin Xinxiang ⁽²⁾	Changchun, the PRC	–	20.00	6,353	7,727	–	46,423
Yunnan Energy ⁽³⁾	Yunnan, the PRC	11.00	11.00	9,437	6,448	45,723	36,287
Individually immaterial subsidiaries with non-controlling interests				6,603	3,771	56,962	62,231
				24,156	19,894	122,205	162,698

(1) Kunming Jinjiang refers to Kunming Xinxingze Environment Resources Industry Co., Ltd.

(2) Jilin Xinxiang refers to Jilin Xinxiang Co., Ltd. On 26 June 2023, the Group's wholly-owned subsidiary Hangzhou Jinjiang Environment Investment Co., Ltd. acquired 20.0% of the equity interest in Jilin Xinxiang for total consideration of RMB23,643,000. Following the transaction, the Group's stake in Jilin Xinxiang increased from 80.00% to 100.00% (Note 22).

(3) Yunnan Energy refers to Yunnan Green Energy Co., Ltd.

Notes to the Financial Statements

For the financial year ended 31 December 2023

15. NON-CONTROLLING INTERESTS (CONTINUED)

Summarised financial information in respect of the Group's subsidiaries that has material non-controlling interests, before intra-group eliminations is set out below.

Kunming Jinjiang

	2023 RMB'000	2022 RMB'000
<i>Summarised balance sheet</i>		
Current assets	778,753	681,573
Non-current assets	1,116,712	1,156,147
Current liabilities	(238,249)	(199,896)
Non-current liabilities	(488,351)	(574,514)
Equity attributable to owners of the Company	1,149,345	1,045,553
Non-controlling interests	19,520	17,757
<i>Summarised statement of comprehensive income</i>		
Revenue	285,172	288,480
Expenses	(179,618)	(171,833)
Profit for the year	105,554	116,647
Profit attributable to owner of the Company	103,791	114,699
Profit attributable to non-controlling interests	1,763	1,948
<i>Summarised statement of cash flow</i>		
Net cash inflow from operating activities	159,345	171,340
Net cash outflow from investing activities	(7,912)	(5,880)
Net cash outflow from financing activities	(130,683)	(165,470)
Net cash inflow/(outflow)	20,750	(10)

Jilin Xinxiang

	2023 RMB'000	2022 RMB'000
<i>Summarised balance sheet</i>		
Current assets	148,007	46,754
Non-current assets	613,509	653,154
Current liabilities	(89,073)	(128,687)
Non-current liabilities	(350,084)	(313,228)
Equity attributable to owners of the Company	322,359	211,570
Non-controlling interests	-	46,423
<i>Summarised statement of comprehensive income</i>		
Revenue	193,605	169,250
Expenses	(129,597)	(130,616)
Profit for the year	64,008	38,634
Profit attributable to owner of the Company	57,655	30,907
Profit attributable to non-controlling interests	6,353	7,727
<i>Summarised statement of cash flow</i>		
Net cash inflow from operating activities	122,160	120,942
Net cash outflow from investing activities	(9,077)	(32,119)
Net cash outflow from financing activities	(114,481)	(89,077)
Net cash outflow	(1,398)	(254)

Notes to the Financial Statements

For the financial year ended 31 December 2023

15. NON-CONTROLLING INTERESTS (CONTINUED)

Yunnan Energy

	2023 RMB'000	2022 RMB'000
<i>Summarised balance sheet</i>		
Current assets	204,681	169,404
Non-current assets	554,506	534,044
Current liabilities	(190,721)	(221,744)
Non-current liabilities	(152,381)	(151,828)
Equity attributable to owners of the Company	370,360	293,588
Non-controlling interests	45,725	36,288
<i>Summarised statement of comprehensive income</i>		
Revenue	259,806	248,341
Expenses	(174,011)	(189,721)
Profit for the year	85,795	58,620
Profit attributable to owner of the Company	76,358	52,172
Profit attributable to non-controlling interests	9,437	6,448
Dividends paid to owner of the Company	–	34,953
Dividends paid to non-controlling interests	–	4,319
<i>Summarised statement of cash flow</i>		
Net cash inflow from operating activities	168,114	76,788
Net cash outflow from investing activities	(14,999)	(78,923)
Net cash (outflow)/inflow from financing activities	(156,440)	7,576
Net cash (outflow)/inflow	(3,325)	5,441

The amounts due from non-controlling interests are as follows:

		Group	
	Note	2023 RMB'000	2022 RMB'000
Trade related	14	35,045	13,773
Non-trade related	14	–	11,030
		35,045	24,803

The trade related balances are unsecured, interest free and with a credit period of 120 days (2022: 120 days) from the invoice date and are not past due as at the end of the reporting period.

The non-trade related balances due from non-controlling interests were unsecured, interest-free and repayable on demand.

Management determines the non-trade receivables due from non-controlling interests are subject to immaterial credit loss.

Notes to the Financial Statements

For the financial year ended 31 December 2023

15. NON-CONTROLLING INTERESTS (CONTINUED)

The amounts due to non-controlling interests are as follows:

	Note	Group	
		2023 RMB'000	2022 RMB'000
Trade related	27	4,995	4,995
Non-trade related	27	25	125
		5,020	5,120

The non-trade related balances due to non-controlling interests are unsecured, interest-free and repayable on demand.

16. RELATED PARTY BALANCES AND TRANSACTIONS

Zhejiang Provincial Energy Group Co., Ltd. ("Zheneng Group") is the largest shareholder of the Group whilst Hangzhou Jinjiang Group ("Jinjiang Group") is the second largest shareholder of the Group (collectively known as the "major shareholders").

- (a) In addition to the information disclosed elsewhere in the financial statements, the following transaction took place between the Group and related parties at terms agreed between the parties.

	2023 RMB'000	2022 RMB'000
Companies in which Zheneng Group has control over:		
– Purchases of materials	7,403	83,403
– Interest expense	20,825	23,606
Companies in which Jinjiang Group has control over:		
– Purchases of materials	185	14,591
– Revenue from EMC business	(94)	(6,690)
– Rendering of technical and management services	(1,442)	(1,451)
Joint ventures:		
– Interest income	(9,871)	(20,311)

Notes to the Financial Statements

For the financial year ended 31 December 2023

16. RELATED PARTY BALANCES AND TRANSACTIONS (CONTINUED)

(b) The Group and the Company had the following balances with related parties:

	2023 RMB'000	2022 RMB'000
Group		
Trade:		
Amounts due from companies in which the major shareholders have control over	12,748	13,181
Amounts due from joint ventures	7,511	7,215
	20,259	20,396
Non-trade:		
Amounts due from joint ventures	238,095	228,278
	258,354	248,674
Company		
Non-trade:		
Amounts due from joint ventures	804	658
Group		
Trade:		
Amounts due to companies in which the major shareholders have control over	30,463	35,505
Amounts due to joint ventures	120	51
	30,583	35,556
Non-trade:		
Amounts due to companies in which the major shareholders have control over	933	1,414
Amounts due to joint ventures	435	435
	1,368	1,849
	31,951	37,405

Trade balances

The trade related balances are unsecured, interest-free and with an average credit period of 6 months (2022: 6 months).

Non-trade balances

The non-trade related balances are unsecured, interest-free and repayable on demand except for the amounts due from joint ventures which bear interest at 5.0% (2022: 6.5%) per annum and are due within one year from the end of the reporting period.

The non-trade amounts due from joint ventures are the interest-bearing advances to the joint venture, Zibo Green New Energy Co., Ltd., for financing the construction and operating costs of their WTE facilities.

Notes to the Financial Statements

For the financial year ended 31 December 2023

16. RELATED PARTY BALANCES AND TRANSACTIONS (CONTINUED)

- (c) Compensation of directors and key management personnel of the Group

The remuneration of directors and key management personnel during the year was as follows:

	Group	
	2023 RMB'000	2022 RMB'000
Short-term employee benefits	8,777	8,980
Post-employment benefits	224	233
	9,001	9,213

17. SERVICE CONCESSION RECEIVABLES

	Group	
	2023 RMB'000	2022 RMB'000
Service concession receivables	782,240	811,461
Less: Amounts due within one year shown under current assets	(68,088)	(68,088)
Service concession receivables due after one year	714,152	743,373
Expected collection schedule is analysed as follows:		
Within 1 year	68,088	68,088
Within 2 to 5 years	232,485	232,485
Over 5 years	481,667	510,888
	782,240	811,461

As at 31 December 2023, certain of the Group's borrowings were secured by the Group's service concession receivables with aggregate carrying amount RMB402,818,000 (2022: RMB306,470,000) (Note 28).

Management estimates the loss allowance on receivables under service concession arrangements at an amount equal to 12-month ECL, taking into account the historical default experience and the future prospects of the construction and waste to energy industry. None of the receivables under service concession arrangements at the end of the reporting period is past due.

Based on the assessment, management is of the view that the ECL is insignificant.

18. INVENTORIES

	Group	
	2023 RMB'000	2022 RMB'000
Coal	62,550	58,697
Spare parts and other raw materials	63,982	49,674
	126,532	108,371

Notes to the Financial Statements

For the financial year ended 31 December 2023

19. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Right-of-	Right-of-	Right-of-	Total
						use assets	use assets	use assets	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	Leasehold land	buildings	Plant and machinery	RMB'000
Group									
Cost									
At 1 January 2022	2,842,062	5,685,501	88,024	109,993	1,860,782	588,739	141,464	1,647,071	12,963,636
Additions	18,800	59,499	7,493	2,772	778,251	14,666	-	-	881,481
Transfer	612,743	2,340,827	268	-	(1,176,246)	-	(130,521)	(1,647,071)	-
Disposals/Written off	(286)	(4,068)	(466)	(601)	-	-	-	-	(5,421)
Exchange difference	-	-	(126)	(1,994)	(2,609)	(282)	-	-	(5,011)
At 31 December 2022	3,473,319	8,081,759	95,193	110,170	1,460,178	603,123	10,943	-	13,834,685
Additions	23,034	57,359	2,763	4,052	840,328	925	5,468	-	933,929
Transfer	497,190	927,548	146	-	(1,424,884)	-	-	-	-
Disposals/Written off	-	(2,916)	(3,703)	(733)	-	-	(10,943)	-	(18,295)
Exchange difference	-	-	101	8,526	2,601	2,271	-	-	13,499
At 31 December 2023	3,993,543	9,063,750	94,500	122,015	878,223	606,319	5,468	-	14,763,818
Accumulated depreciation									
At 1 January 2022	(662,652)	(1,304,404)	(43,487)	(37,799)	-	(110,672)	(58,442)	(687,277)	(2,904,733)
Depreciation for the year	(101,306)	(291,980)	(7,820)	(18,647)	-	(15,516)	(8,697)	(61,241)	(505,207)
Transfer	(58,468)	(748,518)	-	-	-	-	58,468	748,518	-
Disposals/Written off	12	3,339	438	598	-	-	-	-	4,387
Exchange difference	-	-	2	796	-	-	-	-	798
At 31 December 2022	(822,414)	(2,341,563)	(50,867)	(55,052)	-	(126,188)	(8,671)	-	(3,404,755)
Depreciation for the year	(116,718)	(353,238)	(6,905)	(19,106)	-	(14,366)	(2,727)	-	(513,060)
Disposals/Written off	-	2,099	3,344	696	-	-	10,943	-	17,082
Exchange difference	-	-	(14)	(4,029)	-	-	-	-	(4,043)
At 31 December 2023	(939,132)	(2,692,702)	(54,442)	(77,491)	-	(140,554)	(455)	-	(3,904,776)
Accumulated impairment									
At 31 December 2022	-	(11,052)	-	(3)	(16,435)	-	-	-	(27,490)
Written off	-	4,366	-	-	-	-	-	-	4,366
At 31 December 2023	-	(6,686)	-	(3)	(16,435)	-	-	-	(23,124)
Carrying values									
At 31 December 2023	3,054,411	6,364,362	40,058	44,521	861,788	465,765	5,013	-	10,835,918
At 31 December 2022	2,650,905	5,729,144	44,326	55,115	1,443,743	476,935	2,272	-	10,402,440

Certain of the Group's interest-bearing bank and other borrowings were secured by certain of the Group's buildings and machinery, which had an aggregate carrying amount of RMB2,546,446,000 as at 31 December 2023 (2022: RMB2,840,253,000) (Note 28).

