



国投电力控股股份有限公司
SDIC POWER HOLDINGS CO., LTD.

2023

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SDIC Power Holdings Co., Ltd.





Brighten Nature, Brighter Power

2023 Environmental, Social and Governance Report

Stock abbreviation: SDIC Power

Stock code: 600886, SDIC

Exchanges for stock listing: Shanghai Stock Exchange, London Stock Exchange

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About the Report

The Report presents the efforts made by SDIC Power Holdings Co., Ltd. (hereinafter referred to as "SDIC Power", "the Company" or "We") and its holding investment enterprises in the environmental, social and governance (hereinafter referred to as "ESG") field in 2023, with the aim of strengthening communication and relations with stakeholders and responding to concerns and expectations.

Reporting Period

The Report is an annual report, covering the reporting period from January 1, 2023 to December 31, 2023. To enhance the comparability and foresight of the Report, some data and contents are appropriately extended to the previous and subsequent years.

Reporting Scope

Unless otherwise specified, the Report covers SDIC Power and holding investment enterprises

Basis of Preparation

The Report is prepared in accordance with the "Chapter 8: Social Responsibility" of the *Guidelines of the Shanghai Stock Exchange for the Application of Self-Regulation Rules for the Listed Companies on the SSE STAR Market No. 1 – Regulated Operation* issued by the Shanghai Stock Exchange, and also with reference to the *GRI Sustainability Reporting Standards* issued by the Global Reporting Initiative (GRI), the *LSEG Guide to ESG Reporting 2020* of the London Stock Exchange, the *SDG Compass* (SDGs) and other relevant guidelines.

Preparation Principles

Materiality: With reference to the communication results with stakeholders and by means of materiality assessment, the Company identified the important issues during the reporting period, and then prepared the Report focusing on the important issues.

Quantitative: The Report is timely provided with annotations indicating the standards, methods, and applicable assumptions used for quantifying data.

Balance: The Report provides an unbiased picture of the Company's performance during the reporting period, avoiding selections, omissions, or presentation formats that may inappropriately influence a decision or judgment of the report reader.

Consistency: Where feasible and unless otherwise noted, the disclosure of statistical methods is consistent with previous reports to ensure meaningful comparisons.

Data Sources

Unless otherwise specified, the information and data used in the Report are all from the official documents, statistical reports, financial reports or relevant public documents of the Company, as well as ESG information collected and audited by the Company. Unless otherwise stated, all monetary amounts are in RMB. The Company's Board of Directors guarantees no false records, misleading statements, or any significant omissions in the Report.

Report Access

You can access and download the Report on the websites of the Shanghai Stock Exchange (www.sse.com.cn), the London Stock Exchange (www.londonstockexchange.com), the Cninf (www.cninfo.com.cn) and the social responsibility section of the Company's website (www.sdipower.com/gtdl/shzr/shzrbg/A110601index_1.htm). If there is any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

Contact

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Message from the Chairman

The year 2023 is a significant year to implement the "14th Five Year Plan", SDIC Power has fulfilled its responsibilities as a central enterprise and worked together with all stakeholders. We have focused on the corporate mission of "From the Element, For the Development", and anchored the development goal of "To Become a Globally-trusted Investor & Operator in Integrated Energy". We have adhered to the coordination of stock efficiency improvement and incremental development, highlighted value creation ability, overcame difficulties and forged ahead. Our main business performances have reached a record high, with frequent good news of business development, further exertion of core functions and significant improvement of governance efficiency. We have created a new milestone in business reform and development.

Inheriting green genes and focusing on green development.

We have adhered to the development concept of "Brighten Nature, Brighter Power", regulated resources in an orderly manner, and developed clean and low-carbon businesses at a high speed. In the Yalong River Basin, the constructions of Mengdigou Hydropower Station and Kala Hydropower Station have been promoted smoothly. Yagen I Hydropower Station was approved, and the Kela Phase I Hydro-Solar Hybrid Power Station was put into operation for power generation. In other key areas, solar power projects in Rinbung County and Nyima County were put into production, Unit 1 of the SDIC Qinzhou Phase III Project was connected to the grid for power generation as scheduled, and several projects including Unit 2 of SDIC Qinzhou Phase III and Zhalashan Solar Power Project are under construction in an accelerated speed.

Upholding the integrity of central enterprises and serving the interests of the country.

We have taken various measures to implement the requirements of energy and power supply guarantee, making positive contributions to ensuring electricity supply for people's livelihood and grid security. We have successfully completed the power supply guarantee work during important periods such as the Two Sessions, and peak load in summer and winter by improving the stable output capacity of units, optimizing the hydropower cascade dispatching, strengthening fuel support and attaching great importance to work safety management. The energy supply guarantee and work safety have been commended by the National Energy Administration for four consecutive years.

Practicing lean management and deepening quality and efficiency improvement.

We have continued to promote professional construction, optimize management means and establish the core competitiveness of operation and management. We have strengthened the hydropower operation and management, stabilized the thermal power performance level, and accelerated the standardization and intensification of new energy business management, resulting in the continuous improvement of various operating indicators. We have strengthened comprehensive budget

management and capital control, and vigorously reduced financial costs. We have intensified market development efforts, to increase the sold energy steadily. We have given full play to the driving role of sci-tech innovation, with significant year-on-year growth in investment in science and technology.

Improving governance efficiency and empowering sustainable development.

We have solidly carried out special works to improve the performance of listed companies and strengthen endogenous growth and innovative development. We have improved corporate governance, strengthened the support for directors and supervisors to perform their duties, and enhanced the ability of independent directors to perform their duties. We have continuously implemented regulatory requirements and improved the level of risk prevention and control and compliance management. We have strictly controlled the quality of information disclosure and actively delivered the Company's value. We have been rated as Grade A Ranking of Information Disclosure by the Shanghai Stock Exchange for seven consecutive years. We have promoted brand-leading actions and reshaped the corporate image, which was selected as a typical case of brand building by SASAC. We have released the first annual ESG report and built an ESG management system with the characteristics of SDIC Power with high standards.

Working together to create a better society.

We are committed to implementing the people-oriented principle with high quality and actively undertaking corporate social responsibility. We always optimize the organizational structure, give full play to the efficiency of human resources management, promote the coordination between talent work and the Company's reform and development, and provide intellectual support and talent guarantee for the high-quality development of the Company. We take improving people's livelihood and well-being and giving back to society as our duty, actively participate in industrial investment, implement targeted assistance, help the economic and social development of many places, extensively carry out charity education and volunteer service activities, and contributes to building a harmonious community.

We are heading towards a future full of hope and challenges. In 2024, we will firmly focus on the positioning of a pioneer that devote to integrated energy and a leader that promotes industrial investment, adapt to the trend and be courageous in change and innovation. We will work hard on building a modern energy system with harmonious coexistence between man and nature, and make new achievements in promoting high-quality development, to welcome the 75th anniversary of the founding of the People's Republic of China with outstanding results.

Guo Xuyuan
Chairman, SDIC Power

About SDIC Power

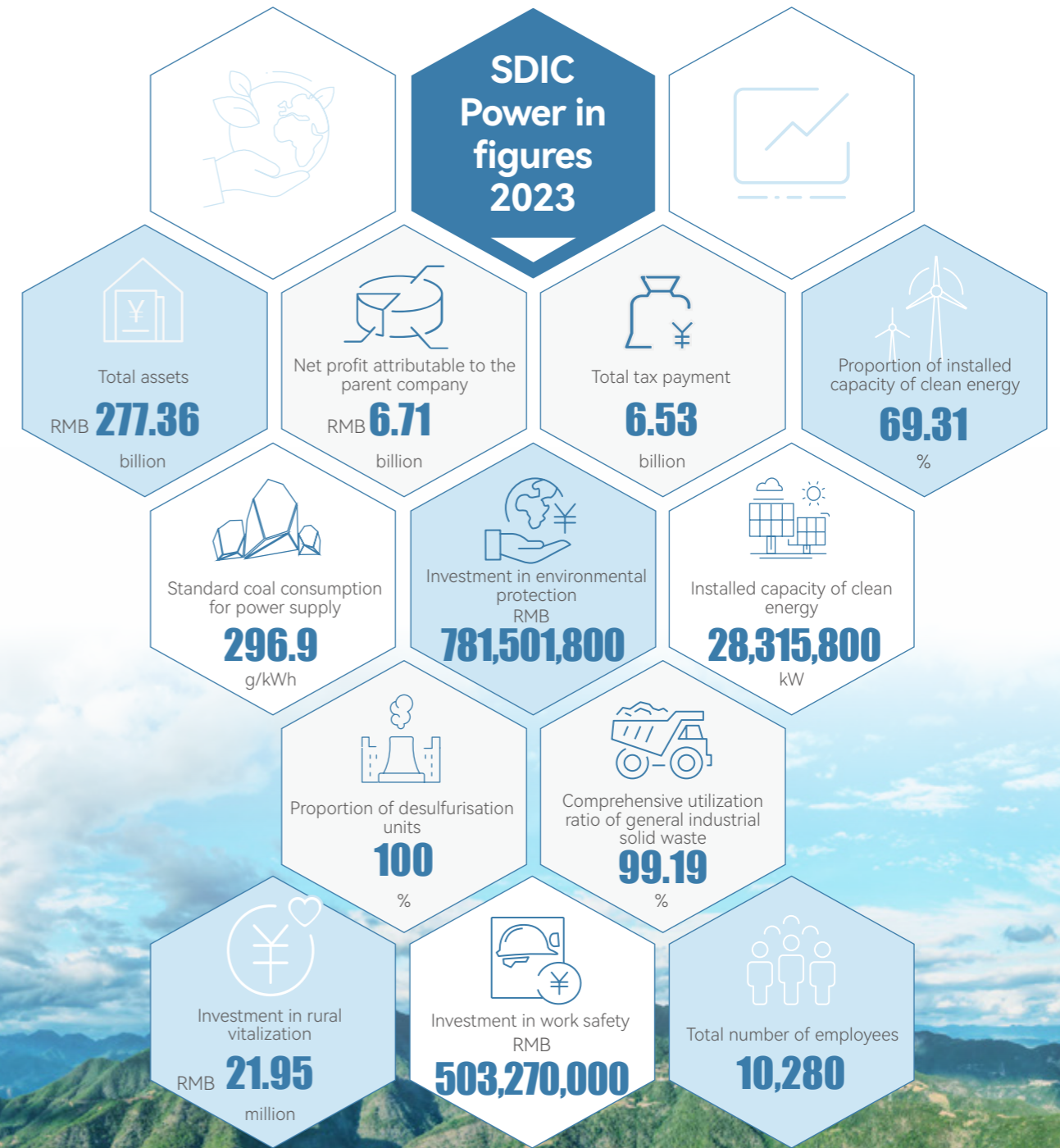
SDIC Power is a holding enterprise of State Development & Investment Corp., Ltd. and a listed company on the Shanghai Stock Exchange and London Stock Exchange (A shares: 600886, GDR: SDIC). Since its successful listing in 2002, the Company has achieved remarkable leap-forward development, becoming the third largest blue-chip listed hydropower company in China. At the same time, it is also one of the most efficient and effective integrated energy companies in China. As the core business of the Company, power generation accounted for over 95% of the total operating revenue. The business involves hydropower, thermal power, solar power, wind power, energy storage, electricity sales and comprehensive energy services. The business scope mainly includes investment, construction, operation and management of energy projects focusing on power production. The business covers 24 provinces, cities and autonomous regions such as Sichuan, Tianjin, Fujian, Guangxi, Yunnan, Gansu, Guizhou and Xinjiang in China, as well as 5 countries along the "Belt and Road" and OECD, such as the United Kingdom, Indonesia, Thailand and Sweden.

In 2023, the Company put into operation a holding installed capacity of 40,856,600 kW and added a holding installed capacity of 3,092,400 kW. The Company's installed capacity of clean energy was 28,315,800 kW, accounting for 69.31%. Among them, the installed capacity of hydropower was 21,280,000 kW, accounting for 52.08%, and the installed capacity of wind power and solar power was 7,035,800 kW, accounting for 17.22%. The installed capacity of thermal power was 12,540,800 kW, accounting for 30.69%. The Company has formed a development trend of hydropower dominating, wind and solar power accelerating and thermal power optimization.

Milestones in 2023

- February ♦ The Company held the 2023 Annual Working Conference.
 - April ♦ The first ESG report was released, ranking first in the power industry in Wind ESG rating for two consecutive years.
 - May ♦ Yagen I Hydropower Station was approved, which, upon completion, will allow for the reverse regulation of the Lianghekou Hydropower Station.
 - June ♦ The Kela Photovoltaic Power Station Phase I was connected to the grid for power generation, marking the official operation of the world's first million-kW-level hydro-solar hybrid power station.
 - July ♦ The case, *Building Advantageous Sub-brands in the Energy Industry and Establishing the Green Development Image of Central Enterprises* was successfully selected as a "Typical Case of Brand Construction of Central Enterprises".
 - August ♦ Good results were achieved in the National Industry Vocational Skills Competition - 14th National Vocational Skills Competition in Power Industry (Electricity Traders). Two contestants won the individual second prize and individual third prize respectively, and the Company won the Excellent Organization Award.
 - October ♦ The Company won the highest rating of Class A (excellent) for information disclosure, which was the seventh consecutive year since 2016.
 - November ♦ Successfully selected as the "Best Practice Cases of Corporate Governance in 2023" and "Best Practice Cases of Board of Directors of Listed Companies in 2023" by China Association for Public Companies.
 - December ♦ The main project of Mengdigou Hydropower Station on the Yalong River has been officially commenced, which is currently one of the largest installed capacity hydropower stations under construction in China.
- Unit 1 of the Qinzhou Power Plant Phase III successfully completed 168 hours of full-load trial operation, realizing the target of commissioning within the year.
- Tibet Nyima and Rinbung Solar Power Projects have achieved full capacity grid-connected power generation, making a breakthrough on the roof of the world.