Notes to the Financial Statements

For the financial year ended 31 December 2023

19. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2023, property certificates in respect of certain buildings with a carrying amount of RMB93,930,000 (2022: RMB99,562,000) of the Group in the PRC have not been obtained. As advised by the Group's PRC legal advisor, management is of the opinion that the Group legally owns the rights to use these properties.

For property, plant and equipment that have impairment indicators as of 31 December 2023 and 31 December 2022, management have performed an impairment assessment, and based on the impairment assessment carried out by management, no impairment loss was recognised for the financial years ended 31 December 2023 and 31 December 2022. During the financial year ended 31 December 2023, one of the subsidiaries of the Company, Jinjiang Environment Holding Limitada had been wound up by way of a members' voluntary winding up and the related assets of RMB4,366,000, which were fully impaired in 2020, have been written off.

Right-of-use assets leasehold land represent land use rights located in the PRC and comprised leasehold land under medium-term lease. The land use rights in the PRC are amortised over the lease term of 30 to 50 years.

The Group leases certain buildings, plant and machinery. The lease terms are three to five years. The Group has options to purchase them without any extra charges and for a nominal amount at the end of the lease terms. No arrangements have been entered into for contingent rental payments. During the financial year ended 31 December 2022, these leases have been fully repaid at the end of their respective lease terms and hence, the right-of-use assets amounting to RMB970,606,000 have been reclassified to their respective property, plant and equipment categories.

20. INVESTMENTS IN ASSOCIATES

The Group's interest in the associates is accounted for using the equity method in the consolidated financial statements. As at 31 December 2023 and 2022, there is no material interest in the associates.

There are no contingent liabilities relating to the Group's interest in the associates.

The following table summarises, in aggregate, the Group's share of profit of the Group's individually immaterial associates accounted for using the equity method:

	31 December	
	2023	2022
	RMB'000	RMB'000
Net profit/(loss) and total comprehensive income/(loss)	289	(38)
Group		
Carrying value of individually immaterial associates, in aggregate	14,044	13,755

Notes to the Financial Statements

For the financial year ended 31 December 2023

21. INVESTMENTS IN JOINT VENTURES

Set out below is the joint ventures of the Group as at 31 December 2023, which are material to the Group.

Name of entity ⁽¹⁾	Place of business/ country of incorporation	Principal activities	% of ownership interest	
			31 December 2023	2022
Zibo Green New Energy Co., Ltd. 淄博绿能新能源有限公司	Zibo, the PRC	Operation of waste-to- energy plant	30	30
Hohhot Jiasheng New Energy Co., Ltd. 呼和浩特嘉盛新能源有限公司	Hohhot, the PRC	Operation of waste-to- energy plant	30	30

(1) The English names of those companies established in the PRC are for reference only and have not been registered.

The above joint ventures are accounted for using the equity method in these consolidated financial statements.

There are no contingent liabilities relating to the Group's interest in the joint ventures.

Summarised financial information for joint venture

The following table illustrates the summarised financial information of the Group's investments in the material joint ventures:

Summarised balance sheet

	Zibo Green New Energy Co., Ltd.	
	31 December	
	2023	2022
	RMB'000	RMB'000
Current assets	321,115	279,528
Includes:		
– Cash and cash equivalents	22,801	24,860
Current liabilities	(673,741)	(606,939)
Includes:		
– Financial liabilities (excluding trade payables)	(489,400)	(422,717)
Non-current assets	2,101,578	2,210,370
Non-current liabilities	(1,151,922)	(1,225,918)
Includes:		
– Financial liabilities (excluding trade payables)	(1,128,072)	(1,200,478)

Notes to the Financial Statements

For the financial year ended 31 December 2023

21. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised balance sheet (Continued)

	Hohhot Jiasheng New Energy Co., Ltd.	
	31 December	
	2023	2022
	RMB'000	RMB'000
Current assets	177,135	204,617
Includes:		
– Cash and cash equivalents	2,542	5,404
Current liabilities	(58,874)	(83,435)
Includes:		
– Financial liabilities (excluding trade payables)	(13,569)	(11,094)
Non-current assets	582,816	529,750
Non-current liabilities	(440,731)	(420,883)
Includes:		
– Financial liabilities (excluding trade payables)	(413,525)	(412,652)

Summarised statement of comprehensive income

	Zibo Green New Energy Co., Ltd.		Hohhot Jiasheng New Energy Co., Ltd.	
	31 December		31 December	
	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	172,774	146,851	121,316	86,943
Interest income	50	129	84	55
Expenses				
Includes:				
– Depreciation and amortisation	80,229	54,350	33,078	25,758
– Interest expense	71,307	26,659	9,336	8,267
Net (loss)/profit and total comprehensive (loss)/income	(60,011)	1,066	30,297	16,560

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture.

Notes to the Financial Statements

For the financial year ended 31 December 2023

21. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised statement of comprehensive income (Continued)

The following table summarises, in aggregate, the Group's share of loss and other comprehensive income of the Group's individually immaterial joint ventures accounted for using the equity method:

	31 December	
	2023	2022
	RMB'000	RMB'000
Net loss and total comprehensive loss	(7,201)	(2,395)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in joint venture, is as follows:

	Zibo Green New Energy Co., Ltd.		Hohhot Jiasheng New Energy Co., Ltd.		Total	
	31 December		31 December		31 December	
	2023	2022	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Net assets	597,030	657,041	260,346	230,049	857,376	887,090
Group's equity interest	30.00%	30.00%	30.00%	30.00%	–	–
Group's share of net assets	179,109	197,112	78,104	69,015	257,213	266,127
Fair value adjustments	5,934	5,934	–	–	5,934	5,934
Carrying value	185,043	203,046	78,104	69,015	263,147	272,061
Add: Carrying value of individually immaterial joint ventures, in aggregate					15,853	23,054
Carrying value Group's interest in joint ventures					279,000	295,115

22. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023	2022
	RMB'000	RMB'000
Beginning of financial year	1,798,280	1,798,280
Additions	1,548	–
End of financial year	1,799,828	1,798,280

Notes to the Financial Statements

For the financial year ended 31 December 2023

22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Group has the following significant subsidiaries as at 31 December 2023 and 2022:

Name ⁽¹⁾	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent %	Proportion of ordinary shares held by the Group %	Proportion of ordinary shares held by non- controlling interests %
Held by the Company:					
Lamoon Holdings Limited	Investment holding	British Virgin Islands	100	100	–
Held by the subsidiaries:					
Gevin Limited	Investment holding	Hong Kong	–	100	–
Outstanding Mode Developments limited (British Virgin Islands)	Investment holding	British Virgin Islands	–	100	–
Waste Tec GmbH	Technical Service	Germany	–	100	–
Hangzhou Jinjiang Investment Co., Ltd. (“Jinjiang Investment”) 杭州锦环投资有限公司	Investment holding	Hangzhou, the PRC	–	100	–
Lin’an Jiasheng Environment Co., Ltd. (“Lin’an Jiasheng”) 临安嘉盛环保有限公司	Investment holding	Hangzhou, the PRC	–	100	–
Hangzhou Kesheng Energy Technology Co., Ltd (“Hangzhou Kesheng”) 杭州科晟能源技术有限公司	Operation of energy management consulting business	Hangzhou, the PRC	–	100	–
Hangzhou Zhenghui Construction Engineering Co., Ltd. (“Hangzhou Zhenghui”) 杭州正晖建设工程有限公司	Operation of engineering, design, construction and project management	Hangzhou, the PRC	–	100	–
Kunming Xinxingze Environment Resources Industry Co., Ltd. (“Kunming Jinjiang”) 昆明鑫兴泽环境资源产业有限公司	Operation of waste-to-energy plant	Kunming, the PRC	–	98.33	1.67
Lianyungang Sunrise Environmental Protection Industry Co., Ltd. (“Lianyungang Sunrise”) 连云港晨兴环保产业有限公司	Operation of waste-to-energy plant	Lianyungang, the PRC	–	100	–

Notes to the Financial Statements

For the financial year ended 31 December 2023

22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name ⁽¹⁾	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent %	Proportion of ordinary shares held by the Group %	Proportion of ordinary shares held by non- controlling interests %
Tianjin Sunrise Environmental Protection Science and Technology Development Co., Ltd. ("Tianjin Sunrise") 天津市晨兴力克环保科技发展有限公司	Operation of waste-to-energy plant	Tianjin, the PRC	–	100	–
Wuhan Green Energy Co., Ltd. ("Wuhan Jinjiang") 武汉市绿色环保能源有限公司	Operation of waste-to-energy plant	Wuhan, the PRC	–	100	–
Wuhan Hankou Green Energy Co., Ltd. ("Hankou Jinjiang") 武汉汉口绿色能源有限公司	Operation of waste-to-energy plant	Wuhan, the PRC	–	100	–
Wuhu Lüzhou Environment Energy Co., Ltd. ("Wuhu Jinjiang") 芜湖绿洲环保能源有限公司	Operation of waste-to-energy plant	Wuhu, the PRC	–	100	–
Zhengzhou Xingjin Green Environment Energy Co., Ltd. ("Zhengzhou Xingjin") 郑州荣锦绿色环保能源有限公司	Operation of waste-to-energy plant	Zhengzhou, the PRC	–	100	–
Zibo Green Energy Co., Ltd. ("Zibo Green Energy") 淄博绿能环保能源有限公司	Operation of waste-to-energy plant	Zibo, the PRC	–	100	–
Gaomi Lilangmingde Co. Ltd ("Gaomi Energy") 高密利朗明德环保科技有限公司	Operation of waste-to-energy plant	Gaomi, the PRC	–	100	–
Hangzhou Xiaoshan Jinjiang Green Energy Co., Ltd. ("Xiaoshan Jinjiang") 杭州萧山锦江绿色能源有限公司	Operation of waste-to-energy plant.	Hangzhou, the PRC	–	90	10
Songyuan Xinxiang New Energy Co., Ltd. ("Songyuan Xinxiang") 松原鑫祥新能源有限公司	Operation of waste-to-energy plant	Songyuan, the PRC	–	95	5

Notes to the Financial Statements

For the financial year ended 31 December 2023

22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name ⁽¹⁾	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent %	Proportion of ordinary shares held by the Group %	Proportion of ordinary shares held by non- controlling interests %
Suihua Green New Energy Co., Ltd. ("Suihua New Energy") 绥化市绿能新能源有限公司	Operation of waste-to-energy plant.	Suihua, the PRC	–	100	–
Wenling Green New Energy Co., Ltd. ("Wenling Green Energy") 温岭绿能新能源有限公司	Operation of waste-to-energy plant	Wenling, the PRC	–	100	–
Yinchuan Zhongke Environmental Electrical Co., Ltd. ("Yinchuan Zhongke") 银川中科环保电力有限公司	Operation of waste-to-energy plant	Yinchuan, the PRC	–	100	–
Yunnan Green Energy Co., Ltd. ("Yunnan Energy") 云南绿色能源有限公司	Operation of waste-to-energy plant	Kunming, the PRC	–	89	11
Zhejiang Zhuji Bafang Thermal Power Co. Ltd. ("Zhuji Bafang") 浙江诸暨八方热电有限责任公司	Operation of thermal power plant.	Zhuji, the PRC	–	100	–
Linzhou Jiasheng New Energy Co Ltd. ("Linzhou Jiasheng") 林州市嘉盛新能源有限公司	Operation of waste-to-energy plant	Linzhou, the PRC	–	100	–
Shijiazhuang Jinhuan Environmental Protection Technology Co Ltd. ("Shijiazhuang Jinhuan") 石家庄锦环环保科技有限公司	Waste resource recycling projects	Shijiazhuang, the PRC	–	100	–
Zhongwei Green New Energy Co Ltd ("Zhongwei Energy") 中卫市绿能新能源有限公司	Operation of waste-to-energy plant	Zhongwei, the PRC	–	100	–
Baishan Green New Energy Co Ltd. ("Baishan Green Energy") 白山绿能新能源有限公司	Operation of waste-to-energy plant.	Baishan, the PRC	–	100	–

Notes to the Financial Statements

For the financial year ended 31 December 2023

22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name ⁽¹⁾	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent %	Proportion of ordinary shares held by the Group %	Proportion of ordinary shares held by non- controlling interests %
Jinghong Jiasheng New Energy Co Ltd. ("Jinghong Jiasheng") 景洪嘉盛新能源有限公司	Operation of waste-to-energy plant	Jinghong, the PRC	–	100	–
Leting Jinhuan New Energy Co Ltd. ("Leting Jinhuan") 乐亭县锦环新能源有限公司	Operation of waste-to-energy plant.	Tangshan, the PRC	–	100	–
Tangshan Jiasheng New Energy Co Ltd. ("Tangshan Jiasheng") 唐山嘉盛新能源有限公司	Operation of waste-to-energy plant	Tangshan, the PRC	–	100	–
Zibo Green New Energy Co Ltd ("Zibo Energy") 淄博环保能源有限公司	Operation of waste-to-energy plant	Zibo, the PRC	–	100	–
Ecogreen Energy Gurgaon Faridabad Private Limited	Operation of waste-to-energy plant	Gurgaon, India	–	99.99	0.01
Ecogreen Energy Gwalior Private Limited	Operation of waste-to-energy plant	Gwalior, India	–	99.99	0.01
Ecogreen Energy Lucknow Private Limited	Operation of waste-to-energy plant	Lucknow, India	–	99.99	0.01

(1) The English names of those companies established in the PRC are for reference only and have not been registered. Audited by PricewaterhouseCoopers Zhong Tian LLP for consolidation purposes.

Notes to the Financial Statements

For the financial year ended 31 December 2023

22. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Acquisition of additional interests in a subsidiary

Name ⁽¹⁾	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			31 December		31 December		31 December	
			2023	2022	2023	2022	2023	2022
			%	%	%	%	%	%
Jilin Xinxiang Co., Ltd. ("Jilin Xinxiang") 吉林省鑫祥有限责任 公司	Operation of waste-to- energy plant	Changchun, the PRC	–	–	100	80	–	20

(1) The English name of the company established in the PRC is for reference only and has not been registered. Audited by PricewaterhouseCoopers Zhong Tian LLP for consolidation purposes.

On 26 June 2023, the Group's wholly-owned subsidiary Hangzhou Jinjiang Environment Investment Co., Ltd. acquired the remaining 20% of the equity shares of Jilin Xinxiang for total consideration of RMB23,643,000. The Group now holds 100% of the equity share capital of Jilin Xinxiang. The carrying amount of the non-controlling interests in Jilin Xinxiang on the date of acquisition was RMB52,776,000. The Group derecognised non-controlling interests of RMB52,776,000 and recorded an increase in equity attributable to owners of the parent of RMB29,133,000. The effect of changes in the ownership interest of Jilin Xinxiang on the equity attributable to owners of the Company during the year is summarised as follows:

	Group 2023 RMB'000
Carrying amount of non-controlling interest acquired	52,776
Consideration to non-controlling interest	(23,643)
Excess of consideration paid recognised in parent's equity	29,133

Notes to the Financial Statements

For the financial year ended 31 December 2023

23. INVESTMENT PROPERTY

	2023 RMB'000	2022 RMB'000
Group		
Cost		
Beginning of financial year	29,027	26,422
Exchange difference	1,087	2,605
End of financial year	30,114	29,027
Accumulated depreciation		
Beginning of financial year	(2,014)	(1,547)
Depreciation for the year	(983)	(911)
Exchange difference	594	444
End of financial year	(2,403)	(2,014)
Carrying amount		
End of financial year	27,711	27,013

At the balance sheet date, the details of the Group's investment property are as follows:

Location	Description/existing use	Tenure
2 Venture Drive #15-17, #15-18, #15-19 Vision Exchange, Singapore Singapore 608526	Commercial	99-year leasehold commencing from 10 June 2013.

The property rental income from the Group's investment property leased out under operating lease amounted to approximately RMB608,000 (2022: RMB491,000). Direct operating expenses (including repairs and maintenance) arising from rental-generating investment property amounted to approximately RMB231,000 (2022: RMB191,000).

As at 31 December 2023 and 2022, certain of the Group's borrowings were secured by the Group's investment property (Note 28).

The fair value of the investment property is assessed to be RMB28,230,000 (2022: RMB27,989,000).

The Group engaged an independent valuer who has appropriate qualification and recent experience in the fair value measurement of the properties in the relevant locations to determine the fair value of the land and buildings. The valuations were made at year end on the basis of direct comparison with recent transactions of comparable properties within the vicinity and open market value.

The Group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. As at end of 31 December 2023, the fair value measurements of the Group's investment property is classified within Level 3 (2022: Level 3) of the fair value hierarchy. There were no transfers between different levels during the year.

Notes to the Financial Statements

For the financial year ended 31 December 2023

23. INVESTMENT PROPERTY (CONTINUED)

Management considers that certain unobservable inputs used in the fair value measurement of the Group's investment property are sensitive to the fair value measurement. The following information is relevant for the Group's investment property:

Name of property	Significant unobservable input(s)	Range	Sensitivity
Vision Exchange Commercial units	Price per square metre of strata floor area	RMB119,000 – RMB146,000 (2022: RMB118,000 – RMB145,000)	Any significant isolated increase/(decrease) would result in a significantly higher/(lower) fair value measurement.

24. LEASES – THE GROUP AS A LESSEE

Nature of the Group's leasing activities

Leasehold land

The Group has made an upfront payment to secure the right-of-use of the land located in the PRC under medium-term lease. The land use rights in the PRC were amortised over the lease term of 30 to 50 years. These leasehold land is recognised within Property, plant and equipment (Note 19).

There are no externally imposed covenants on these lease arrangements.

Buildings

The Group leases office space for the purpose of back office operations.

Plant and machinery

The Group leases plant and machinery for waste-to-energy business.

(a) Carrying amounts

ROU assets classified within property, plant and equipment

	2023 RMB'000	2022 RMB'000
Leasehold land	465,765	476,935
Buildings	5,013	2,272
	470,778	479,207

Notes to the Financial Statements

For the financial year ended 31 December 2023

24. LEASES – THE GROUP AS A LESSEE (CONTINUED)

Nature of the Group's leasing activities (Continued)

Plant and machinery (Continued)

(b) Depreciation charge during the year

	2023 RMB'000	2022 RMB'000
Leasehold land	14,366	15,516
Buildings	2,727	8,697
Plant and machinery	–	61,241
Total	17,093	85,454

(c) Interest expense

Interest expense on lease liabilities	76	182
---------------------------------------	-----------	-----

(d) Lease expense not capitalised in lease liabilities

Lease expense – short-term leases	16,706	25,220
-----------------------------------	---------------	--------

(e) Total cash outflow for all the leases (including short-term leases) in 2023 was RMB20,724,000 (2022: RMB30,413,000).

(f) Addition of ROU assets during the financial year 2023 was RMB6,393,000 (2022: RMB14,666,000).

Lease liabilities

	Group	
	2023 RMB'000	2022 RMB'000
<i>Current</i>		
Lease liabilities	2,756	2,457
<i>Non-current</i>		
Lease liabilities	1,558	–
	4,314	2,457
Maturity analysis:		
Year 1	2,912	2,495
Year 2	1,588	–
	4,500	2,495
Less: Unearned Interest	(186)	(38)
	4,314	2,457

Notes to the Financial Statements

For the financial year ended 31 December 2023

25. LEASES – THE GROUP AS A LESSOR

Nature of the Group's leasing activities – Group as a lessor

The Group has leased out their owned investment property for monthly lease payments. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment property are disclosed in Note 23.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	2023	2022
	RMB'000	RMB'000
Less than one year	678	217
One to two years	282	–
Total undiscounted lease payment	960	217

26. INTANGIBLE ASSETS

	Group	
	2023	2022
	RMB'000	RMB'000
Software (Note (a))	12,685	14,487
Service concession arrangements (Note (b))	4,624,330	4,694,396
	4,637,015	4,708,883

(a) Software

	Group	
	2023	2022
	RMB'000	RMB'000
<i>Cost</i>		
Beginning of financial year	37,228	29,348
Additions	1,173	7,880
End of financial year	38,401	37,228
<i>Accumulated amortisation</i>		
Beginning of financial year	(22,741)	(20,355)
Amortisation	(2,975)	(2,386)
End of financial year	(25,716)	(22,741)
Net book value	12,685	14,487

Notes to the Financial Statements

For the financial year ended 31 December 2023

26. INTANGIBLE ASSETS (CONTINUED)

(b) Service concession arrangements

	Group	
	2023 RMB'000	2022 RMB'000
<i>Cost</i>		
Beginning of financial year	5,447,482	4,876,119
Additions	283,123	571,363
End of financial year	5,730,605	5,447,482
<i>Accumulated amortisation</i>		
Beginning of financial year	(722,884)	(565,836)
Amortisation	(185,414)	(157,048)
End of financial year	(908,298)	(722,884)
<i>Accumulated impairment</i>		
Beginning of financial year	(30,202)	(30,202)
Impairment losses	(167,775)	–
End of financial year	(197,977)	(30,202)
Net book value	4,624,330	4,694,396

The Group entered into service concession agreements with the local government authorities, for the design, construction, operation and maintenance of waste-to-energy plants during the concession period ranging from 21 years to 30 years, starting from the commencement date of construction.