Organizational Structure



Project Distribution

Basic Information of Business

Holding installed capacity

4,085.66 10,000 kW

Hydropower

2,128 10,000 kW

Thermal power Including waste-to-energy generation

1,254.08 10,000 kW

Wind power

318.25 10,000 kW

Solar power

385.33 10,000 kW

Note: Excluding 91,000 kW energy storage

Projects in operation (10,000 kW)

-  Hydropower
-  Thermal power
Including waste-to-energy generation
-  Wind power
-  Solar power



Topic I

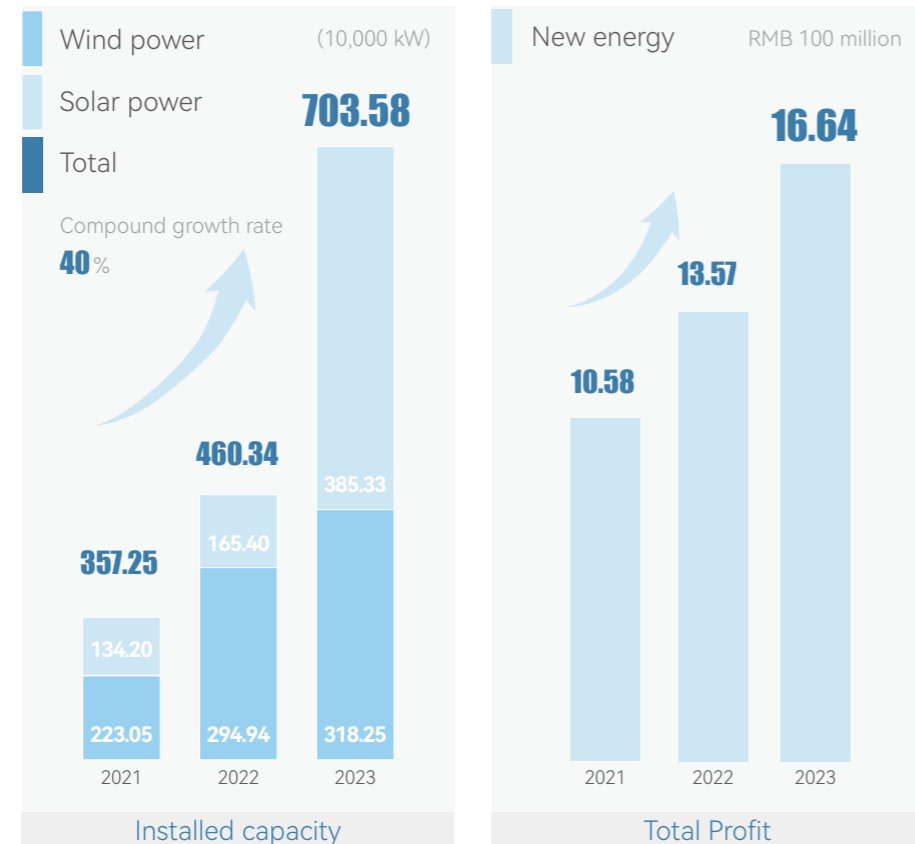
Lighting up the Future with Clean Electric Power

SDIC Power actively practices the concept of green development and helps achieve the "dual carbon" strategic goals. The Company firmly adheres to the development concept of "Brighten Nature, Brighter Power", regulates resources in an orderly manner, and develops clean and low-carbon businesses at a high speed.

Looking back on the past, energy transition has been promoted in an orderly manner

Over the past two years since the implementation of the Company's 14th Five-Year Plan, the development of the clean energy business has been accelerated, the Company deeply participated in the energy supply guarantee and Yalong River Integrated Base Project has achieved phased results. All work has been steadily promoted according to the planning objectives and good development results have been achieved.

The Company's installed capacity of new energy has grown rapidly, and the holding installed capacity has increased from 3,572,500 kW at the end of 2021 to 7,035,800 kW at the end of 2023, with the proportion increasing from 9.86% to 17.22%. The operating efficiency of new energy has increased steadily, and the utilization hours are at the forefront of the industry. From 2021 to 2023, an average profit increase of RMB 200-300 million was maintained, and scale benefits gradually emerged.

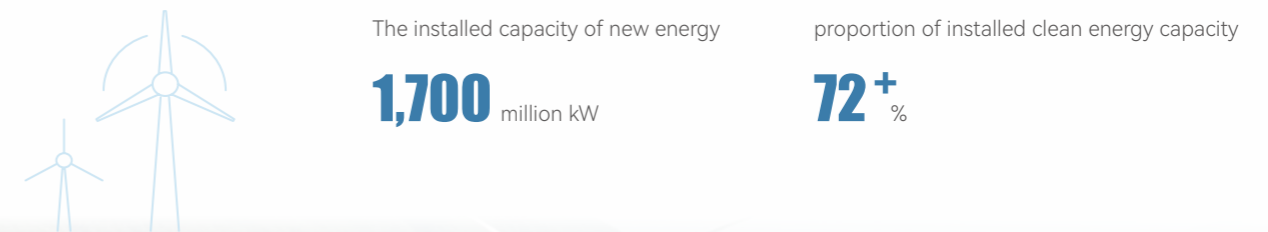


Creating a new chapter with a clear and firm development way

China's installed capacity of new energy is growing rapidly and the competition for new energy resources is becoming increasingly fierce. To adapt to the new situation, the Company organized the revision of the 14th Five-Year Plan based on the actual development, which was reviewed by the Strategy Committee of the Board of Directors of the Company and deliberated and approved by the Board of Directors in December 2023 before being officially implemented. The revised 14th Five-Year Plan defined the Company's corporate mission of "From the Element, For the Development", and confirmed the development direction of focusing on one core task and three key regions. The Company's development path in the second half of the 14th Five-Year Plan is clearer and firmer.

The company has abundant project reserves in places like Yunnan, Guangxi, and Guizhou. By the end of 2023, the installed capacity of new energy under construction has exceeded 4 million kW. In the latter half of the "14th Five-Year Plan" period, the company will vigorously develop high-quality new energy projects, prioritizing quality and efficiency, continuously strengthening its advantageous regions, and planning new areas in line with the company's strategic development. The installed capacity of clean energy will be further increased.

It is expected that by the end of 2025



▲ Laba Mountain Wind Farm Project's Nacelle Top Maintenance and Repair

Developing the hydro-wind-solar energy resources of Yalong River

The Yalong River Basin is rich in hydropower resources, and is also abundant in new energy resources such as wind and solar energy, the output characteristics of hydropower and wind-solar new energy are highly complementary. The Company orderly promoted the hydropower development in the middle and upper reaches of the Yalong River Basin and developed new energy projects.

Operational Installed Capacity		Under-construction Installed Capacity	
Hydropower	1,920 million kW	Mengdigou Hydropower Station	240 million kW
Wind power	59.45 million kW	Kara Hydropower	102 million kW
Solar power	102.2 million kW	Laba Mountain Wind Power Phase II	6.6 million kW
		Zhalashan Solar Power Project	117 million kW



Water

The largest installed capacity hydropower station under construction in China

Mengdigou Hydropower Station is located on the mainstream of the Yalong River, at the border between Ganzi Prefecture and Liangshan Prefecture in Sichuan Province. It is the largest hydropower project in the Yalong River Basin since the 14th Five-Year Plan. The power station has a total installed capacity of 2.4 million kW and an annual power generation of 10.4 billion kWh. The first unit is scheduled to begin generating power in 2031, with all units being commissioned in 2032.

After the completion of the power station, the clean electric power generated every year can meet the annual power consumption of about 4.75 million households in Sichuan, saving about 3.2 million tons of standard coal and reducing carbon dioxide emissions by about 8.4 million tons. The accelerated construction of the project plays an important role in guaranteeing the high-quality development of the clean energy industry and rural vitalization in ethnic minority areas along the Yalong River.



Wind

The first single blade hoisting wind power project in Sichuan

Laba Mountain Wind Farm is a high-altitude mountain wind farm with an installed capacity of 258,000 kW. The peak period of hoisting construction is the windy season, with an average construction period of less than 8 hours per day. Yalong Hydro innovatively adopted single-blade hoisting, and the 21-ton wind turbine blades were accurately connected to the hub at a height of 100 meters, making it the first wind power project in Sichuan Province that successfully realized single-blade hoisting.

On September 21, 2023, the project was put into operation for power generation, with an average annual power generation of about 680 million kWh, which can meet the annual power consumption of about 310,000 households in Sichuan. The clean electric power generated every year is equivalent to saving about 200,000 tons of standard coal and reducing carbon dioxide emissions by about 560,000 tons.



Solar

World's largest and highest hydro-solar hybrid power station

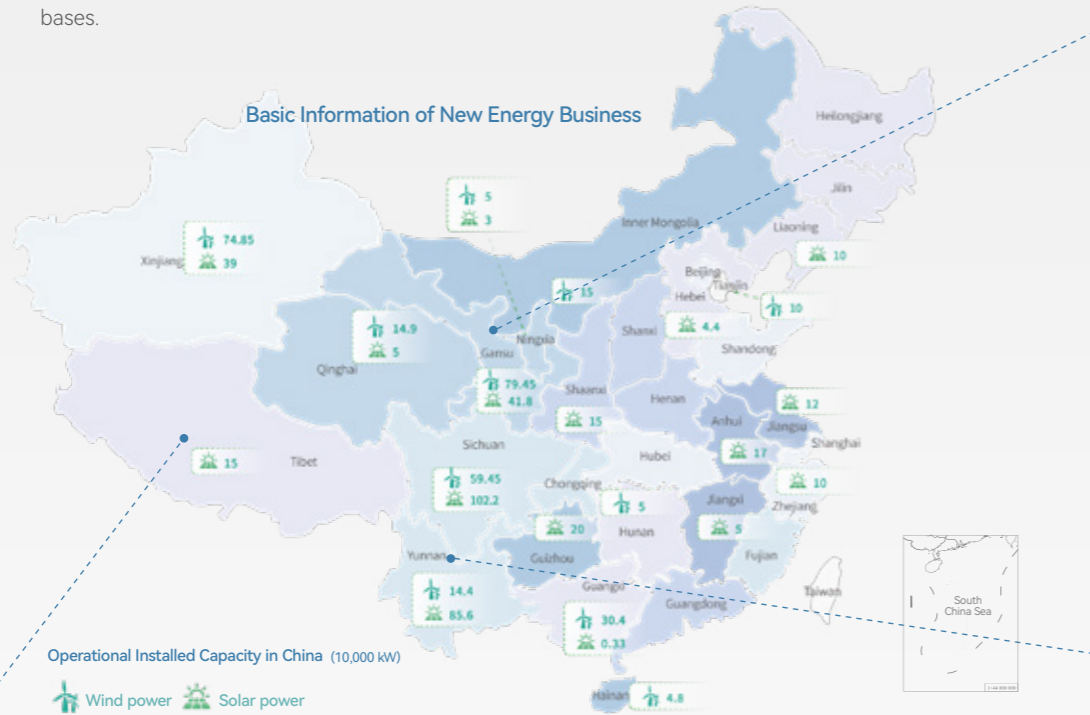
The Kela Photovoltaic Power Station Phase I, with an installed capacity of 1 million kW, is located at an altitude of 4,600 meters. Restricted by factors such as cold high-altitude climate conditions and complex construction environments, the effective construction period was less than 6 months. Builders have been able to set off a construction boom in areas with a natural environment that has 50% lower oxygen content, 90% higher ultraviolet radiation, and a maximum temperature difference between day and night of 30°C compared to plain areas. This created a precedent for continuous large-scale construction of large solar power projects in cold and high-altitude areas during winter.

On June 25, 2023, the power station was officially put into operation. By connecting to Lianghekou Hydropower Station, it realized the "bundled" transmission of solar power generation and hydropower. The power station can save more than 600,000 tons of standard coal and reduce carbon dioxide emissions by over 1.6 million tons every year.



Laying out new energy projects in advantageous regions

Relying on the advantageous foundation of existing power supply points, the Company fully considers the resource potential of new energy projects, focuses on key development areas such as The Three Northern Regions, Southwest China and Southeast Coastal Areas, and continues to promote the development of energy bases.



"Zero breakthrough" on the Roof of the World

The SDIC Tanglu 50MW Solar Power + Energy Storage Project in Nyima County of Nag-chu is located in the "no man's land" in the Qiangtang hinterland of the Qinghai-Tibet Plateau, with an average altitude of more than 4,600 meters. All employees of SDIC Tibet New Energy Co., Ltd. have overcome many unfavorable factors such as tight schedules, heavy tasks, high altitude and harsh natural environment to successfully complete various construction goals and tasks, demonstrating the "miracle of SDIC" and highlighting the "Tibet speed".

On December 26, 2023, the project achieved full-capacity grid connection power generation. The project had an annual average power generation of 100 million kWh. It can save about 30,000 tons of standard coal and reduce carbon dioxide emissions by about 87,000 tons.



Largest Single-Unit Tower Solar Thermal Project Under Construction in China

The Aksay Solar Thermal Project of Gansu New Energy is the largest tower solar thermal project under construction in China, with a total installed capacity of 750 MW, including 110 MW of solar thermal power generation and 640 MW of solar power generation. In the form of "solar-thermal + solar power" intelligent coupling, the power station makes up for the randomness and instability of solar power stations with the adjustability of solar-thermal power stations, and makes up for the high-cost tariff of solar-thermal power stations with the low-cost tariff of solar powers, so that solar power generation in the daytime and solar-thermal power generation at night by using the heat stored in the daytime can realize multi-energy complementation.



SDIC Hydro-Wind-Solar Hybrid Base in Yunxian County

Relying on the SDIC DachaoShan Hydropower Station that has been put into operation, the Company planned a 1.6 million kW new energy project in the SDIC Hydro-Wind-Solar Hybrid Base in Yunxian County. The base gave full play to its multi-energy complementary regulation performance and realized large-scale consumption of clean electricity.