Service concession construction revenue (as detailed in Note 4) recorded in 2023 and 2022 represents the revenue recognised during the construction phase of the service concession period.

The right that the Group has received to charge for the sale of electricity and waste treatment has been recognised as an intangible asset at the fair value of the construction services provided and is amortised over the operating period of the waste-to-energy plant on a straight-line basis from the date on which the waste-to-energy plant commences operation.

As at 31 December 2023, the Group has nil (2022: RMB323,241,000) of service concession arrangements pertaining to construction contracts in progress. Management estimates the loss allowance on such service concession arrangements at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the construction and waste to energy industry. Based on the assessment, management is of the view that the ECL is insignificant.

Notes to the Financial Statements

For the financial year ended 31 December 2023

26. INTANGIBLE ASSETS (CONTINUED)

During the financial year ended 31 December 2023, an impairment loss of RMB167,775,000 was recognised on the intangible assets due to the difficulties and uncertainty encountered for the BOT projects in Lucknow and Gurgaon, India. In addition, loss allowances of RMB66,847,000 and RMB37,206,000 were recognised for trade and other receivables (Note 14) and pledged bank deposits for performance bond (Note 13) respectively.

The Group's intangible assets amounting to RMB1,050,920,000 as at 31 December 2023 (2022: RMB1,581,579,000) were pledged as collaterals against general loan facilities granted to the Group (Note 28).

27. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Trade payables – third parties	806,798	766,621	–	–
Amount due to non-controlling interests – trade (Note 15)	4,995	4,995	–	–
Amounts due to subsidiaries	–	–	1,973,020	738,645
Construction and equipment payables	920,531	960,269	–	–
Contract liabilities (Note 4)	31,493	36,061	–	–
Accrued payroll and welfare	104,985	95,052	–	–
Accrued expenses	10,151	12,185	–	–
Deferred grant (Note 33)	372,255	375,874	–	–
Value added tax	64,866	62,540	–	–
Other tax liabilities	24,657	21,633	–	–
Amount due to non-controlling interests – non-trade (Note 15)	25	125	–	–
Deposits received from suppliers	74,226	62,569	–	–
Other payables	57,897	53,931	10,063	22,685
Total trade and other payables	2,472,879	2,451,855	1,983,083	761,330
Analysed for reporting purposes as:				
– Current liabilities	2,121,493	2,094,340	1,983,083	761,330
– Non-current liabilities	351,386	357,515	–	–
	2,472,879	2,451,855	1,983,083	761,330

The credit period on purchases is 90 to 120 days (2022: 90 to 120 days). No interest is charged on the overdue trade payables.

The Company's payables to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 December 2023

28. BORROWINGS AND LEASE LIABILITIES

	Group		Company	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Guaranteed borrowings	–	–	–	1,224,480
Secured and guaranteed bank borrowings	90,299	196,799	–	–
Secured bank borrowings	4,698,872	3,938,281	1,246,528	1,088,366
Secured other borrowings	3,793,070	3,991,165	–	–
Unsecured borrowings	2,726,936	3,119,910	–	–
Lease liabilities (Note 24)	4,314	2,457	–	–
	11,313,491	11,248,612	1,246,528	2,312,846
The borrowings comprise:				
– Fixed-rate borrowings	2,013,344	924,542	277,773	–
– Variable-rate borrowings	9,295,833	10,321,613	968,755	2,312,846
	11,309,177	11,246,155	1,246,528	2,312,846
Total borrowings and lease liabilities	11,313,491	11,248,612	1,246,528	2,312,846
Less: Amount due within one year shown under current liabilities	(4,175,372)	(4,903,709)	(1,153,799)	(1,942,533)
Amounts shown under non-current liabilities	7,138,119	6,344,903	92,729	370,313

The carrying amount of borrowings approximate their fair value.

Bank borrowings of the Group amounting to RMB90,299,000 (2022: RMB196,799,000) are guaranteed by one of the major shareholders, and secured by trade receivables (Note 14), service concession receivables (Note 17), property, plant and equipment (Note 19) and intangible assets (Note 26).

Bank borrowings of the Group amounting to RMB4,698,872,000 (2022: RMB3,938,281,000) are secured by the pledge of certain bank deposits (Note 13), trade receivables (Note 14), service concession receivables (Note 17), property, plant and equipment (Note 19), investment property (Note 23) and intangible assets (Note 26).

Other borrowings of the Group amounting to RMB3,793,070,000 (2022: RMB3,991,165,000) are secured by the pledge of certain trade receivables (Note 14), property, plant and equipment (Note 19) and intangible assets (Note 26).

Unsecured borrowings of the Group include certain borrowings amounting to RMB2,455,621,000 (2022: RMB2,891,657,000) that are guaranteed by the subsidiaries of the Group.

Bank borrowings of the Company amounting to RMB1,246,528,000 (2022: RMB1,088,366,000) are secured by certain bank deposits (Note 13).

As at 31 December 2022, bank borrowings of the Company amounting to RMB1,224,480,000 were guaranteed by certain subsidiaries of the Group.

Included in the borrowings of the Group are borrowings with an aggregate principal amount of RMB540,000,000 (2022: RMB540,000,000) from subsidiaries of Zheneng Group, namely Zhejiang Provincial Energy Group Finance Co., Ltd.

Notes to the Financial Statements

For the financial year ended 31 December 2023

28. BORROWINGS AND LEASE LIABILITIES (CONTINUED)

Included in the borrowings of the Group and Company as at 31 December 2022 was an amount of RMB1,224,480,000 under a syndicated term loan facility arranged by Standard Chartered Bank (Hong Kong) Limited (“the Agent”) of up to US\$270,000,000 (the “Facility”), which has been fully repaid by the Company as of the end of February 2023, ahead of the scheduled maturity date. Before the full repayment, under the terms of the Facility, the Company had to ensure that the ratio of its consolidated net debt to consolidated total equity did not exceed 100% for the period from 1 January 2022 to 31 December 2022 (“Financial Covenant”). The aforesaid ratio had exceeded 100% for the financial year ended 31 December 2022 resulting in non-compliance by the Company of the Financial Covenant. Due to the non-compliance of the Financial Covenant, the banks were contractually entitled to request for immediate repayment of the outstanding borrowing with covenant breaches. Nevertheless, the Group had not received any notice for the accelerated repayment from the Agent prior to the Company’s full repayment of the outstanding amount.

The ranges of effective interest rates on the Group’s and Company’s borrowings are as follows:

	Group		Company	
	2023	2022	2023	2022
<i>Effective interest rate:</i>				
– Fixed-rate borrowings	1.98% to 5.60%	1.70% to 4.25%	3.50% to 5.60%	–
– Variable-rate borrowings	2.70% to 6.63%	3.25% to 6.76%	5.91% to 6.63%	3.5% to 6.76%

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group’s liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group’s consolidated statement of cash flows as cash flows from financing activities.

	1 January 2023 RMB’000	Financing cash flows RMB’000	Other changes ⁽¹⁾ RMB’000	Exchange difference RMB’000	31 December 2023 RMB’000
Borrowings	11,246,155	(425,639)	479,826	8,835	11,309,177
Lease liabilities	2,457	1,781	76	–	4,314
	11,248,612	(423,858)	479,902	8,835	11,313,491
	1 January 2022 RMB’000	Financing cash flows RMB’000	Other changes ⁽¹⁾ RMB’000	Exchange difference RMB’000	31 December 2022 RMB’000
Borrowings	10,481,383	54,146	506,863	203,763	11,246,155
Lease liabilities	7,492	(5,216)	182	–	2,457
	10,488,875	48,930	507,045	203,763	11,248,612

(1) Other changes include interest accruals

The cash flows make up the net amount of proceeds and repayments of the financial liabilities presented under the financing activities in the statement of cash flows.

Notes to the Financial Statements

For the financial year ended 31 December 2023

29. DEFERRED INCOME TAXES

	Undistributed earnings of PRC subsidiaries RMB'000	Fair value adjustment on acquisition of subsidiaries RMB'000	Accelerated tax depreciation RMB'000	Profit recognised on construction services provided under service concession arrangements RMB'000	Total RMB'000
At 1 January 2022	59,731	3,748	294,799	260,675	618,953
Charge/(credit) to profit or loss (Note 11)	–	(105)	51,118	31,559	82,572
At 31 December 2022	59,731	3,643	345,917	292,234	701,525
Charge/(credit) to profit or loss (Note 11)	–	(125)	51,623	36,915	88,413
At 31 December 2023	59,731	3,518	397,540	329,149	789,938

At 31 December 2023, the Group has unutilised tax losses of approximately RMB864,335,000 (2022: RMB749,559,000), available for offset against future profits. No deferred tax asset has been recognised in respect of those tax losses due to no certainty of the tax losses being utilised.

The unrecognised tax losses will expire in the following years:

	Group	
	2023 RMB'000	2022 RMB'000
2023	–	28,730
2024	67,232	95,406
2025	177,869	195,542
2026	160,672	186,668
2027	111,711	243,213
2028	346,851	–
	864,335	749,559

At 31 December 2023, the Group has deductible temporary differences of RMB423,185,000 (2022: RMB206,228,000). No deferred tax asset has been recognised in relation to such deductible temporary differences due to uncertainty of the deductible temporary differences being utilised.

At 31 December 2023, temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised are RMB6,353,546,000 (2022: RMB5,640,236,000). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences, and it is probable that such differences will not reverse in the foreseeable future.

Notes to the Financial Statements

For the financial year ended 31 December 2023

30. SHARE CAPITAL AND SHARE PREMIUM

	Group and Company		
	Number of ordinary shares '000	Share capital RMB'000	Share premium RMB'000
Fully paid ordinary shares			
As at 1 January 2022, as at 31 December 2022 and as at 31 December 2023	1,454,025	96	1,601,100

Fully paid ordinary shares have a par value of US\$0.00001 (2022: US\$0.00001), carry one vote per share and carry a right to dividend, amounting to equivalent RMB96,000 (2022: RMB96,000).

31. OTHER RESERVES

	Group		Company	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Capital reserve (i)	393,694	393,694	1,057,112	1,057,112
Merger reserve (ii)	(67,642)	(67,642)	–	–
Statutory surplus reserve (iii)	281,034	234,282	–	–
Foreign currency translation reserve (iv)	(53,916)	(67,689)	–	–
Special reserve (v)	10,146	–	–	–
Other reserve (vi)	85,305	56,172	–	–
	648,621	548,817	1,057,112	1,057,112

Other reserves are non-distributable.

- (i) Capital reserve

	Group		Company	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Beginning and end of financial year	393,694	393,694	1,057,112	1,057,112

The Group's capital reserve represents deemed capital contribution. The Company's capital reserve represents waiver of debts by its subsidiaries and deemed capital contribution.

Notes to the Financial Statements

For the financial year ended 31 December 2023

31. OTHER RESERVES (CONTINUED)

- (ii) Merger reserve

	Group	
	2023 RMB'000	2022 RMB'000
Beginning and end of financial year	(67,642)	(67,642)

Merger reserves represents the differences between the existing book values of the net assets of the subsidiaries under common control and the consideration paid when the Group acquired subsidiaries from the then ultimate holding company or ultimate shareholder using the merger accounting method.

- (iii) Statutory surplus reserve

	Group	
	2023 RMB'000	2022 RMB'000
Beginning of financial year	234,282	191,243
Appropriation to reserves	46,752	43,039
End of financial year	281,034	234,282

Pursuant to the relevant laws and regulations in the PRC and the Articles of Association of the subsidiaries established in PRC, the PRC subsidiaries are required to transfer at least 10% of their profit after tax to a statutory surplus reserve before distributing dividends to equity holders, until the balance reaches 50% of their respective registered capital, where further transfers will be at their directors' recommendation. The statutory surplus reserve can only be used to make up prior year losses or to increase share capital.

- (iv) Foreign currency translation reserve

	Group	
	2023 RMB'000	2022 RMB'000
Beginning of financial year	(67,689)	(57,577)
Other comprehensive income	13,773	(10,112)
End of financial year	(53,916)	(67,689)

Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Notes to the Financial Statements

For the financial year ended 31 December 2023

31. OTHER RESERVES (CONTINUED)

(v) Special reserve

	Group	
	2023 RMB'000	2022 RMB'000
Beginning of financial year	–	–
Appropriation to special reserves	28,773	–
Utilisation	(18,627)	–
End of financial year	10,146	–

The Group is required to make appropriations to a “Special Reserve” for safety production expenses in accordance with the provisions of Cai Zi [2022] No. 136 “Administrative Measures for Provision and Utilisation of Safety Production Expenses of Enterprises” issued by the Ministry of Finance and the Ministry of Emergency Management. The safety production expenses are specially used to enhance and improve the safety production conditions of enterprises or projects.

The appropriated amount for safety production expenses for the current financial year is determined using a regression method based on the actual operating income in the previous financial year. The Group’s provision for safety production expenses is included in the cost of related products or charged to profit or loss when incurred, and the amount is appropriated to the Special Reserve accordingly. When the Group incurs safety production expenses, these expenditure directly reduces the Special Reserve.

(vi) Other reserve

	Group	
	2023 RMB'000	2022 RMB'000
Beginning of financial year	56,172	56,172
Acquisition of additional interest in a subsidiary	29,133	–
End of financial year	85,305	56,172

Other reserve represents the difference between the carrying amount of the non-controlling interest and the consideration arising from equity transactions with the non-controlling shareholders without loss of control in the subsidiaries by the Group.

32. DIVIDENDS

No dividend was paid during the financial years ending 31 December 2023 and 2022.

The directors have recommended a final dividend of S\$0.0130 per share in respect of the financial year ended 31 December 2023, subject to the approval of the shareholders at the Annual General Meeting to be held on 25 April 2024. This final dividend of approximately S\$18.9 million (equivalent to approximately RMB100.0 million) has not been included as a liability in these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2023

33. DEFERRED GRANT

	Group	
	2023 RMB'000	2022 RMB'000
Grant received in advance	372,255	375,874
Analysed as:		
– Current liabilities	20,870	18,359
– Non-current liabilities	351,385	357,515
	372,255	375,874

Assets related grants are recognised over the estimated useful lives of the related assets. Please refer to Note 7(i) for details of such grants.

34. PROVISION FOR MAJOR OVERHAULS

Pursuant to the service concession agreements, the Group has contractual obligations to maintain the facilities to a specified level of serviceability and/or to restore the plants to a specified condition before they are handed over to the grantors at the end of the service concession periods. These contractual obligations except for any upgrade element, are recognised and measured at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period. The future expenditure on these maintenance and restoration costs is collectively referred to as “major overhauls”. The estimation basis is reviewed on an ongoing basis, and revised where appropriate.

Movements in provision and the balances of the liabilities for major overhauls are as follows:

	Group	
	2023 RMB'000	2022 RMB'000
Beginning of financial year	28,425	24,826
Provision made during the year	4,795	3,599
End of financial year	33,220	28,425

35. COMMITMENTS

Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements, excluding those relating to investments in associates (Note 20) and investments in joint ventures (Note 21), are as follows:

	Group	
	2023 RMB'000	2022 RMB'000
Property, plant and equipment	1,628,629	253,393

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group's risk management policies and guidelines are set to monitor and control the potential material adverse impact of these exposures. The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group.

(a) Market risk

(i) *Currency risk*

The Group collects most of its revenue and incurs most of its expenditures in RMB. Cash and cash equivalents of the Group are mainly denominated in RMB and United States Dollar ("USD"). The Group currently does not have a foreign currency hedging policy as management considers the foreign exchange risk exposure of the Group to be limited. However, the Group monitors currency risk exposure by periodically reviewing foreign currency exchange rates and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's and Company's monetary assets and liabilities which are significant at the reporting date that are denominated in currencies other than the respective functional currency of the group entities are as follows:

	Group		Company	
	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
USD	189,911	112,114	184,049	97,664
Financial liabilities				
USD	1,417,317	2,473,532	1,261,384	2,321,662

Sensitivity analysis

The following table details the Group's and Company's sensitivity to a 10% increase and decrease in the RMB against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(i) *Currency risk (Continued)*

Sensitivity analysis (Continued)

If the relevant foreign currency weakens by 10% against the functional currency of each group entity, profit before tax will increase/(decrease) by:

	Group		Company	
	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000
USD	122,741	236,142	107,734	222,400

If the relevant foreign currency strengthens by 10% against the functional currency of each group entity, profit before tax will decrease/(increase) by the same amount above.

(ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and Company's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to fair value interest rate risk related primarily to its fixed-rate borrowings and lease liabilities (Note 28). The Group's exposure to cash flow interest rate risk relates primarily to its variable-rate borrowings (Note 28).

The Group and Company currently do not have a specific policy to manage its interest rate risk and has not entered into any interest rate swaps to hedge against the exposure. However, the Group and Company will monitor the interest rate exposure and manage interest cost using a mix of fixed and variable-rate debts.

Sensitivity analysis

The sensitivity analyses below have been prepared based on the exposure to interest rates for the variable-rate borrowings and bank balances at the end of the reporting period and the stipulated change taking place at the beginning of the year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates on variable-rate borrowings.

If interest rates had been 50 basis points higher/lower, the decrease/increase on profit before tax will be:

	Group		Company	
	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000
Profit before tax	46,479	51,608	4,844	11,564

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties of the Group is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position.

Customers of the Group mainly consists of regional state-owned grid companies, local government and certain manufacturing companies whose production relies on the supply of electricity and steam by the Group. When selecting these manufacturing companies, the Group has adopted a policy of mainly dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. In this regard, management considers the Group's credit risk is significantly reduced.

As at 31 December 2023, the Group has trade balances due from 3 third-party customers (2022: 3) who individually accounted for 5% or more of the total balance of trade receivables amounted to RMB441,964,000 (2022: RMB471,928,000).

As at 31 December 2023, the Group has trade balances due from 4 related parties (2022: 5 related parties) who individually accounted for 5% or more of the total balance of amounts due from related parties amounted to RMB10,467,000 (2022: RMB10,740,000).

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics except that the Company has significant non-trade receivables from 11 subsidiaries (2022: 12 subsidiaries) amounting to RMB2,953,794,000 (2022: RMB2,995,972,000) as at 31 December 2023. This represents advances made to the subsidiaries for purpose of capital expenditure fundings and working capital to other subsidiaries of the Group. Other than the above, there are no other significant receivables in the Company as at 31 December 2023 and 2022.

Receivables under service concession arrangements relate to consideration recoverable from certain governing bodies and agencies of the government of the PRC in respect of construction of WTE plants and are generally considered as having low risk of default.

Trade receivables and trade related amounts due from related parties and non-controlling interests

Loss allowance for trade receivables and trade related amounts due from related parties and non-controlling interests have been measured at an amount equal to lifetime ECL. Trade and bill receivables are mainly amounts due from local electrical power grid companies and local government sectors for the sale of electricity and waste treatment. Trade related amounts due from related parties and non-controlling interests are mainly from waste-to-energy operation business.

The ECL on trade balances are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forward-looking macroeconomic factors affecting the ability of the debtors to settle the receivables.

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Trade receivables and trade related amounts due from related parties and non-controlling interests (Continued)

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

None of the trade receivables that have been written off are subject to enforcement activities.

As at 31 December 2023, loss allowance for trade receivables of RMB62,203,000 was separately assessed and recognised due to the difficulties and uncertainty encountered for the BOT projects in Lucknow and Gurgaon, India (Note 14).

The following is an aged analysis of trade receivables and bills receivable due from third parties at the end of the reporting period, net of loss allowance for trade and bill receivables:

	Group	
	2023 RMB'000	2022 RMB'000
Current	1,440,207	1,676,550
Within 60 days	128,107	57,863
60 days to 90 days	68,360	30,314
90 days to 120 days	72,171	24,378
Over 120 days	467,966	240,765
	2,176,811	2,029,870

The following is an aged analysis of trade receivables due from related parties at the end of the reporting period:

	2023	2022
	RMB'000	RMB'000
Current	9,890	10,864
0 to 90 days	171	782
91 to 120 days	175	1,644
Over 120 days	10,023	7,106
	20,259	20,396

For the financial years ended 31 December 2023 and 2022, the trade receivables have been assessed based on lifetime ECL and loss allowance was recognised for trade receivables that are credit impaired.

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Other receivables and non-trade related amounts due from related parties and non-controlling interests

For purpose of impairment assessment, other receivables and non-trade related amounts due from related parties and non-controlling interests are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition except for the loss allowance for other receivables of RMB4,644,000 recognised due to the difficulties and uncertainty encountered for the BOT projects in Lucknow and Gurgaon, India (Note 14).

In determining the ECL, management has estimated the loss allowance on other receivables and non-trade related amounts due from related parties and non-controlling interests at an amount equal to 12-month ECL, taking into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each these financial assets and the loss upon default.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

For the financial years ended 31 December 2023 and 2022, other receivables and non-trade related amounts due from related parties and non-controlling interests have been assessed based on 12-month ECL individually and are not credit impaired.