In June 2023, the DachaoShan West Forestry Solar Power Generation Project, as the first project of the base, was fully put into operation and connected to the grid. The installed capacity of the hydropower station was 300MW, and the annual power generation reached 530 million kWh. It can effectively optimize the power supply structure and power supply in Lincang and its surrounding areas, alleviate the contradiction between flood season and dry season, and ensure the safety of the energy supply.

Topic II

Supporting Sustainable Development by ESG

SDIC Power has fully implemented the new development concept, explored the establishment and improvement of the ESG management system, improved the ESG working mechanism, continuously enhanced the Company's ESG management ability, integrated the ESG concept into the Company's strategic development, investment and construction, production and operation, daily management and other work. It has promoted the continuous improvement of the Company's ESG professional governance ability and risk management ability, and lays a solid foundation for its sustainable development.

Continuously releasing social responsibility reports

In 2011

For the first time, the Company released social responsibility report, and actively integrated the concepts and requirements of social responsibility into development strategy, production & operation and corporate culture.



In 2020

For the first time, the Company released its social responsibility report in an image-text version. The quality of social responsibility information disclosure was further improved.



In October 2020

SDIC Power's "Shanghai-London Stock Connect" global depository receipt (GDR) was listed on the London Stock Exchange. In November of the same year, SDIC Power was awarded the Green Economy Mark by the London Stock Exchange.



In 2021

For the first time, the Company compiled and published an English version of the report with reference to the GRI Standard to respond to the concerns of global investors.



In 2022

For the first time, the Company referred to the LSEG Guide to ESG Reporting 2020 and the SDG Compass (SDGs), further improving the quality of the Report.



In 2023

For the first time, the Company officially published Environmental, Social and Governance Report, and won the ESG Best Practice Award of WIND ESG Rating China Listed Companies.



Practicing ESG concept for promising future

SDIC Power has disclosed ESG information in separate reports for 13 consecutive years. As the business has developed, the Company's concept of social responsibility has also undergone qualitative changes. In response to investors' increasing concern about the Company's ESG information, the Company launched comprehensive ESG management consulting work to improve its ESG management level.

- July 2023** The Company officially launched its ESG management consulting work. The Company held a special meeting to publicize and implement the background and preliminary plan of the project, comprehensively sorted out the current situation of ESG management.
- August 2023** The Company drafted an ESG management improvement plan based on extensive ESG research, by selecting listed companies with excellent ESG performance in the industry to carry out multi-dimensional benchmarking, identifying gaps and making up for deficiencies.
- September 2023** The Company compiled an ESG indicator system with reference to domestic and international information disclosure standards, sorted out the Company's ESG-related responsibilities, decomposed the contents of ESG management.
- October 2023** In combination with the current situation and future planning of ESG management, the Company drafted the *Administrative Measures on ESG and Implementation Rules for ESG Work* to build the prototype of the "1+N system" of ESG system.
- November 2023** The Company conducted on-site research on benchmark companies, invited consulting and rating agencies several times to discuss the direction of ESG development, and improved the ESG management improvement program.
- December 2023** The Company's ESG management improvement plan was officially finalized.
- March 2024** The Board of Directors deliberated and approved the *Administrative System on ESG (Trail) and the Working Rules of the ESG Committee*, agreed to set up the ESG Committee, and formally established the company's ESG governance structure. Since then, the company's ESG management improvement plan has been fully implemented.



Annual ESG goals

The Company has set the following two ESG goals for 2024 and incorporated them into the Company's 2024 annual assessment plan.

Environmental protection



The annual standard coal consumption for power supply in 2024 shall not exceed the target set by the Company.

No environmental pollution events in 2024.

Major Honors

Selected into the "National New Cup · ESG Golden Bull Award Top 100" and the "National New Cup · ESG Golden Bull Award Central Enterprises Top 50" in 2023



Won the "ESG Corporate Governance Pioneer Award" from Energy magazine

Won the "2023 Listed Company ESG Innovation Practice Cases" from Securities Daily

SDIC Power was successfully selected into the "Central Enterprises ESG · Vanguard 100 Index"



Won the "Wind ESG Best Practice Award among China Listed Companies in 2023"

Won the Best Social Responsibility Award of Sina Finance China Enterprise ESG Golden Responsibility Award

Ranked first in the Wind ESG public utilities power industry for two consecutive years



Substantive issues identification

Based on its own development status and stakeholders' assessment results of potential issues, with reference to GRI, the United Nations Sustainable Development Goals and other relevant requirements, SDIC Power collects issues of concern to major stakeholders through questionnaire collection and internal interviews, analyzes and ranks their importance, and determines the important ESG issues of the Company. We have identified a total of 26 substantive issues that have an important impact on the Company.

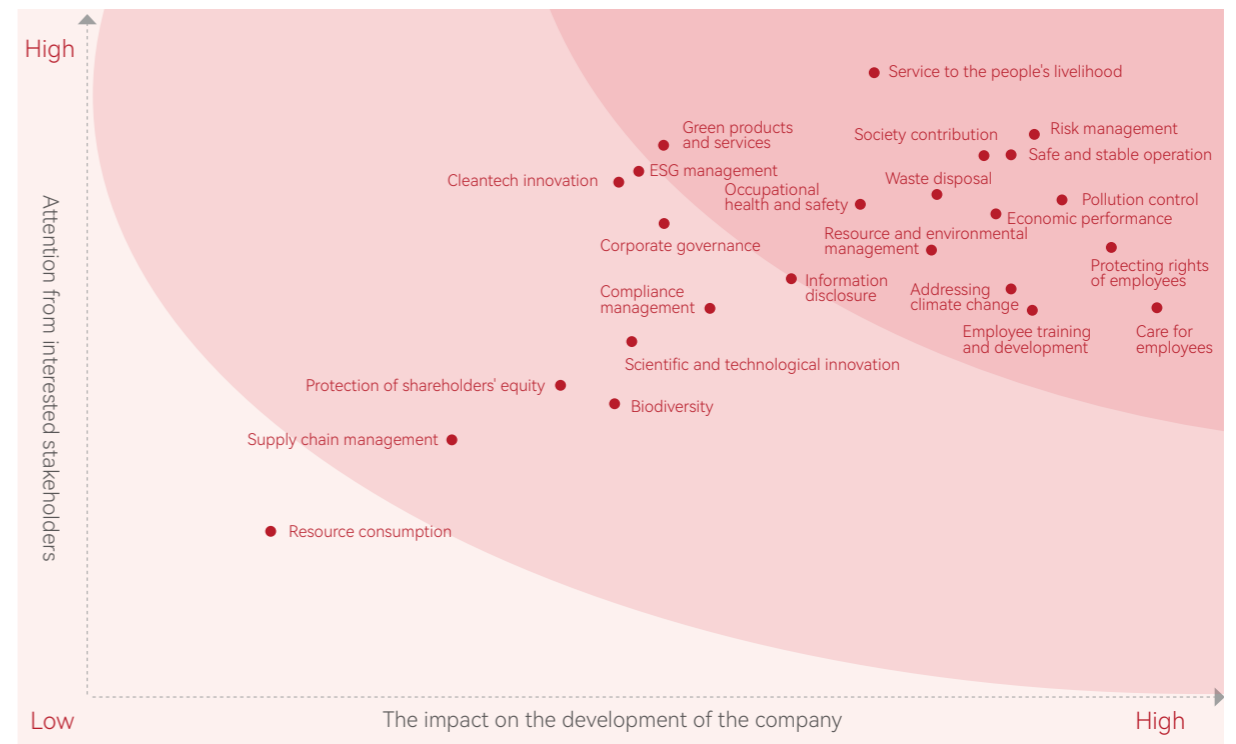
Survey on Substantive Issues in 2023 Environmental, Social and Governance Report

In January 2024, the Company officially launched a survey of substantive issues in SDIC Power's 2023 Environmental, Social and Governance Report, and opened up an official account for the first time to conduct research, aiming at better understanding and responding to stakeholders' expectations and demands for SDIC Power's ESG work.



Case

The Company established the following substantial issue matrix as an important basis and guide for ESG information disclosure and management, after deliberation and approval by the ESG Committee and the Board of Directors and based on the impact of different topics on business development and the importance to stakeholders, and included the expert consultation and management feedback results.



Communication with Stakeholders

Stakeholders



Government



Shareholders



Business partners



Employees



Customers



Communities



Environment

Expectations and demands

- Responding to national strategies
- Operating in compliance with the law
- Safeguarding energy security
- Optimizing energy structure
- Driving local economic development

- Preserve or increase the value of assets
- Sustainable development
- Transparent information disclosure

- Business ethics
- Transparent procurement
- Mutual benefit and win-win

- Protecting basic rights and interests
- Compensation and benefits guarantee
- Employee career development
- Occupational health and safety
- Humanistic care for employees

- Integrity and high-quality services
- Secure and stable supply
- Work safety operation

- Promoting community development
- Participating in social welfare
- Driving community economy

- Addressing climate change
- Energy conservation and emission reduction
- Water resource management
- Pollution prevention
- Biodiversity conservation

Communication methods

- Serving the national strategies
- Strengthening compliance operation management
- Strategically plan and implement measures to secure energy supply
- Improving the proportion of installed capacity of clean energy
- Protecting the local ecological environment

- Enhancing corporate competitiveness and profitability
- Improving quality and efficiency, improving risk resistance capacity and compliance management level
- Timely conducting of information disclosure and investor communication

- Observing business ethics
- Open and transparent procurement
- Building cooperation platforms

- Improving union organization and electing employee supervisors
- Medical insurance, enterprise annuity, etc.
- Conducting employee skills training
- Organizing safety training and regular medical examinations
- Helping employees with difficulties
- Protecting the rights and interests of female employees

- Conducting client satisfaction surveys
- Providing a reliable and stable energy supply
- Providing a reliable and stable energy supply
- Improving and implementing the HSE system

- Participating in community activities and local development
- Promoting local employment
- Making tax contributions
- Developing education support and poverty alleviation through consumption, promoting rural vitalization

- Greenhouse gas emission reduction
- Implementing clean production
- Comprehensive protection of water resources
- Strictly controlling pollutant emissions
- Overall planning, breeding and releasing, vegetation restoration

Response and performance

- The Company's installed capacity, accounting for 69.31% of the holding installed capacity and increasing by 0.77% over the previous year.
- The company has been praised by the National Energy Administration for four consecutive years.
- All rules and regulations, contracts and major decisions were legally reviewed.

- Net profit attributable to shareholders of the parent company (RMB **6,705** million)
- Preparing and disclosing **94** periodic reports and interim announcements
- The company was rated as Grade **A** Information Disclosure by the Shanghai Stock Exchange for 7 consecutive years.

- Person-time of participants in training on anti-corruption and integrity: **31,082** person-times
- Yalong Hydro and Huawei Digital Power Established a Joint Innovation Center
- **5,699** vendors reviewed

- Employee representatives participated in democratic management: **2,976** person-times
- Expenditure on employee training: RMB **22.85** million
- Coverage of safety training: **92,356** person-times
- Times of employee training: **276,707** person-times
- Average training hours of employees: **136.54** hours

- Successfully completed various tasks of energy supply guarantee
- Achieved "**zero accident and zero casualty**" throughout the year
- Completed a total of **68** unit maintenance plans

- Volunteer activities organized: **1,082** person-times
- Total tax payment: RMB **6.527** billion
- Investment in rural vitalization: RMB **21.95** million

- Completed a coal consumption for power supply of **296.9** g/kWh, down **1.9** g/kWh year on year
- The power consumption rate of the Company's thermal power plants was **5.15%**, down **3.95%** year on year.
- Breeding and releasing **3,081** million fishes

SDIC Power respects the demands of stakeholders, creates smooth information communication channels and optimizes communication methods based on the principles of integrity, interaction, equality and transparency. According to the standards and guidelines related to communication with stakeholders, SDIC Power strengthens the timeliness and pertinence of identifying stakeholders' demands.



01

Utilizing Nature for Green Development

SDIC Power actively responds to the "Dual Carbon" strategic goals and actively addresses global climate change. The Company continues to develop hydropower resources, vigorously develops new energy businesses, and meticulously optimizes thermal power assets to promote the low-carbon transformation of the power structure. It continuously optimizes the environmental protection management system, actively improves the efficiency of resource and energy utilization, emphasizes pollution emission management, and unswervingly practices the concept of ecological and environmental protection.



Deepening Environmental Protection Management

Clarifying environmental management objectives

SDIC Power has carried out a solid three-year action to improve the ecological environmental protection foundation. The Company issued an action plan for the crucial year of ecological environmental protection in 2023 to systematically promote the construction of an environmental management system.



Improving system mechanisms

Establishing specialized agencies

The Company has established a leading group for resource conservation and ecological environment protection and its subordinate institutions, clarified the meeting mechanism and work responsibilities, ensured the efficient operation of the environmental management system through systematic operation mechanisms and supervision and administrative measures, and effectively improved the management level of environmental protection, energy conservation and emission reduction.

Promoting standardization construction

The Company has advanced 5 thermal power holding investment enterprises and 3 hydropower holding investment enterprises to carry out the construction of their ecological environmental protection standardization systems. After publicity and application in actual production scenarios of their standardization systems in actual production scenarios, all five thermal power holding investment enterprises have achieved the basic level evaluation.

SDIC Qinzhou Met the Basic Standard Standardization of Ecological Environmental Protection

In January 2023, SDIC Qinzhou successfully passed the acceptance of ecological environmental protection standardization, becoming the first enterprise to meet the basic level standards.



Case

Strengthening hidden danger investigation

The Company has formulated the Administrative Measures for Risk Prevention and Control and Hidden Danger Investigation and Control of Ecological Environmental Protection to clarify the principles for determining risks and hidden dangers, established and updated risk and hidden danger classification prevention and control lists, and standardized hidden danger investigation and management records. The Company has regularly organized and carried out hidden danger investigation and management, and established a closed-loop management mechanism.

Enhancing environmental awareness

The Company has independently developed environmental protection guidance manuals that meet the characteristics of the industry and the needs of the Company and developed a series of courses on ecological environmental protection. The Company actively carried out activities such as World Environment Day, National Energy Conservation Publicity Week, National Low Carbon Day, and National Ecological Day to promote publicity and education.