Cash and cash equivalents and pledged bank deposits

The Group's and the Company's credit risk on cash and cash equivalents and pledged bank deposits is limited because the counterparties are banks with good reputation.

During the financial year ended 31 December 2023, a loss allowance of RMB37,206,000 was recognised in connection with the enforcement of the deposit for performance bond relating to the BOT projects in India (Note 26).

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Cash and cash equivalents and pledged bank deposits (Continued)

Credit risk exposure and significant credit risk concentration

The Group develops and maintains its credit risk grading to categorise exposures according to their degree of risk of default. The Group uses its trading records to rate its major customers and other debtors. The Group does not hold any collateral to cover its credit risks associated with its financial assets.

The Group's current credit risk framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is more than 90 days past due for corporate/individual debtors, more than 180 days past due for amounts due from related parties and more than 3 years past due for government debtors or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is more than 1 year past due for corporate/individual debtors, more than 2 years past due for amounts due from related parties and more than 5 years past due for government debtors or there is evidence indicating the asset is credit impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The movements in credit loss allowance are as follows:

	Trade receivables RMB'000	Other receivables RMB'000	Pledged bank deposits RMB'000	Total RMB'000
Group				
2023				
Beginning of financial year	31,673	42,356	–	74,029
Loss allowance recognised in profit or loss during the year	70,991	2,445	37,206	110,642
End of financial year	102,664	44,801	37,206	184,671

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

	Trade receivables RMB'000	Other receivables RMB'000	Pledged bank deposits RMB'000	Total RMB'000
2022				
Beginning of financial year	30,908	42,356	–	73,264
Loss allowance recognised in profit or loss during the year	765	–	–	765
End of financial year	31,673	42,356	–	74,029

The assessment of the credit quality and exposure to credit risk of the Group's and Company's trade and other receivables, amounts due from non-controlling interests, related parties and service concession receivables have been disclosed in Notes 14, 16 and 17 to the financial statements respectively. The tables below detail the credit quality of the Group's financial assets, as well as maximum exposure to credit risk by credit risk rating grades:

Group	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount RMB'000	Loss allowance RMB'000	Net carrying amount RMB'000
2023						
Trade and bills receivables	14	(i)	Lifetime ECL (simplified approach)	2,279,475	(102,664)	2,176,811
Other receivables (ii)	14	Performing	12-month ECL	366,779	(44,801)	321,978
Trade amounts due from non-controlling interests	14	(i)	Lifetime ECL (simplified approach)	35,045	–	35,045
Trade amounts due from related parties	16	(i)	Lifetime ECL (simplified approach)	20,259	–	20,259
Non-trade amounts due from related parties	16	Performing	12-month ECL	238,095	–	238,095
Service concession receivables	17	Performing	12-month ECL	782,240	–	782,240
Pledged bank deposits (ii)	13	Performing	12-month ECL	1,449,144	(37,206)	1,411,938
					<u>(184,671)</u>	
Company						
2023						
Amount due from subsidiaries	14	Performing	12-month ECL	2,953,794	–	2,953,794
Pledged bank deposits	13	Performing	12-month ECL	39,407	(37,206)	1,841
					<u>(37,206)</u>	

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Group	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount RMB'000	Loss allowance RMB'000	Net carrying amount RMB'000
2022						
Trade and bills receivables	14	(i)	Lifetime ECL (simplified approach)	2,061,543	(31,673)	2,029,870
Other receivables	14	Performing	12-month ECL	367,696	(42,356)	325,340
Trade amounts due from non-controlling interests	14	(i)	Lifetime ECL (simplified approach)	13,773	–	13,773
Non-trade amounts due from non-controlling interest	14	Performing	12-month ECL	11,030	–	11,030
Trade amounts due from related parties	16	(i)	Lifetime ECL (simplified approach)	20,396	–	20,396
Non-trade amounts due from related parties	16	Performing	12-month ECL	228,278	–	228,278
Service concession receivables	17	Performing	12-month ECL	811,461	–	811,461
Pledged bank deposits	13	Performing	12-month ECL	1,281,047	–	1,281,047
					<u>(74,029)</u>	
Company						
2022						
Amount due from subsidiaries	14	Performing	12-month ECL	2,995,972	–	2,995,972
Pledged bank deposits	13	Performing	12-month ECL	88,160	–	88,160
					<u>–</u>	

(i) For trade related balances, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Notes 14, 15 and 16 includes further details on the loss allowance for these receivables.

(ii) The internal credit rating of other receivables and pledged bank deposits balances as of 31 December 2023 are "Performing", except for amounts of RMB15,549,000 and RMB37,206,000 respectively pertaining to the BOT projects in India whereby loss allowances have been recognised for.

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

To manage the liquidity risk, the Group and the Company maintain a level of cash and cash equivalents considered adequate by management to finance the Group's and the Company's operations. Management monitors the level of bank borrowings and ensures compliance with loan undertakings. The Group and the Company also rely on borrowings and amounts due to related parties for liquidity requirements. The directors believe the Group and the Company have sufficient resources to continue its operational existence for the foreseeable future.

Liquidity and interest risk tables

The following table details the Group's and Company's remaining contractual maturity for its financial liabilities as at the end of the reporting period. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. The undiscounted cash flows column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

Group	Weighted	On			Undiscounted	Carrying
	average	demand,	or less than			
	effective	1 year	1 – 5 years	>5 years		closing
	interest rate					balance
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2023						
Non-derivative financial liabilities						
Trade and other payables*	–	1,974,588	–	–	1,974,588	1,974,588
Amounts due to related parties	–	31,951	–	–	31,951	31,951
Borrowings	4.12	4,459,728	4,268,982	3,739,559	12,468,269	11,309,177
Lease liabilities	4.63	2,912	1,588	–	4,500	4,314
		6,469,179	4,270,570	3,739,559	14,479,308	13,320,030
2022						
Non-derivative financial liabilities						
Trade and other payables*	–	1,950,627	–	–	1,950,627	1,950,627
Amounts due to related parties	–	37,405	–	–	37,405	37,405
Borrowings	4.65	5,108,331	4,464,094	3,173,654	12,746,079	11,246,155
Lease liabilities	4.63	2,495	–	–	2,495	2,457
		7,098,858	4,464,094	3,173,654	14,736,606	13,236,644

* includes trade payables, construction and equipment payables, accrued payroll and welfare, accrued expenses, other payables and deposits received from suppliers.

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (Continued)

Company	Weighted	On			Undiscounted	Carrying
	average	demand,				
	effective	or less than				closing
	interest rate	1 year	1 – 5 years	>5 years		balance
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2023						
Non-derivative financial liabilities						
Other payables	–	10,063	–	–	10,063	10,063
Amounts due to subsidiaries	–	1,973,020	–	–	1,973,020	1,973,020
Borrowings	5.58	1,181,620	102,467	–	1,284,087	1,246,528
		3,164,703	102,467	–	3,267,170	3,229,611
2022						
Non-derivative financial liabilities						
Other payables	–	22,685	–	–	22,685	22,685
Amounts due to subsidiaries	–	738,645	–	–	738,645	738,645
Borrowings	5.47	1,991,539	381,797	–	2,373,336	2,312,846
		2,752,869	381,797	–	3,134,666	3,074,176

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payments, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings. The Group's and the Company's current strategy remains unchanged from the previous financial year.

The Group monitors capital based on a net debt to total equity ratio. The net debt to total equity ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings less cash and cash equivalents and pledged bank deposits for borrowings. Total equity comprises share capital, share premium, other reserves, retained profits/(accumulated losses) and non-controlling interests.

	Group		Company	
	31 December		31 December	
	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000
Net debt	9,513,111	9,514,679	1,148,517	2,301,223
Total equity	7,168,913	6,874,707	1,714,025	1,823,556
Net debt to equity ratio	133%	138%	67%	126%

Notes to the Financial Statements

For the financial year ended 31 December 2023

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk (Continued)

Except for the borrowing facilities which require the fulfilment of covenants relating to certain of the Group's financial ratios as disclosed in Note 28 for the financial year ended 31 December 2022, the Group and the Company are in compliance with all externally imposed capital requirements for the financial year ended 31 December 2023 and 2022.

(e) Fair value measurements

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices or rates from observable current market transactions as input.

Management considers the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the end of the reporting period.

The carrying amount of the different categories of financial instruments are as follows:

	Group		Company	
	31 December		31 December	
	2023	2022	2023	2022
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at amortised cost	5,448,792	5,348,242	3,138,769	3,094,413
Financial liabilities at amortised cost	13,325,050	13,241,764	3,229,611	3,074,176

37. SEGMENT INFORMATION

The Group's management includes the Executive Directors, the Chief Financial Officer, and the leaders of each business unit. The Group's management has reviewed and approved reports from the Group's business unit, which are used to determine the operating segments, make strategic decisions, allocate resources and assess performance.

The Group's management considers the business from a business segment perspective. Specifically, the group's reportable segment and operating segments are as follows:

- (i) Waste-to-energy project construction and operation comprise sales of electricity and steam, waste treatment, construction services provided and financial income under service concession.
- (ii) Project technical and management service, equipment selection and sale and EMC business comprise service income.

Notes to the Financial Statements

For the financial year ended 31 December 2023

37. SEGMENT INFORMATION (CONTINUED)

(a) Segment revenue and profit

The following is an analysis of the Group's revenue and results from continuing operations by reportable and operating segment:

2023	Waste-to-energy project construction and operation RMB'000	Project technical and management service, equipment selection and sale and EMC business RMB'000	Total RMB'000
Segment revenue			
External revenue – non-related parties	3,696,008	17,660	3,713,668
External revenue – related parties (Note 4)	35,213	1,536	36,749
Inter-segment revenue	–	366,047	366,047
Elimination	–	(366,047)	(366,047)
Revenue	3,731,221	19,196	3,750,417
Segment profit	1,129,447	1,058	1,130,505
Government grants and value added tax refund	118,453	951	119,404
Loss on disposal of property, plant and equipment	(278)	–	(278)
Impairment loss on intangible assets			(167,775)
Gain on disposal of shares of a joint venture			2,260
Foreign exchange gain			5,662
Other income			155,970
Administrative expenses			(268,863)
Loss allowance recognised on financial assets			(110,642)
Finance costs			(397,488)
Share of profit of associates			289
Share of loss of joint ventures			(8,635)
Profit before tax			460,409

Notes to the Financial Statements

For the financial year ended 31 December 2023

37. SEGMENT INFORMATION (CONTINUED)

(a) Segment revenue and profit (Continued)

2022	Waste-to-energy project construction and operation RMB'000	Project technical and management service, equipment selection and sale and EMC business RMB'000	Total RMB'000
Segment revenue			
External revenue – non-related parties	3,972,028	92,643	4,064,671
External revenue – related parties (Note 4)	1,043	8,141	9,184
Inter-segment revenue	–	356,798	356,798
	3,973,071	457,582	4,430,653
Elimination	–	(356,798)	(356,798)
Revenue	3,973,071	100,784	4,073,855
Segment profit	1,135,071	22,684	1,157,755
Government grants and value added tax refund	82,241	1,787	84,028
Loss on disposal of property, plant and equipment	(651)	–	(651)
Gain on disposal of shares of an associate			421
Foreign exchange losses			(195,414)
Other income			103,597
Administrative expenses			(248,122)
Loss allowance recognised on financial assets			(765)
Finance costs			(417,443)
Share of loss of associates			(38)
Share of profit of joint ventures			2,891
Profit before tax			486,259

Notes to the Financial Statements

For the financial year ended 31 December 2023

37. SEGMENT INFORMATION (CONTINUED)

(b) Segment assets

The following is an analysis of the Group's assets by reportable and operating segment.

	Waste-to- energy project construction and operation RMB'000	Project technical and management service, equipment selection and sale and EMC business RMB'000	Total RMB'000
2023			
Segment assets	18,584,081	626,072	19,210,153
Unallocated			<u>2,737,857</u>
Consolidated total assets			<u>21,948,010</u>
2022			
Segment assets	18,006,210	697,781	18,703,991
Unallocated			<u>2,768,900</u>
Consolidated total assets			<u>21,472,891</u>

All assets are allocated to reportable segments other than investments in joint ventures and associates, other tax recoverable, pledged bank deposits, cash and cash equivalents and the non-trade related balances due from related parties and non-controlling interests.

Notes to the Financial Statements

For the financial year ended 31 December 2023

37. SEGMENT INFORMATION (CONTINUED)

(c) Segment liabilities

The following is an analysis of the Group's liabilities by reportable and operating segment.

	Waste-to- energy project construction and operation RMB'000	Project technical and management service, equipment selection and sale and EMC business RMB'000	Total RMB'000
2023			
Segment liabilities	13,444,505	315,540	13,760,045
Unallocated			1,019,052
Consolidated total liabilities			14,779,097
2022			
Segment liabilities	13,005,918	674,232	13,680,150
Unallocated			918,034
Consolidated total liabilities			14,598,184

All liabilities are allocated to reportable segments other than income tax liabilities, other tax liabilities, deferred tax liabilities and the non-trade related balances due to related parties.

(d) Information about major customers

Waste-to-energy project construction and services

Customers of the Group mainly consist of regional state-owned grid companies, local government environmental sectors and certain manufacturing companies whose production relies on the supply of electricity and steam by the Group.

In 2023 and 2022, no single customer accounted for 10% or more of the Group's revenue.

Project technical and management services, equipment selection and sale and EMC business

In 2023 and 2022, no single customer accounted for 10% or more of the Group's revenue.

Notes to the Financial Statements

For the financial year ended 31 December 2023

38. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Zheneng Jinjiang Environment Holding Company Limited on 8 April 2024.

Statistics of Shareholdings

As at 18 March 2024

Class of shares	:	Ordinary shares of US\$0.00001 each
Authorised share capital	:	US\$50,000.00 divided into 5,000,000,000 ordinary shares of par value US\$0.00001 each
Issued and fully paid-up capital	:	Aggregate of US\$10,000, RMB748,000,000 and S\$316,380,235
Number of Ordinary Shares issued	:	1,454,024,700
Voting rights	:	One vote per share

The Company has no treasury shares and subsidiary holdings.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
100 – 1,000	100	20.70	88,200	0.01
1,001 – 10,000	163	33.75	950,100	0.06
10,001 – 1,000,000	203	42.03	16,237,800	1.12
1,000,001 and above	17	3.52	1,436,748,600	98.81
	483	100.00	1,454,024,700	100.00

SUBSTANTIAL SHAREHOLDERS AS AT 18 MARCH 2024

(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest ⁽²⁾	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Zhejiang Energy Hong Kong Holding Limited ⁽³⁾	–	–	430,000,000	29.57
Zheneng Capital Holdings Co., Ltd. ⁽⁴⁾	–	–	430,000,000	29.57
Zhejiang Energy International Limited ⁽⁴⁾	–	–	430,000,000	29.57
Zhejiang Provincial Energy Group Co., Ltd. ⁽⁴⁾	–	–	430,000,000	29.57
Win Charm Limited ⁽⁵⁾	–	–	372,560,575	25.62
Hangzhou Zhengcai Holding Group Co., Ltd. ⁽⁶⁾	–	–	372,560,575	25.62
Hangzhou Jinjiang Group Co., Ltd. ⁽⁷⁾	–	–	372,560,575	25.62
Dou Zhenggang ⁽⁸⁾	–	–	372,560,575	25.62
Wei Xuefeng ⁽⁹⁾	–	–	372,560,575	25.62
Zhejiang Hengjia Holding Co., Ltd. ⁽¹⁰⁾	–	–	372,560,575	25.62
Dou Baibing ⁽¹¹⁾	–	–	372,560,575	25.62
Hangzhou Yande Industrial Co., Ltd. ⁽¹²⁾	–	–	372,560,575	25.62
Harvest Global Dynamic Fund SPC acting on behalf of and for the account of Harvest Environmental Investment Fund SP ⁽¹³⁾	214,000,000	14.72	–	–
Kung Chak Ming ⁽¹³⁾	2,487,300	0.17	214,000,000	14.72
Jee Up Enterprises Limited ⁽¹³⁾	–	–	214,000,000	14.72
Huang Bohao ⁽¹³⁾	–	–	214,000,000	14.72
Whitel Management Company Limited ⁽¹⁴⁾	180,620,574	12.42	–	–
Whitel International Management Holding Limited ⁽¹⁴⁾	–	–	180,620,574	12.42
HOPU USD Master Fund III, L.P. ⁽¹⁴⁾	–	–	180,620,574	12.42
HOPU Investments Co. III Ltd ⁽¹⁴⁾	–	–	180,620,574	12.42
Fang Fenglei ⁽¹⁴⁾	–	–	180,620,574	12.42
Lau Teck Sien ⁽¹⁴⁾	–	–	180,620,574	12.42

Statistics of Shareholdings

As at 18 March 2024

Notes:

- (1) Based on 1,454,024,700 Shares in issue as at 18 March 2024.
- (2) Deemed interests refer to interests determined pursuant to Section 4 of the Securities and Futures Act ("SFA").
- (3) Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司) is deemed to have an interest in 430,000,000 Shares held by Raffles Nominees (Pte.) Limited.
- (4) Zhejiang Energy International Limited (浙江能源国际有限公司) owns the entire issued and paid-up share capital of Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司). Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司) and Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司) own 60% and 40% of the equity interests in Zhejiang Energy International Limited (浙江能源国际有限公司), respectively. Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司) is 100% controlled by Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司). Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司) is 100% controlled by the State-owned Assets Supervision and Administration Commission of the People's Government of Zhejiang Province (浙江省人民政府国有资产监督管理委员会). Accordingly, each of Zhejiang Energy International Limited (浙江能源国际有限公司), Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司) and Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司) are deemed to have an interest in the Shares in which Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司) has an interest by virtue of Section 4 of the SFA.
- (5) Win Charm Limited ("**Win Charm**") is deemed to have an interest in 328,365,000 Shares held by UOB Kay Hian Private Limited. Win Charm holds approximately 50.0% of the voting shares in the issued and paid-up share capital of Jinjiang Green Energy Limited ("**Jinjiang Green Energy**"), which in turn is deemed to have an interest in 44,195,575 Shares held by UOB Kay Hian Private Limited. Accordingly, Win Charm is also deemed to have an interest in the Shares in which Jinjiang Green Energy has an interest by virtue of Section 4 of the SFA.
- (6) Hangzhou Zhengcai Holding Group Co., Ltd. ("**Hangzhou Zhengcai**") holds 45.0% of the issued and paid-up share capital of Win Charm. Win Charm is deemed to have an interest in the Shares held by Jinjiang Green Energy by virtue of Section 4 of the SFA – please refer to Note (5) above. Accordingly, Hangzhou Zhengcai is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (7) Hangzhou Jinjiang Group Co., Ltd. ("**Jinjiang Group**") directly and indirectly (through its wholly-owned subsidiary Hangzhou Zhengcai) holds the entire issued and paid-up share capital of Win Charm. Win Charm is deemed to have an interest in the Shares held by Jinjiang Green Energy by virtue of Section 4 of the SFA – please refer to Note (5) above. Accordingly, Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (8) Dou Zhenggang holds approximately 46.63% of the registered capital of Jinjiang Group. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Dou Zhenggang is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (9) Wei Xuefeng, who is Dou Zhenggang's spouse, holds the entire registered capital of Zhejiang Hengjia Holding Co., Ltd. ("**Zhejiang Hengjia**"). Zhejiang Hengjia holds approximately 27.04% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Wei Xuefeng is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (10) Zhejiang Hengjia holds approximately 27.04% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Zhejiang Hengjia is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (11) Dou Baibing, who is Dou Zhenggang's daughter, holds 90% of the registered capital of Hangzhou Yande Industrial Co., Ltd. ("**Hangzhou Yande**"). Hangzhou Yande holds approximately 26.33% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Dou Baibing is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (12) Hangzhou Yande holds approximately 26.33% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Hangzhou Yande is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.

Statistics of Shareholdings

As at 18 March 2024

- (13) While Harvest Global Capital Investments (Cayman) Limited is the manager of the relevant fund, the investment committee of the fund comprises a representative from the fund manager, and a representative from each of its two investors, being Kung Chak Ming and Jee Up Enterprises Limited. Accordingly, each of Kung Chak Ming and Jee Up Enterprises Limited has control over the business and affairs of Harvest Global Dynamic Fund SPC acting on behalf of and for the account of Harvest Environmental Investment Fund SP (the "SPC"), including making investment and divestment decisions and voting the securities and interests held by the SPC, including those in the Company. Pursuant to Section 4 of the SFA, each of Kung Chak Ming and Jee Up Enterprises Limited is deemed to have an interest in the Shares held by the SPC. Huang Bohao is the sole shareholder of Jee Up Enterprises Limited. Accordingly, each of Kung Chak Ming, Jee Up Enterprises Limited and Huang Bohao is deemed to have an interest in the Shares held by the SPC by virtue of Section 4 of the SFA.
- (14) Whitel Management Company Limited is 100% owned by Whitel International Management Holding Limited. Whitel International Management Holding Limited is in turn 100% owned by HOPU USD Master Fund III, L.P. HOPU Investments Co. III Ltd is the general partner of HOPU USD Master Fund III, L.P., and each of Fang Fenglei and Lau Teck Sien is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares of HOPU Investments Co. III Ltd. Accordingly, each of Whitel International Management, HOPU USD Master Fund III, L.P., HOPU Investments Co. III Ltd, Fang Fenglei and Lau Teck Sien may be deemed to have an interest in the Shares held by Whitel Management Company Limited by virtue of Section 4 of the SFA.