Times of special environmental protection inspections throughout the year

17



Organized National Energy Conservation Publicity Week and National Low Carbon Day Activities

In order to thoroughly implement the concept of green development, the Company issued the Notice on Organizing 2023 National Energy Conservation Publicity Week and National Low Carbon Day Activities, organized its headquarters and holding investment enterprises to carry out a series of energy conservation publicity activities around the theme of "Work Together for Energy Conservation and Carbon Reduction", actively advocated green and low-carbon production and lifestyles, and created a new fashion for energy conservation.



▲ SDIC Guangxi New Energy organized all employees to study the SASAC's proposal of "Giving Priority to Conservation and Adhering to Green Development" and signed a commitment.



▲ SDIC Xinjiang New Energy held a theme publicity activity on "Building a Modern Society with Harmonious Coexistence between Human and Nature" and distributed promotional materials

Case

Taking Multiple Measures to Enhance Employees' Environmental Awareness

The Company has combined production and operation with environmental protection requirements and independently prepared the *Guidelines for Ecological Environment Protection Management of Power Generation Enterprises* to further enhance the environmental protection awareness of employees.

At the same time, the Company organized and developed a series of courses on ecological environmental protection, and invited internal experts and trainers to record 21 courses with a total duration of about 300 minutes, forming a closed-loop training management mode of learning-testing-supervision. By the end of 2023, the cumulative number of learners of this course exceeded 65,000.



▲ Ecological environmental protection courses



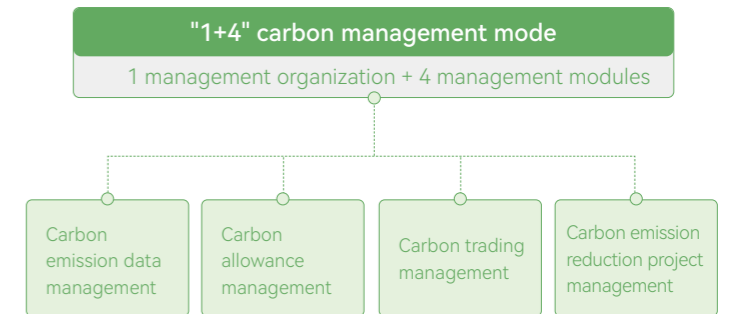
Guidelines for Ecological Environment Protection Management of Power Generation Enterprises

Case

Addressing climate change

Improving the management mechanism

SDIC Power has explored and formed a "1+4" carbon management mode, with supporting carbon emission administrative measures and management rules as the system support. The Company has set up a leading group for peak carbon dioxide emissions and carbon neutrality and corresponding institutions, established a promotion mechanism for the dual carbon goals, clarified job responsibilities, and scientifically and steadily promoted the work of peak carbon dioxide emissions.



Managing climate risks

	Climate change risks	Risk descriptions	Solutions
Identification of climate change risks	Policies and regulation risks	The government gradually introduces or adjusts policies and regulations related to carbon emissions, carbon trading, new energy subsidies, and other related issues	<ul style="list-style-type: none"> Follow the trend of policy and regulatory changes and adjust corporate strategies in a timely manner Improve the professionalism and forward-looking of project prequalification Strengthen technical research Improve measures related to energy conservation and emission reduction
	Acute climate incident risk	Affected by extreme weather events, resulting in equipment damage and reduced production capacity	<ul style="list-style-type: none"> Take effective natural disaster management measures Improve equipment resilience Strengthen early warning mechanisms and disaster response capabilities Enhance spare parts and materials storage and deployment Improve emergency response capabilities
	Market risks	Changes in energy demand and fluctuations in energy prices	<ul style="list-style-type: none"> Actively promote the development of clean energy Implement energy conservation and carbon reduction transformation, flexibly assist in peak regulation Improve efficiency through lean management Strengthen power marketing Reduce coal consumption of thermal power units
	Technical risks	Limitations of technical application scenarios, etc.	<ul style="list-style-type: none"> Strengthen the reserve and allocation of spare parts and materials Improve the ability to respond to emergencies

Climate change opportunities	Description
Clean energy development opportunity	The "Dual Carbon" strategy has been established at the national level, and there is a large space for investment and development of clean energy such as solar energy, wind energy and hydropower
New energy storage opportunity	The rapid growth of new energy installed capacity brings about the problem of electricity consumption, and the demand for peak load and frequency regulation is becoming increasingly urgent
Improvements in energy efficiency opportunity	Advanced energy-saving technologies and management modes can be adopted to reduce energy consumption and costs and improve competitiveness
New markets opportunity	China's green credit market and carbon market develop rapidly, and there is a broad prospect for participating in carbon emission trading and issuing green bonds

Identification of climate change opportunities

Managing carbon assets

Unified organization of data accounting

The Company has organized carbon emission data inventory and accounting works and carried out 2 special inspections on data quality improvement to ensure that the quality of carbon emission data is credible and controllable.

Ensuring the completion of performance clearance

The Company has conducted an in-depth analysis of key emission enterprises, followed the principle of "one policy for one enterprise", and studied performance plans. All key emission enterprises successfully completed performance settlement in October, 2023.

Actively participating in carbon market trading

The Company has scientifically formulated trading strategies, deeply participated in market trading, and made scientific planning for surplus quotas, with the annual carbon quota income increased by more than RMB 100 million.

- Carried out **2** special inspections on data quality improvement
- Annual carbon quota income increased by more than RMB **100** million

Innovating Working Mode and Carbon Trading Strategy

The Company innovated the working mode and trading strategy, studied and formulated a price framework based on the average monthly listing price, minimized relatively long-term price fluctuations, and effectively improved the price level of block tradings. SDIC Beijing scientifically planned its surplus quotas and sold more than two million tons through block tradings and listings.

Higher than the annual average market transaction price

14.5 %

Increased as compared with direct sales after quota issuance

RMB **45** million

Case

Continuing to improve the trading capacity of the carbon market

The Company organized three key emission enterprises to participate in the first national carbon market simulation trading competition and achieve good results. At the same time, the Company organized "online + offline" training on carbon market policies, trading status, accounting methods, quota allocation, as well as enterprise performance and trading strategies, and strengthened the construction of the talent team.



"online + offline" training

SDIC Guangxi Wind Power Completed the First Green Certificate Trading

On July 13, 2023, SDIC Guangxi Wind Power completed the trading with a green electricity certificate (hereinafter referred to as "green certificate") in the Guangzhou Power Exchange Center, becoming the first new energy power enterprise in Guangxi trading on the platform of Guangzhou Power Exchange Center.



Case

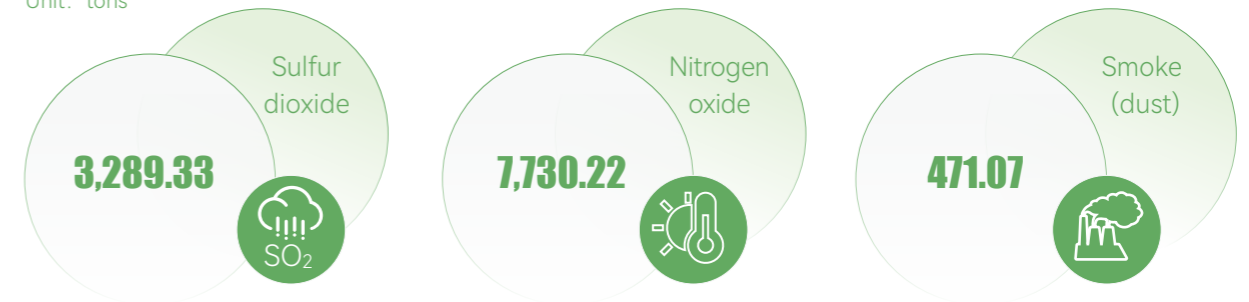
Reducing pollutant emission

SDIC Power strictly prevented and controlled air and water pollution, made efforts to manage waste discharge, strictly implemented the *Interim Measures for the Administration of Emergency Response Plans for Environmental Emergencies*, and formulated emergency prevention measures to cope with air pollution, water pollution and solid waste pollution, resolutely fought the battle against pollution, minimized or avoided environmental pollution and protected the ecological environment.

Managing waste gas discharge

The Company strictly abided by the *Law of the People's Republic of China on Air Pollution Prevention and Control* and other laws and regulations, reduced air pollution, and carried out work in accordance with the *Guidelines for Environmental Compliance of Coal-fired Thermal Power Enterprises* and the requirements of pollutant discharge permits, implemented ultra-low emission and emission right management, and carried out in-depth supervision, management and treatment of air pollutants.

2023 emissions
Unit: tons



SDIC Beijing Responded to Heavy Pollution Weather

In 2023, SDIC Beijing responded to the needs of local ecological and environmental authorities to negotiate emission reduction in heavy pollution weather promptly. It implemented early warning measures five times to implement deep emission reduction based on up-to-standard emissions. Within 27 days, the total average emission concentration of three air pollutants such as sulfur dioxide, nitrogen oxide and smoke dust was always been kept at less than 41 mg/m³. Compared with ultra-low emission standards, the cumulative emission reduction of air pollutants was nearly 320 tons.

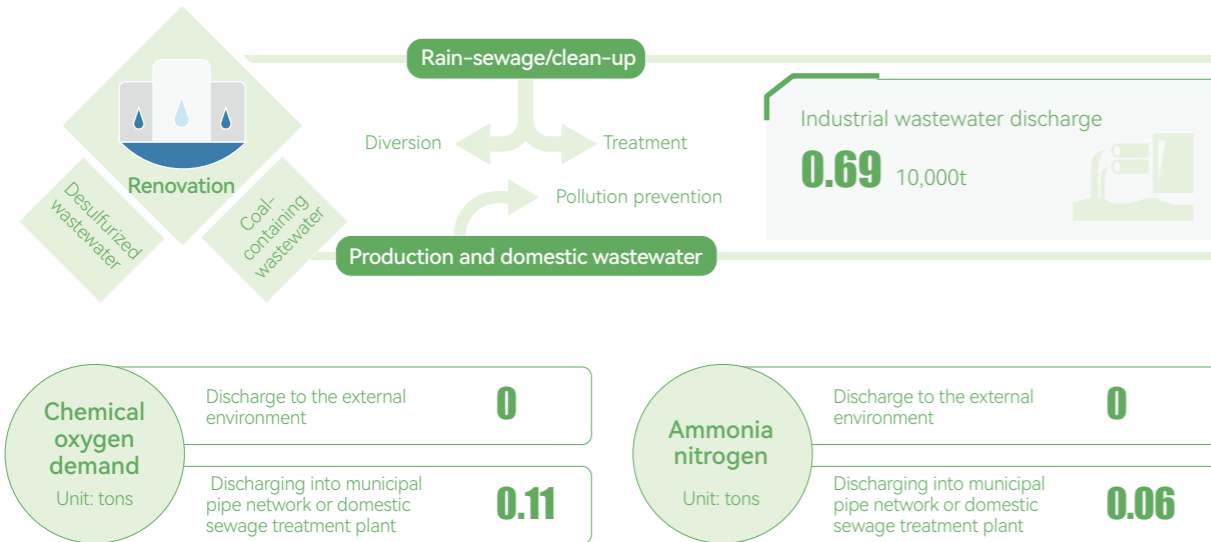
Case



▲ SDIC Beijing

Reducing wastewater discharge

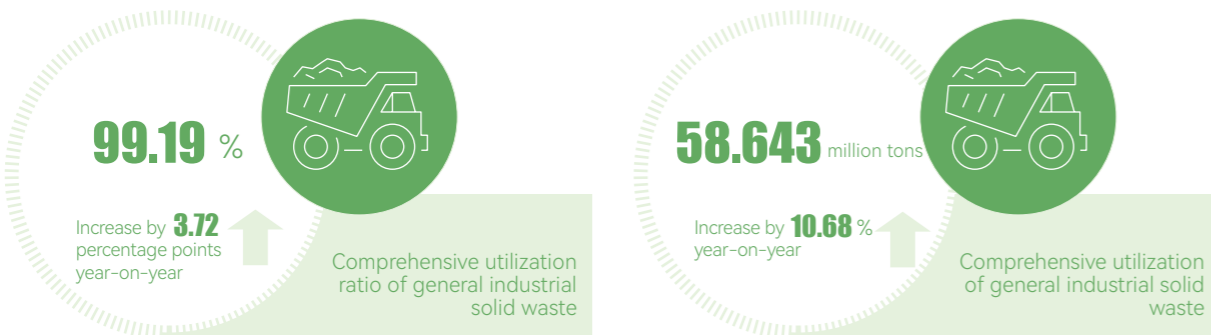
The Company strictly controlled the discharge of industrial wastewater in accordance with the Law of the People's Republic of China on Prevention and Control of Water Pollution and Standards at all levels. The Company continued to promote holding investment enterprises to carry out the transformation of desulfurisation wastewater and coal-containing wastewater in holding investment enterprises, fully implemented rainwater-sewage diversion and clean water-sewage diversion, strengthened the prevention and control of production and domestic wastewater pollution, standardized sewage and wastewater treatment measures, further improved the recycling rate of wastewater, and ensured up-to-standard and reduced discharge.



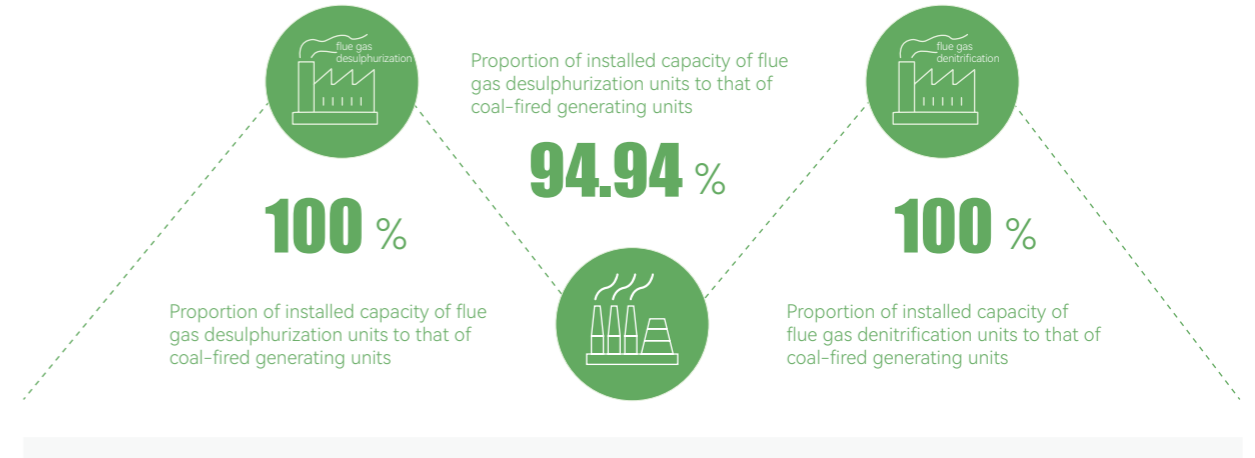
Controlling waste discharge

The Company strictly abides by laws and regulations such as the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, ensuring the compliant storage, transportation, and disposal of general industrial solid wastes and hazardous wastes.

The Company has continued to promote the comprehensive utilization of solid waste, adjusted measures to local conditions and implemented policies comprehensively, explored breakthroughs in the technical bottleneck of comprehensive utilization of solid waste, accelerated the promotion and application of advanced technologies, and accumulated experience in the comprehensive recycling of solid waste in the power industry.



The Company continued to consolidate the results of the "Three-Year Action Plan for Special Rectification of Hazardous Wastes". It organized and implemented the special rectification plan for hazardous wastes, improved the whole-process control measures for hazardous wastes from generation to disposal, and established hazardous waste identification and standardized hazardous waste accounts for each holding investment enterprise. It tracked key links such as hazardous waste transportation and disposal, ensured that newly built and renovated hazardous waste warehouses met regulations, and completed the construction of hazardous waste storage facilities for new energy projects. The overall level of hazardous waste management in the Company has been significantly improved, reducing the impact of solid waste generated from power generation on the environment from the source.



Comprehensive Utilization Ratio of General Industrial Solid Waste in SDIC Panjiang Hit a Record High

Facing the inherent characteristic of low-quality of ash and slag mixed with low calorific value coal, SDIC Panjiang actively cooperated with scientific research institutes to carry out research and development of comprehensive utilization technology of ash and slag, conduct in-depth research on the added value of fly ash, and develop comprehensive utilization value. With unremitting efforts, the comprehensive utilization ratio of general industrial solid waste in SDIC Panjiang reached 96.79% in 2023, reaching a record high over the years.



Case

Utilizing resources efficiently

SDIC Power made full use of resources, practiced the principle of circular economy, strengthened energy efficiency improvement management, and formulated systems such as *Administrative Measures on Supervision of Resource Conservation* and *Provisions on the Supervision and Inspection of Resource Conservation and Ecological Environmental Protection* to regulate the rational use of resources and energy and continuously improve the utilization rate of resources.

Strengthening water resources management

The Company attaches great importance to water resources management, explores the use of advanced water-saving technology to reduce freshwater consumption and continuously improve the utilization ratio of water resources.

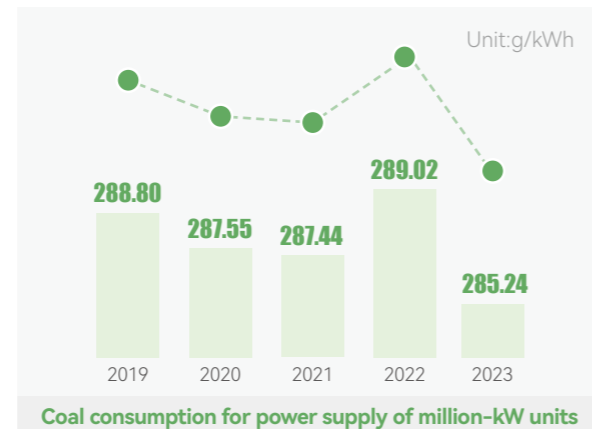
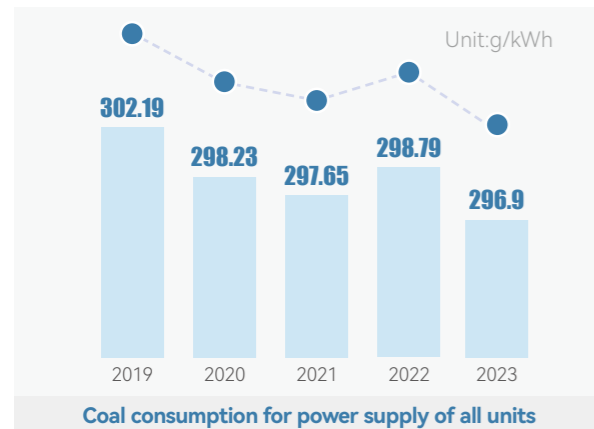
It defines the research and approval authority of the leading group for resource conservation and ecological environment protection of the Company on major issues concerning resource conservation including water conservation.

It implements combined dispatching of cascade reservoirs, continuously monitors the water regime and level, and promotes maximization of hydroenergy utilization.

Strengthening energy consumption management

The Company has organized million-kW units to conduct in-depth benchmarking with advanced enterprises in the industry regarding equipment selection, coal blending and burning, operation optimization and technical transformation and efficiency improvement, leanly analyzed the causes of deviation in energy consumption indicators, and further explored the potential of energy conservation and consumption reduction from key links such as increasing load rate, improving boiler efficiency, reducing auxiliary power rate, cold end optimization and improving heat supply economy.

In 2023, the Company achieved an unit coal consumption for power supply of 296.9 g/kWh, down 1.9 g/kWh year on year. The power consumption rate of the Company's thermal power plants was 5.15%, down 3.95% year on year.



SDIC Qinzhou Optimized Dispatching to Reduce Coal Consumption for Power Supply

SDIC Qinzhou has formulated the 2023 Work Plan for Improving Quality and Efficiency of Production Lean Management to fully explore the Company's energy conservation potential through operation, fuel management improvement, equipment governance, technical transformation and other aspects, improve energy utilization efficiency, pay close attention to the improvement of energy efficiency management, and strengthen the management of key indicators such as coal consumption.

Case

Protecting the natural ecology

SDIC Power strictly implements the requirements of laws and regulations such as the Environmental Protection Law of the People's Republic of China and the Regulation on the Administration of Environmental Protection of Construction Projects to protect biodiversity and biological habitats. Differentiated measures were taken at different stages of the Project to minimize adverse ecological impacts, maintain ecological balance and promote the benign development of the ecological environment.

Vegetation restoration

The Company has protected forest and grass resources to the maximum extent, formulated vegetation restoration plans, made full use of suitable space to scientifically arrange greening land, and promoted vegetation restoration in key areas.

Yangfanggou Hydropower Station Passed Water Conservation and Environmental Protection Acceptance

Yangfanggou Hydropower Station is the first million-kW-level hydropower station built in EPC mode in China. It has adopted various engineering measures for soil and water conservation and plant protection measures. In 2023, it was awarded the title of "Liangshan Prefecture Greening Model Advanced Unit" by the Liangshan Prefecture Greening Committee.

In September 2023, Yangfanggou Hydropower Station successfully passed the completion acceptance of environmental protection and soil and water conservation. The on-site environmental protection and soil and water conservation work was fully affirmed and highly appraised by competent authorities and industry experts.



Case

Ecological scheduling

In order to mitigate the adverse impacts of low-temperature water discharged from the reservoir on the ecology, the Lianghekou Hydropower Station and Jinping I Hydropower Station of the Company took water from different layers through stoplog. They adjusted the operational mode in real time according to changes in water level and depth and raised corresponding gates to obtain surface water with higher temperatures for power generation, thereby controlling the downstream water temperature and effectively improving the aquatic ecology environment downstream.



▲ Stratified Intake Structure Adopted by Lianghekou Hydropower Station

Breeding and releasing

The company adheres to the concept of sustainable development, takes the initiative to assume the responsibility of ecological restoration, and carries out long-term proliferation and release activities to help the balance of the water ecosystem.

SDIC Xiaosanxia Continued to Carry out Lanzhou Catfish Breeding and Releasing Work

In 2023, the SDIC Xiaosanxia continued to carry out Lanzhou catfish breeding and releasing work. In July, the Company carried out fish breeding and releasing in 2023 at the natural river reaches downstream and upstream of Wujinxia Hydropower Station on the Yellow River, with a total of 40,000 Lanzhou catfishes released, effectively protecting the ecological balance of the waters.



Releasing of Lanzhou catfish
a total of **40,000**



Case

Yalong Hydro Participated in the "Joint Action for Fish Breeding and Releasing of Hydropower Industry on World Environment Day 2023"

On June 5, 2023, Yalong Hydro participated in the "Joint Action for Fish Breeding and Releasing of Hydropower Industry on World Environment Day 2023" sponsored by China Renewable Energy Engineering Institute and China Society for Hydropower Engineering. Four fish breeding and releasing stations in the Yalong River Basin participated in this joint action, releasing approximately 910,000 fries, including *Schizothorax brachybarbus* and *Schizothorax microlepis*.



Total amount of breeding and releasing in 2023
a total of **3,041,000**



Case

Protecting birds

The Company is committed to ecological protection and actively implements bird monitoring projects to ensure that the impact of its operations on the surrounding ecological environment is minimized. The Company strives to maintain biodiversity and promote the harmonious coexistence of humankind and nature through scientific methods and continuous observation.

SDIC Guangxi Wind Power's Longmen Wind Farm Carried out Bird Monitoring

Guangxi is located on the East Asian-Australasian migration route, and a large number of migratory birds pass through it every year. SDIC Guangxi Wind Power's Longmen Wind Farm carried out regular monitoring of bird species and composition, migration, habitat status, rare and endangered birds and their activity rules. The monitoring results in spring 2023 showed that the activities of breeding birds were more frequent in the monitored area, and the diversity of birds was higher than that in autumn 2022.



Case



Making Steady Progress and Pursuing High-Quality Operation

The Company has improved its lean management system and supporting mechanisms, improved and perfected the system and mechanism of science and technology innovation; continuously strengthened network security barriers; promoted digital construction, advanced professional management of new energy, and continuously improved management efficiency; integrated ESG concepts into supply chain management, to achieve higher quality and more sustainable development.



Insisting on lean management

Reliable energy supply

SDIC Power has promoted energy supply guarantee, work safety and business development in a coordinated manner, and has taken multiple measures to implement the requirements of energy and power supply guarantee.

Yalong Hydro Completed Power Supply Guarantee for the Universiade

Yalong Hydro planned in advance and carefully arranged, taking into account the overall situation and making extraordinary efforts to formulate a special plan for power supply guarantee, continued to do a good job in water storage and energy storage in the basin, optimized the use of various power supply resources, and successfully completed the power supply guarantee tasks for peak summer and Chengdu 31st FISU World University Games.

Case

"Day and Night" of SDIC Dachaoshan Power Supply Guarantee

Facing the tight power supply and demand situation in Yunnan, SDIC Dachaoshan issued the *Notice on Practically Preventing and Responding to Low-temperature Rain and Snow Frost Disasters* to ensure the continuous stability of safety production.

Case

Strengthening system guarantee

The Company revised the standard documents on the reliability of power generation equipment, energy supply and unplanned outage reduction, and prepared 5 production standardization guidelines to improve the safety operation management level of the units.

Strengthening the responsibility of thermal coal supply guarantee

The Company actively sought support for coal resources and railway transport capacity. It refined the control of the thermal coal allocation and transportation process, fulfilled the coal plan, and achieved smooth connections between key links of thermal coal transportation, unloading, storage and use.

Huaxia Power Unloaded 300,000 Tons of Coal in Half a Month, Hitting a New High

On August 15, after half a month of hard work, Huaxia Power completed the receiving and unloading task of 300,000 tons of Indonesian coal in five voyages, hitting a new record.



Receiving and discharging Indonesian coal in half a month

300,000 tons



Case

Ensuring the stable operation of equipment

The Company strengthened the defect elimination, maintenance and operation of facilities and equipment, completed a total of 68 unit maintenance plans, and improved the operational reliability of units.

Cumulatively completed unit maintenance plan

68 set-times



Strengthening the operation and dispatching management

The Company implemented the optimization and adjustment of coal blending and burning to ensure stable and full-capacity operation of units during peak hours. The Company did a good job in the optimal dispatching of the basin and the management of equipment and facilities, ensured the stable operation of units, scientifically optimized the impoundment work of the Lianghekou Project, and ensured the coordination between impoundment and power generation in the basin.

Case Collection of Equipment Management was Released to Improve the Technical Level of Front-line Employees

The Production Management Department of the Company has compiled and published the Case Collection of Equipment Management to enhance the production technology management level of front-line employees, aiming to build an experience exchange platform and promote the application of theoretical knowledge into practice.



Case

Changjiang Water Resources Commission of the Ministry of Water Resources Sent a Letter to Thank for the Dispatching of Hydropower and Water Resources in the Yalong River

On December 13, 2023, Yalong Hydro received a letter of thanks from the Changjiang Water Resources Commission of the Ministry of Water Resources, expressing heartfelt gratitude for the scientific dispatching of Yalong River cascade reservoirs, fully ensuring water supply safety, shipping safety and energy security in the Yangtze River Basin, and helping to achieve an overall victory in flood and drought disaster prevention.



Case



▲ Maintenance of unit of Tongzilin hydropower Station

Strengthening infrastructure process management

The Company attaches great importance to infrastructure process management and continuously improves the level of infrastructure management. It effectively improves the skill level of engineering management personnel through various forms such as carrying out special work on engineering construction management level, holding infrastructure management symposiums, compiling management guidelines, recording training courses and distributing training materials.