TWENTY LARGEST SHAREHOLDERS AS AT 18 MARCH 2024

No.	Name of Shareholders	Number of Shares	%
1.	RAFFLES NOMINEES (PTE.) LIMITED	475,409,100	32.70
2.	UOB KAY HIAN PRIVATE LIMITED	446,872,075	30.73
3.	CITIBANK NOMINEES SINGAPORE PTE LTD	220,304,900	15.15
4.	DBS NOMINEES (PRIVATE) LIMITED	186,425,074	12.82
5.	PHILLIP SECURITIES PTE LTD	68,286,380	4.70
6.	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	16,588,071	1.14
7.	WANG YUANLUO	5,140,000	0.35
8.	LIM & TAN SECURITIES PTE LTD	2,957,700	0.20
9.	WANG RUIHONG	2,100,000	0.14
10.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,082,200	0.14
11.	WANG WUZHONG	1,993,300	0.14
12.	ABN AMRO CLEARING BANK N.V.	1,803,200	0.12
13.	OCBC SECURITIES PRIVATE LIMITED	1,797,100	0.12
14.	GOH BEE LAN	1,278,500	0.09
15.	E HONGBIAO	1,260,000	0.09
16.	XU YONGQIANG	1,260,000	0.09
17.	LIM PUAY TIANG	1,191,000	0.08
18.	ZHOU RONGQIN	500,000	0.03
19.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	417,000	0.03
20.	YANG LEIYUAN	401,000	0.03
TOTAL		1,438,066,600	98.89

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Approximately 17.34% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**AGM**” or “**Meeting**”) of Zheneng Jinjiang Environment Holding Company Limited (the “**Company**”) will be held at Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Level 3, Room 326, Singapore 039593 on Thursday, 25 April 2024 at 2.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2023 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a final dividend (tax not applicable) of 1.30 Singapore cents per ordinary share for the financial year ended 31 December 2023. **(Resolution 2)**
3. To re-elect the following Directors of the Company retiring pursuant to the Company’s Articles of Association:

Mr Ang Swee Tian	(Retiring pursuant to Article 127)	(Resolution 3)
Prof Ni Mingjiang	(Retiring pursuant to Article 127)	(Resolution 4)

[See Explanatory Note (i)]
4. To approve the payment of Directors’ fees of S\$305,000 for the financial year ended 31 December 2023. [See Explanatory Note (ii)] **(Resolution 5)**
5. To re-appoint Messrs PricewaterhouseCoopers LLP as the Company’s auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**
6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions, with or without modifications:

7. “**THE PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS**”

That:

- (a) approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” (as that term is used in Chapter 9), or any of them to enter into any of the transactions falling within the types of Mandated Transactions described in Appendix to the Notice of Annual General Meeting dated 10 April 2024 (“**Appendix**”) with any party who is of the class of Mandated Interested Persons described in Appendix, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
- (b) the approval given in paragraph (a) above (the “**IPT General Mandate**”) shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company; and

Notice of Annual General Meeting

- (c) the Directors of the Company and/or any of them be and are and/or is hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

[See Explanatory Note (iii)]

(Resolution 7)

8. “THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE

- (a) That the Company be and is hereby authorised to purchase or otherwise acquire issued and paid up ordinary shares of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:–

- (i) on-market purchases (each an “**On-Market Share Purchase**”) transacted through the SGX-ST’s trading system or on any other securities on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (ii) off-market purchases (each an “**Off-Market Share Purchase**”), otherwise than on a securities exchange, effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable,

and the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire Shares in the foregoing manner be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by ordinary resolution of the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution, and expiring on the earliest of:–

- (i) the conclusion of the next Annual General Meeting of the Company; or
- (ii) the date by which the next Annual General Meeting of the Company is required to be held; or
- (iii) the date on which the purchase of Shares by the Company pursuant to the Share Purchase Mandate is carried out to the full extent mandated (the “**Relevant Period**”).

- (c) in this Ordinary Resolution:–

“**Maximum Limit**” means 10% of the total number of issued and paid-up ordinary shares of the Company as at the date of the passing of this Ordinary Resolution (excluding any treasury shares, preference shares and convertible equity securities that may be held by the Company from time to time and subsidiary holdings); and

Notice of Annual General Meeting

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:–

(i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price of the Shares; and (ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:–

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) consecutive Market Days (“**Market Day**” being a day on which the SGX-ST is open for securities trading), on which the Shares are transacted on SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the On-Market Share Purchase by the Company or, as the case may be, the date of making of the offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs during the relevant five (5) Market Day period and the date of the On-Market Share Purchase, or, as the case may be, the date of the making of the offer pursuant to the Off-Market Share Purchase; and

“**date of making of the offer**” means the date on which the Company makes an offer for an Off-Market Share Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Share Purchase) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase; and

- (d) the Directors and each of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they/he may consider necessary, desirable, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

[See Explanatory Note (iv)]

(Resolution 8)

By Order of the Board of Directors

Wei Dongliang
Executive Chairman

10 April 2024

Explanatory Notes:

- (i) Resolution 3 proposed in item 3 above is to re-elect Mr Ang Swee Tian as a Director of the Company. Mr Ang Swee Tian will, upon re-election as a Director of the Company, remain as a Chairman of the Nominating Committee and the Remuneration Committee and a member of the Audit and Risk Management Committee. He will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST

Ordinary Resolution 4 proposed in item 3 above is to re-elect Prof Ni Mingjiang as a Director of the Company. Prof Ni Mingjiang will, upon re-election as a Director of the Company, remain as a member of the Nominating Committee and a member of the Remuneration Committee. He will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

The profiles of Mr Ang Swee Tian and Prof Ni Mingjiang can be found under the sections entitled “Board of Directors” and “Supplemental Information on Directors pursuant to Rule 720(6) of the Listing Manual of the SGX-ST” of the Company’s Annual Report for the financial year ended 31 December 2023 (“**Annual Report 2023**”).

Notice of Annual General Meeting

- (ii) Resolution 5 proposed in item 4 above, if passed, will facilitate the payment of Directors' fees to the Independent Directors who held office for the financial year ended 31 December 2023 ("**FY2023**").
- (iii) Resolution 7 proposed in item 7 above, if passed, is to authorise the interested person transactions as described in Appendix to this Notice of Annual General Meeting and recurring in the year, and will empower the Directors to do all acts necessary to give effect to the IPT General Mandate. This authority will, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier. Please refer to Appendix to this Notice of Annual General Meeting for more details.
- (iv) Resolution 8 proposed in item 8 above, if passed, will empower the Directors from the date of this Meeting until the date the next Annual General Meeting is to be held or is required by law to be held, whichever is earlier, to make purchases (whether by way of On-Market Share Purchases or Off-Market Share Purchases on an equal access scheme) from time to time of up to 10% of the total number of issued Shares excluding any Shares which are held as treasury shares of the Company at prices up to but not exceeding the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are set out in greater details in the Appendix to this Notice of Annual General Meeting.

Notes:

General

1. The AGM of the Company will be held at Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Level 3, Room 326, Singapore 039593 ("**Physical Meeting**"). Shareholders and other attendees who are feeling unwell on the date of the AGM are advised not to attend the Physical Meeting.
2. Authenticated shareholders and proxy(ies) will be able to ask questions in person at the Physical Meeting. Arrangements have also been put in place to permit shareholders to submit their questions ahead of the AGM. Please refer to Notes 13 to 15 below for further details.
3. Live voting by poll will be conducted during the AGM for shareholders and proxy(ies) attending the Physical Meeting.
4. Printed copies of the Annual Report for FY2023 (inclusive of Notice of AGM), the relevant proxy forms, and its Appendix will be despatched to members, and electronic copies of which will be published and may be accessed on the SGX-ST's website at the URL: <https://www.sgx.com/securities/company-announcements> and on the Company's corporate website at the URL: <http://en.znjihj.com/info.html>.

Voting by Proxy

5. A member (whether individual or corporate) of the Company who/which is not a relevant intermediary entitled to attend, speak and vote at the Meeting, is entitled to appoint one or two proxies to participate and vote in his/her stead. Where a member who is not a relevant intermediary appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
6. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
 - (b) a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore (the "**CPF Act**"), in respect of shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
7. A proxy need not be a member of the Company.
 8. The completed and signed Proxy Form must be submitted to the Company in the following manner:
 - (a) by depositing a physical copy at the registered office of the Company's Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

Notice of Annual General Meeting

- (b) if submitted electronically, be submitted via email to the Company's Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.proxy@boardroomlimited.com,

in either case, no later than 2.00 p.m. on Monday, 22 April 2024, **being seventy-two (72) hours before the time appointed for the AGM.**

9. A member who wishes to submit a Proxy Form must first **complete and sign the Proxy Form**, before submitting it by depositing to the address provided above, or scanning and sending it by email to the email address provided above.
10. The Proxy Form must be executed by the appointor or his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of its officer or attorney duly authorised, failing which the Proxy Form may be treated as invalid. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
11. An investor who holds shares under the Central Provident Fund ("CPF") Investment Scheme and/or Supplementary Retirement Scheme ("SRS") (as may be applicable) ("Investor") and wishes to vote the Chairman of the AGM as their proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least 7 working days before the date of the AGM (i.e. 15 April 2024 at 5.00 p.m.). The Proxy Form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
12. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (including any related attachment) (such as in the case where the appointor submits more than one Proxy Form). In addition, in the case of Shares entered in the Depository Register, the Company may reject any Proxy Form lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Submission of questions ahead of the AGM

13. Members (including the CPF and SRS Investors) may submit substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations ahead of the AGM, or during the AGM.
14. To submit the questions before the AGM, all questions must be submitted by 2.00 p.m. on 18 April 2024 ("**Cut-Off Time**") through any of the following means:
- (a) by depositing a physical copy at the registered office of the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
- (b) if submitted by email, be submitted to the Company's Share Transfer Agent, at srs.teamE@boardroomlimited.com.

If the questions are deposited in physical copy at the Company's Share Transfer Agent's registered office address or sent via email, and in either case not accompanied by the completed and executed Proxy Form, the following details must be included with the submitted questions: (i) the member's full name; and (ii) his/her/its identification/company registration number for verification purposes, failing which, the submission will be treated as invalid.

15. The Company endeavours to address all substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM or the Company's business and operations by publishing its responses to such questions, if any, on the Company's corporate website at the following URL: <http://en.znjhj.com/info.html>, and on SGXNet at following URL: <https://www.sgx.com/securities/companyannouncements> at least forty-eight (48) hours prior to the deadline for submission of Proxy Forms (i.e. no later than 2.00 p.m. on 22 April 2024), or otherwise at the AGM.

Should there be subsequent clarification sought, or follow-up questions after the deadline of the submission of questions, the Company will address those substantial and relevant questions at the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative to attend, speak and vote at the AGM and/or any adjournment thereof, and/or submitting questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations, a member of the Company: (i) consents to the collection, use and disclosure of such member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where such member discloses the personal data of such member's proxy(ies) and/or representative(s) to the Company (or its agents), such member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that such member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such member's breach of warranty.

This page has been intentionally left blank.



ZHENENG JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED



This annual report has been printed on paper with high recycled contents.