In 2023

- Organized and carried out infrastructure inspection of **6** projects
- organized and carried out infrastructure self-inspection of **3** projects and acceptance of **2** projects

Unit 1 of SDIC Qinzhou Phase III Realized the Target of Commissioning within the Year

At 16:21 on December 31, 2023, Unit 1 of SDIC Qinzhou Phase III successfully completed 168 hours of full-load trial operation, realizing the target of commissioning within the year. During the trial operation, the unit's parameters remained stable and met the design technical specifications. The automatic input rate, protection input rate, and input rate of automatic devices and main instruments were all at 100%. The concentration of various emissions was superior to the national ultra-low emission standards, and the unit achieved green, energy-efficient, low-carbon operation.



Case

Symposium on New Energy Infrastructure Management

SDIC Power organized a symposium on new energy infrastructure management from June 7 to 8, 2023. The purpose of the symposium was to promote high-quality construction of the Company's new energy projects, ensure safe and orderly production, and improve the level of infrastructure management.

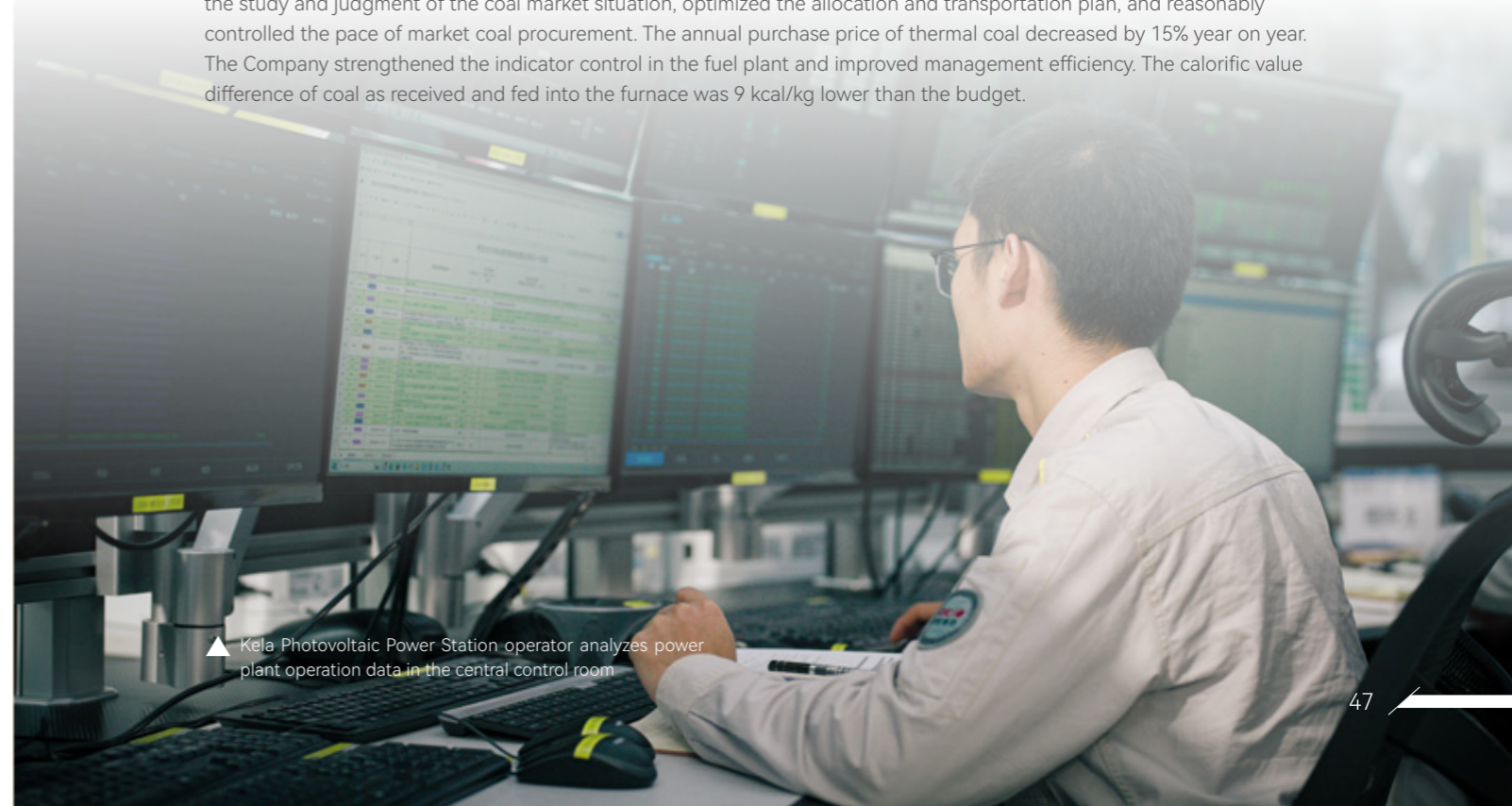


Case

Strengthening cost reduction and efficiency improvement

Strengthen marketing efficiency creation and increase income. The Company has actively studied and judged the market situation, paid close attention to power marketing, and optimized trading strategies. For the fourth consecutive year, the Company achieved an increase in both volume and price. The Company has thoroughly analyzed the regional power trading rules to optimize tariff returns. It organized the coordination and trading of carbon quotas, increasing income by more than RMB 100 million.

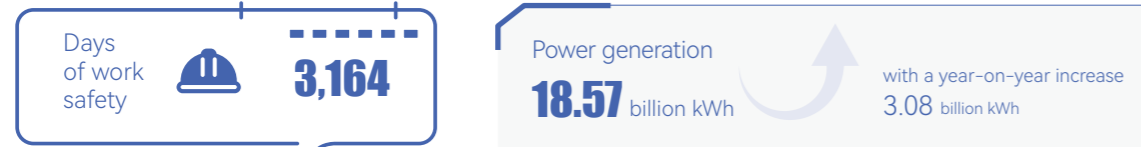
It strictly managed bidding and procurement to reduce costs. Various costs in the procurement process were strictly controlled. There were 157 major and above bidding projects throughout the year, with a saving ratio of 25.3%. The Company strengthened the study and judgment of the coal market situation, optimized the allocation and transportation plan, and reasonably controlled the pace of market coal procurement. The annual purchase price of thermal coal decreased by 15% year on year. The Company strengthened the indicator control in the fuel plant and improved management efficiency. The calorific value difference of coal as received and fed into the furnace was 9 kcal/kg lower than the budget.



▲ Kela Photovoltaic Power Station operator analyzes power plant operation data in the central control room

SDIC Beijing Turns Losses into Gains

Focusing on reducing losses, SDIC Beijing has identified and addressed weaknesses in electricity demand, cost control, energy conservation and consumption reduction, formulated special rectification plans and measures, and clarified responsibilities at all levels. In 2023, SDIC Beijing achieved work safety for 3,164 consecutive days and completed a power generation of 18.57 billion kWh, with a year-on-year increase of 3.08 billion kWh, hitting a record high since it was put into operation in 2009. Through loan replacement, financial expenses were saved, and various costs were reduced by more than RMB 100 million.



Case

Enhancing the driving force of innovation

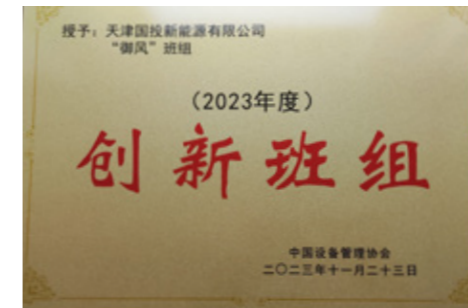
Building an innovation system

SDIC Power has formulated the Administrative Measures for Science and Technology Innovation to provide institutional support for science and technology management and enhance the core competitiveness of enterprises with scientific and technological progress.

The headquarters of the Company established a scientific and effective mechanism for selecting, cultivating and using technical talents in accordance with the Administrative Measures for Technical Expert Database to give full play to the leading role of technology and enhance the ability of science and technology. The headquarters of the Company formulated the Measures for Rewarding Scientific and Technological Innovation Achievements to implement science and technology achievement rewards and stimulate the innovation motivation of holding investment enterprises and employees.

Ninghe Wind Power Project of SDIC Tianjin New Energy Won Multiple Innovation Awards

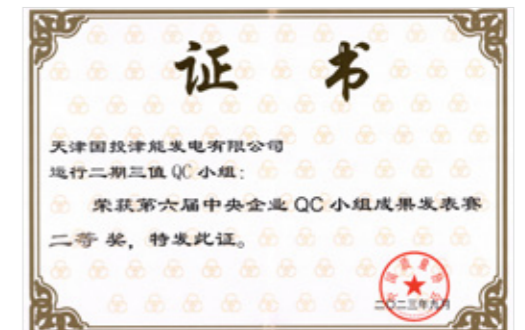
On November 23, at the 2023 The 8th China Equipment Management Conference, Yufeng Team of Ninghe Wind Power Project of SDIC Tianjin New Energy won the title of "Innovative Team in 2023" and Li Longlong won the title of "Equipment Technical Expert" in 2023.



Case

"Second Prize" in the 6th QC Group Achievements Publication Competition of Central Enterprises by Operation Three-shift QC Group of Operation Department of SDIC Beijing

From September 18 to 22, 2023, the three-shift QC group of SDIC Beijing Operation Department participated in the 6th Central Enterprise QC Group Achievements Publication Competition held by China Association for Quality. After the expert review of the Organizing Committee, the QC achievement of "increasing the flue gas temperature at the denitrification inlet of Unit #3" won the second prize in the Publication Competition.

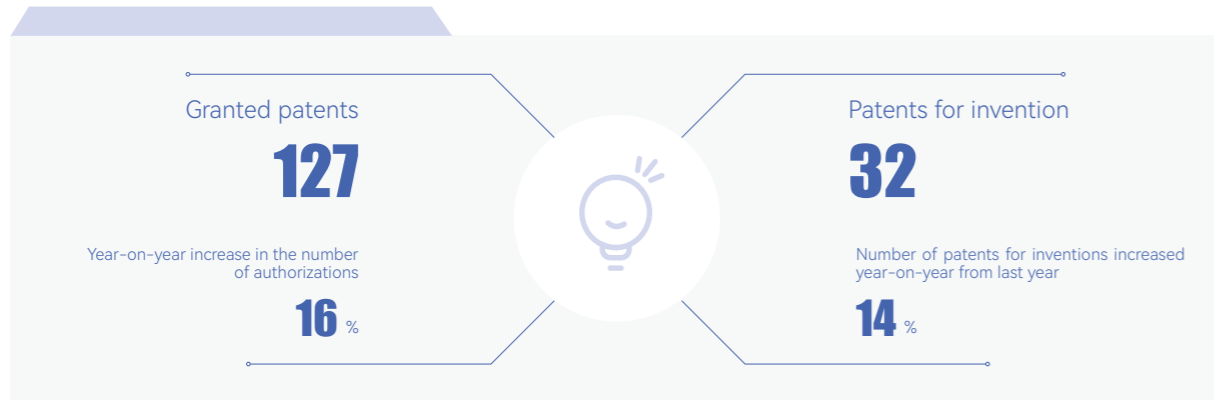


Case

Exploring scientific and technological innovation

SDIC Power resolutely implements the innovation-driven development strategy, gives full play to the main role of innovation in holding investment enterprises, actively promotes the establishment of science and technology projects, and solves the pain points and difficulties encountered in the production process of holding investment enterprises by innovative means.

The Company has actively built channels for holding investment enterprises to connect with universities and scientific research institutes, formed an industry-university-research-application cooperation system guided by SDIC Power, dominated by holding investment enterprises and supported by universities and scientific research institutions, continuously strengthened scientific and technological investment in production, and timely arranged cutting-edge technology research. Through cooperation with scientific research institutions such as Tsinghua University and Huawei Group, four projects of Yalong Hydro and SDIC Panjiang have been included in the List of Supporting Project Bank for Monitoring the Implementation of Science and Technology Innovation Planning in the Energy Field during the 14th Five-Year Plan Period issued by the National Energy Administration. The Company continues to make significant progress in technological innovation work.



▲ Worker Patrol Inspection of Yalong Hydro

Jinping Large Facilities Officially Put into Scientific Operation

The deep underground and ultra-low radiation background facility for frontier physics experiments (hereinafter referred to as "Jinping Large Facility") is an extremely deep underground laboratory with the deepest burial depth, largest space, lowest radiation background and best comprehensive support conditions in the world. It is the only national major scientific and technological infrastructure jointly built by schools and enterprises in China. In December 2023, Jinping large facilities were officially put into scientific operation, and the first 10 project teams from Tsinghua University, Shanghai Jiaotong University, China Institute of Atomic Energy and other institutes were officially settled in Jinping Underground Laboratory. On December 26, 2023, the Jinping Large Facility was listed by the People's Daily as one of the top nine "national key equipment" of the year.



▲ Particle and Astrophysical Xenon Detection Experiment PandaX-4T Experimental Set at Laboratory

Case

Yangfanggou Smart Construction Site of Yalong Hydro Won First-class Achievements in Smart Site Management of Electric Power Construction Projects

The Yangfanggou smart construction site used a smart construction site management system for 24-hour uninterrupted supervision to ensure high construction quality, good benefits, and significant impact on the EPC construction of the Yangfanggou hydropower station. The Construction and Application of the Yangfanggou Smart Construction Site was awarded the first prize for smart construction site management in electric power project construction at the Second Digital Economy Forum for China Electric Power Construction.



Case

Promoting technological transformation

SDIC Power has formulated the Administrative Measures for Technical Transformation to strengthen the Company's technical transformation management, promote the production management and technological progress of holding investment enterprises, improve the management level, and ensure the realization of the Company's safety, reliability, economy and environmental protection objectives.

SDIC Beijiing's 20% Load Deep Peak Shaving was Rated as a Demonstration Case of "Linkage of Three Reforms" Technical Transformation of China Electricity Council

SDIC Beijiing actively organized the study of policy plans, and conducted extensive research and technical breakthroughs, breaking through the technical bottlenecks such as the automatic switching of units between dry and wet states, stable combustion under ultra-low loads, and denitrification during full load operation. The Company scientifically formulated key technical routes such as the layout of graded economizers, zonal ammonia injection renovations, micro-oil ignition upgrades, and control system optimization. It successfully implemented the flexibility renovation of three units, creating a new 600,000 kW peak shaving space, which matched a total of 3 million kW of new energy installed capacity. The unit can automatically adjust the peak to 20% under the whole-process AGC input mode.

New peak regulation space

600,000 kW

Installed capacity of new energy that can be matched

3,000,000 kW

Case

Heat Supply Renovation Project of Pure Condensing Unit with the Largest Capacity in China by SDIC Qin Zhou

SDIC Qin Zhou has successfully implemented a heat supply renovation project in Qin Zhou Port Industrial Park, which has eliminated backward coal-fired boilers and provided 24-hour uninterrupted high-quality steam with heating parameters of 4.0MPa, 460°C and 1,010 t/h. This achievement is noteworthy as it is the first successful renovation of units above 600MW in China. After the heat supply renovation of the unit, the annual heat supply reached 7 million tons, reducing CO₂ emissions by about 713,200 tons, SO₂ emissions by about 2,448 tons and NO_x emissions by about 2,161 tons.



CO₂ emission reduction about **713,200** tons per year



SO₂ emission reduction about **2,448** tons per year



NO_x emission reduction about **2,161** tons per year

Case

Working together with partners for win-win results

Building a responsible supply chain

SDIC Power has strictly observed the Invitation and Submission of Bids Law of The People's Republic of China and other relevant laws and regulations, revised the Procurement Administrative Measures and Detailed Rules for the Implementation of Bidding Management within the year, and continuously improved the procurement management system. The Company uses the online e-procurement platform for procurement. By establishing a sound procurement process, the Company has realized multi-functional online integrated management such as supplier management, procurement plan management and procurement management to improve procurement efficiency, reduce procurement costs and increase procurement transparency.

Improving supplier management

The Company categorizes its suppliers into engineering, services, materials, fuel, and other categories, as outlined in the Company's Administrative Measures for Suppliers. The procurement agreement clarifies the environmental protection and safety requirements, and communication and cooperation with suppliers are strengthened to maintain a relationship of mutual trust and achieve win-win results.

Carrying out supplier evaluation

SDIC Power has constructed a unified supplier evaluation system, which incorporated factors such as environmental protection and safety, and strictly evaluated relevant indicators.

Advocating working with integrity

To prevent commercial bribery and unfair competition, the Company signed the *Integrity Agreement* with suppliers to protect legitimate rights and interests, promote legal compliance, integrity management and honest employment of staff from both parties and deepen mutually beneficial, clean and efficient cooperation between both parties.

Supplier management

Number of suppliers

5,254

Number of suppliers in Chinese Mainland

5,112

Number of suppliers from Hong Kong, Macao, Taiwan and foreign countries

142

2023

Number of suppliers reviewed

5,699

Number of suppliers suspended for noncompliance

178

Number of potential suppliers rejected for noncompliance with regulations

1,156

Number of suppliers with ISO 9000 Certification

308

Number of suppliers with ISO 14000 Certification

111

Number of suppliers with ISO45001 Certification

104

Responsible supply chain

Optimizing the Price Calculation Method to Reduce the Procurement Risk of Solar Power Modules

To effectively cope with the impact of solar power module price fluctuations on engineering construction and the risk of contract performance, the Company has established a price linkage mechanism based on the cost of silicon materials according to market fluctuations when purchasing solar power modules and signing contracts.

Case

Yalong Hydro Adopted EPC Mode to Improve the Economic Benefits of Power Station

To enhance the economic benefits of hydropower stations, Yalong Hydro has consistently pursued innovative management methods. The Yangfanggou hydropower station adopted an innovative EPC mode for bidding and construction management. This approach promoted the deep integration of design, procurement, and construction, resulting in the last unit generating power 12.5 months ahead of the contract period. As a result, the power station achieved maximum economic benefits. After the construction of the Yangfanggou Hydropower Station, the Cascade I Yagen Hydropower Station were also constructed and managed using EPC mode.

Case

Providing quality services

SDIC Power adheres strictly to the Law of the People's Republic of China on Protection of Consumer Rights and Interests, adheres to the principle of "customer-centered and market-oriented", and continuously improves customer service ability and professional quality.

- The Company maintains customer information and prevents credit risks by establishing customer files and a credit risk evaluation system.
- By establishing a customer service evaluation system and setting assessment indicators, it guides holding investment enterprises to continuously optimize customer services, constantly improve customer satisfaction, effectively protect the reasonable, legal and legitimate rights and interests of customers, and pursue long-term, stable and win-win cooperative relations with customers.



Precise policy implementation to create a "customized" service experience for users

- Improve the optimization effect of trading variety portfolio by means of trading guidance, dynamic adjustment and collaborative allocation for customers.
- Further straighten out the combination optimization process, and improve the rationality of users' pre-event, in-process and post-event power plan allocation.
- Apply the "one strategy for one customer" policy, take the opportunity to improve customers' trading satisfaction to timely carry out customer data analysis, power consumption strategy adjustment, electricity cost optimization and other customized products suitable for customers' own efficiency improvement.

Strengthening industry cooperation

SDIC Power adheres to open exchanges and cooperation, strengthens interaction and cooperation with industry partners, increases industrial chain coordination, and works together to promote industrial development and technological progress.

Signing a Cooperation Framework Agreement with PLN

On October 16, 2023, SDIC Power was invited to participate in the China-Indonesia Business Forum jointly hosted by the Ministry of Commerce of the People's Republic of China and the Indonesian Coordinating Minister for Maritime and Investment Affairs. At the forum, Zhu Jiwei signed a cooperation framework agreement with Darmawan Prasodjo, President of PLN. The two sides would cooperate in clean energy and cascade hydropower development to write a new chapter of cooperation and strive to contribute to the green energy development of the two countries.



Case

Strategic Cooperation Agreement Signed with Tan Kah Kee Innovation Laboratory

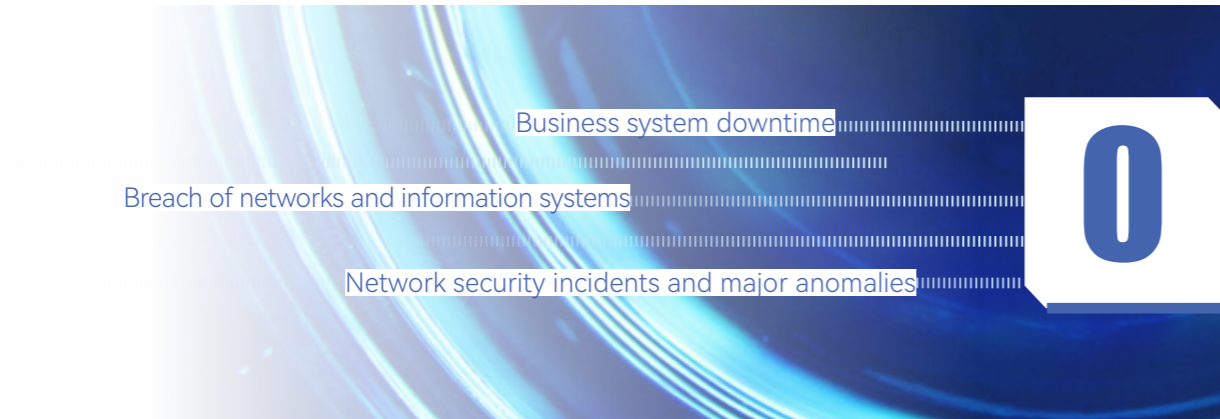
On March 31, 2023, SDIC Power and Tan Kah Kee Innovation Laboratory of Xiamen University signed a strategic cooperation agreement in Xiamen. The two sides focused on science and technology, achievement transformation, and cooperation in the construction of a new power system, comprehensive energy services, and digital upgrading of the energy industry. They also jointly planned to promote research on the development of the hydrogen energy industry.



Case

Consolidating network security

SDIC Power insists on paying equal attention to network security and informatization development, follows the policy of active utilization, scientific development, legal management and safety assurance, and establishes a network security and information management system. It promotes the digital transformation of enterprises, encourages innovation and application of network and information technology, and improves network security protection capability.



Improving the management system

To further improve the Company's overall network security and information management level, SDIC Power has established a network security and information management system.

Level-1 documents

Level-I documents are programmatic documents that provide general guidelines and security policies for network security and informatization management. The documents explain the objectives, scope, security framework, and security responsibilities of the Company's informatization work. They include the *General Guidelines for Network Security and Informatization Work*, *Specification for Document Management of Network Security Management System*, and *Administrative Measures for Network Security and Informatization*.

Level-2 documentation

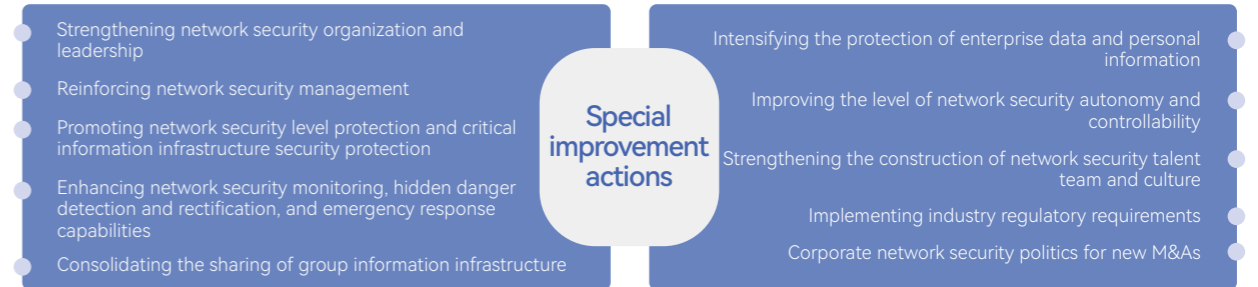
Network security management systems, which refer to various network security management norms in network security management activities, including *Server Security Management Specification*, *System Account Management Specification*, *Network and Security Equipment Management Specification*, etc.

Level-3 documentation

Operation process records and forms, which record the process and operations of various network security management activities.

Clarifying key actions

To promote the Company's network security management systematically, the Company has formulated the Annual Task Breakdown Table of the Three Year Action Plan for Enhancing Network Security Capabilities and developed ten special improvement actions, including nineteen sub-actions, to provide directional guidance for network security management work.



Strengthening training, promotion and implementation

The Company opened training courses on network security and information construction in 2023, and carried out the promotion and implementation on the construction of network security and information management systems, so as to enhance the awareness of network security and information construction among all employees.

The Company Held the 2023 Training Session on Network Security and Information Construction

On May 23-25, 2023, SDIC Power organized the 2023 Training Session on Network Security and Information Construction. Based on the characteristics of the energy industry, through various forms such as case study, technical explanations, on-site teaching and thematic discussions, the conference conducted in-depth analysis from the aspects such as network information work requirements, network security and emergency response, and digital transformation development trends.

Case



▲ The Company Held the special training on enhancing network security awareness

Promoting digital transformation

The Company has strengthened digital thinking, enhanced the digital skills and data management capabilities of employees, and promoted the digital transformation of business operations, work safety and other aspects comprehensively and systematically. The Company has also integrated its internal information system comprehensively, accelerated the business collaboration across the whole value chain, formed data-driven intelligent decision-making capabilities, and improved the overall operational and collaborative efficiency of the Company.

Empowering production

SDIC Power has taken digital transformation as its direction, actively practiced the path of high-quality development in the power industry, cultivated application scenarios for the integration of digitalization and power generation industries, and created an innovative ecosystem for digital transformation.

Kela Photovoltaic Power Station Phase I has been Built into a Globally Leading "Digital & Intelligent" Solar Power Project

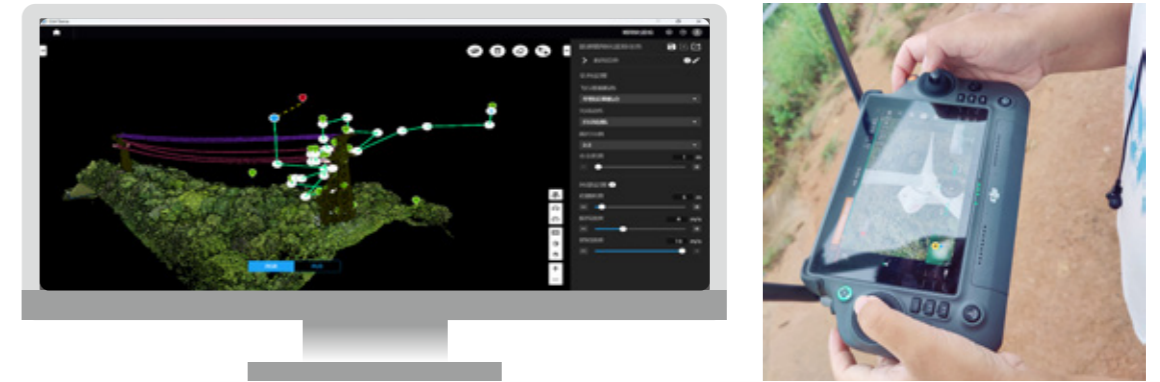
As the world's largest hydro-solar hybrid power station project, Kela Photovoltaic Power Phase I is located in high-altitude and cold regions. In order to improve the efficiency of power station construction and operation management, and to reduce the workload of operation and maintenance personnel, SDIC Yalong River has actively optimized the traditional construction, operation & maintenance mode, integrated artificial intelligence, cloud computing and big data technologies, and used a series of "black technologies" to add "heart, brain, eye and hand" to the power station, striving to create a globally leading "digital & intelligent" photovoltaic project.

<p>Using 300 kW inverters</p> <p>The power station selected products of top-notch manufacturers to conduct empirical research on 300 kW inverters in high-altitude areas, and provided high-altitude application scenarios for high-capacity string inverters. At the same time, relevant intelligent device interfaces have been reserved for inverters, which can be interconnected with intelligent inspection drones to achieve real-time collection and analysis of inspection data, improve the efficiency of solar power station operation and maintenance inspections, and reduce costs.</p>	<p>Employing 3D simulation intelligent management</p> <p>By building an intelligent operation and maintenance platform, we utilized big data and self-learning artificial intelligence systems for intelligent diagnosis and analysis of equipment faults, and creatively integrated station safety warning, equipment maintenance strategies, etc. to achieve closed-loop management of solar power stations through "monitoring, control and management".</p>	<p>Adopting the flat single-axis tracking bracket</p> <p>The flat single-axis tracking brackets were adopted for some photovoltaic panels in the power station, which can actively analyze and identify the optimal tracking angle for each day, increase power generation by about 10%, and improve the internal rate of return of the power station by about 1%.</p>	<p>Introducing the cloud-based logistics platform</p> <p>The transportation of solar power modules was coordinated and scheduled in real-time through the JD Cloud logistics platform, and personnel can be organized to unload them in a timely manner based on transportation conditions. Meanwhile, subsequent installation plans can also be arranged according to transportation conditions.</p>
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Case

SDIC Guangxi New Energy Adopted the UAVs for Intelligent Patrol for the First Time

SDIC Guangxi New Energy adopted the unmanned aerial vehicle (UAV) intelligent patrol system to scan and model equipment using laser radar technology. By setting up automatic precision, infrared and wire inspection route planning, it achieved precise inspection of tree obstacles, crossings, sag measurement, windage yaw, infrared imaging and visible light. UAV intelligent patrol system can cover a large area in a short period of time, reduce work intensity, greatly improve the safety of patrol work, and effectively ensure the personal safety of production personnel.



Case

Empowering business management

The Company has strengthened professional operations, promoted the construction of "small centralized" systems, and focused on information data system and business management system simultaneously, built digital systems suitable for business needs, and facilitated the construction of regional management and control platform for "remote centralized control and on-site maintenance" of new energy.

Exploring Treasury Construction

The Company actively explored the construction of the treasury system and gradually promoted the implementation of the IFS + financial sharing + treasury model by using the IFS system.

Case

Standardization of New Energy ERP System

In December 2023, SDIC Power completed the construction bidding and procurement of a new energy ERP system on the basis of completing the preparation and issuance of standardized specifications for a new energy ERP system in the early stage and incorporated 11 new energy holding investment enterprises. At present, the Company has completed the demand research of all participating new energy enterprises and simultaneously carried out system construction in the test environment.

Case



03

Putting Compliance into Practice for Essential Safety

SDIC Power coordinated safety and development, promoted the improvement of the HSE management system, strengthened safety risk grading control and hidden danger investigation and management, and solidly carried out special rectification actions for work safety. It made every effort to ensure personnel safety, effectively controlled occupational health and safety risks related to production and operation, created a good safety culture.



Improving the work safety management system

SDIC Power has established HSE management systems and standards, including System Guidelines, Management Manual, Management Standards and Evaluation Manual, providing unified, standardized and practical criteria for shareholding investment enterprises, covering all aspects of work safety management in power generation enterprises.



Promoting the improvement of the HSE management system

The Company has established a system to enhance incentive mechanisms and to effectively stimulate its internal motivation; the Company reviewed 14 shareholding investment enterprises, incorporated issues into the closed-loop rectification of the HSE system, and further improved the level of safety performance.

Deepening the work safety responsibility system

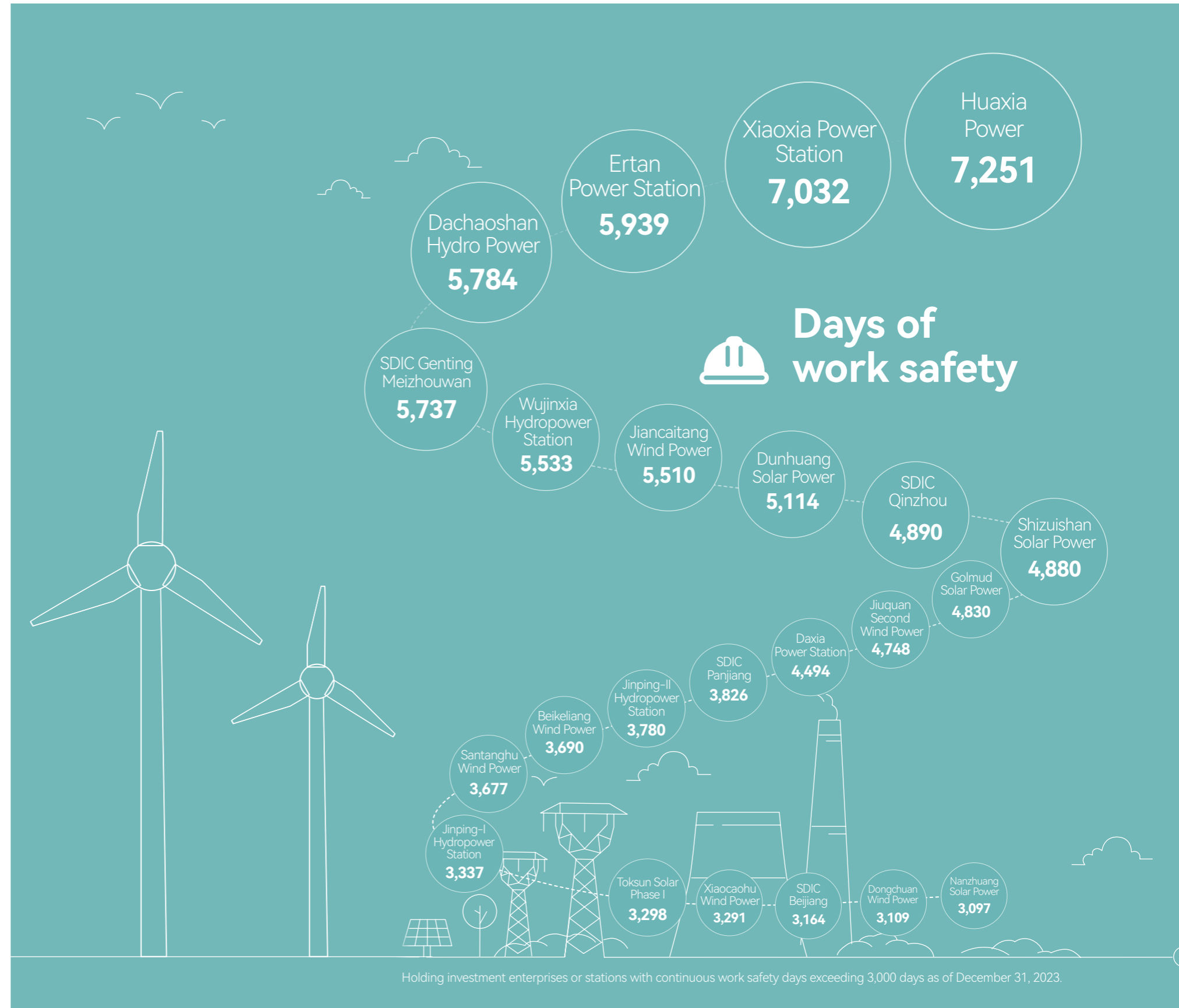
We have established a sound list of work safety responsibility system and developed an operational mechanism for a unified leadership, hierarchical management and cascade responsibility system for work safety, achieving full chain connectivity in terms of the management of work safety responsibility system.

Standardizing safety management of infrastructure projects

The Company has conducted a systematic diagnosis of the construction projects of five new energy holding investment enterprises. Based on the characteristics of new energy construction projects, the Company has prepared the Guidelines for Standardized Safety Management of New Energy Construction Projects as the "safety dictionary" for project management personnel.

Establishing a regular production safety learning mechanism

The Company has regularly communicated and learned from various accidents and incidents reported by the Energy Bureau in the Safety Committee. Based on the actual situation of the Company, we learned from the lessons of accidents, drew inferences from other cases, conducted comparative investigations and rectifications, and actively used information technology means. Through the safety education and learning platform, we timely shared various accidents and incidents that occurred in the industry and conveyed the latest safety management requirements of the industry.



The Company Held a Special Training Course on "2023 SDIC Power HSE Management System Improvement"

To enhance the awareness and understanding of the HSE management system promotion personnel of various holding investment enterprises, master the key points of system promotion as well as the skills and methods of internal audit of the system, exchange work experience, expand work thinking, and improve work ability, from March 22nd to 25th, 2023, SDIC Power held two sessions of "Special Training Course on SDIC Power HSE Management System Improvement in 2023".



Case

Huaxia Power has Maintained Work Safety for over 7,000 Days

As of 24:00 on April 24, 2023, Huaxia Power has maintained work safety for 7,000 days, setting a new record for long-term work safety. In August 2023, Huaxia Power was granted two awards by the SDIC, namely the Performance Excellence Award for Work Safety and the Special Award for Work Safety of SDIC.



Case

Risk Control and Hidden Danger Identification

Consolidating safety risk control

Emergency management

We have established a "dual emergency response mechanism for production and public affairs", further improved the emergency plan system, and innovatively developed the Brief Operation Manual for Emergency Plans, which includes 1 comprehensive emergency plan, 11 special emergency plans and 1 concise operation manual, providing work guidance for the correct, rapid and efficient response to various types of emergencies.

Potential risk identification

The completion rate of the 2023 action task for special investigation and rectification of major accident hazards in electric power work safety reached 100%; The 38 tasks of special action to improve the safety of hydropower station dam were efficiently completed; the centralized management of hazardous chemical safety risks was advanced continually, Qinzhou Power Plant has completed urea transformation, eliminating one major hazard source of liquid ammonia; We conscientiously organized and carried out flood and drought prevention work, and there were no accidents or incidents caused by inadequate implementation of disaster prevention work throughout the year.



1,330

various safety emergency plans

503.27 million RMB

The total investment in work safety



57

holding investment enterprises with standardized work safety

The Company Carried out "Double-Blind" Safety Emergency Drills

SDIC Power adopted an approach of "no greetings, no scripts", focused on key work safety links, organized holding investment enterprises to conduct emergency "double blind" drills in common industry emergency scenarios such as transformer fires, leakage of hazardous chemicals, and external power outages, to test the holding investment enterprises' emergency plans and response mechanisms, and to improve their emergency response capabilities.

Case

Carrying out work safety inspections

All levels of units in the Company have conducted a total of 8,930 safety inspections throughout the year, including 35 inspections organized by the Company, 2 inspections led by company leaders for "four no's and two straight's", and 245 inspections led by "leaders" of various holding investment enterprises, further strengthening safety management supervision and guidance.



A total of **8,930** safety inspections were conducted throughout the year

Strengthening the safety culture

SDIC Power has attached great importance to the construction of safety awareness and culture among employees of the Company and its holding investment enterprises. We actively organized comprehensive and systematic safety training for personnel at all levels and types, promoted safety culture through various channels and activities, effectively enhanced employees' safety prevention capabilities, and safeguarded the occupational health of employees.



New Emergency Plan was Released, Promotion and Training were Organized



▲ Various meeting venues

On November 24, SDIC Power released a new version of Emergency Response Plan (hereinafter referred to as the Plan) and organized a promotion and training meeting. The new emergency plan established a "dual emergency response mechanism for production and public affairs", further refined emergency procedures and responsibilities, increased emergency response points for overseas project emergencies, and improved various emergency response measures. The Brief Operation Manual for Emergency Plans presented key information in charts, improving the pertinence and operability of emergency response.

Case



▲ SDIC Guangxi New Energy printed and distributed a brochure on work safety



▲ SDIC Jiangsu New Energy organized an emergency drill

SDIC Hebei New Energy Organized and Carried out the Work Safety Skills Competition

On October 24, 2023, SDIC Hebei New Energy held a work safety skills competition to actively create a work ethic of labor glory and continuous improvement, and stimulate employees to learn technology, practice skills and seek innovation. The competition knowledge covered topics such as *Professional Knowledge of Solar Power Stations* and *Exam on Operation Guidebook*. Through the fierce competition, it ultimately produced one first prize, two second prizes and three third prizes.

Case

SDIC Dachao Shan Won Multiple Awards for Units and Individuals in the "2023 Online Competition on Electric Power Work Safety Management Knowledge and Emergency Response Capability"

In September 2023, the China Energy Research Society held an online competition on power work safety management knowledge and emergency response capability, attracting more than 12,000 industry personnel from 916 power enterprises across the country.

SDIC Dachao Shan selected capable personnel from multiple departments to participate in the competition, actively organized contestants to learn knowledge and practice, and finally successfully advanced and achieved good results in the final. In this competition, one person won the collective second prize and individual first prize, four people won the individual third prize, and one person won the individual outstanding award.

Case

SDIC Guangxi New Energy was Awarded the "2022 National Demonstration Enterprise for Safety Culture Construction"

SDIC Guangxi New Energy continued to carry out the "Five In's" activities of safety culture in teams, positions, contractors, all employees and environmental protection, and solidly built a systematic safety culture system based on concepts, systems, education, behavior, environment and integrity.

In May 2023, it was awarded the "2022 National Demonstration Enterprise for Safety Culture Construction" and became the first new energy enterprise under the SDIC Power to be awarded the "National Demonstration Enterprise for Safety Culture Construction".



Case

Occupational health and safety

The Company implemented the decisions and deployment of superior units, adhered to the people-centered development philosophy and the occupational disease prevention and control work policy of "prevention first, control combined", established a sound occupational health system and continuously improved the work level. We have established and improved occupational disease prevention and control mechanisms, strengthened management responsibilities, and continuously expanded the number of full-time and part-time personnel to ensure that all aspects of occupational health work have been basically implemented.

Safeguarding the safety of employees

Strengthening the management of "three simultaneities" in construction projects

The Company should conduct pre-evaluation of occupational hazards in the early stage of project construction, design occupational disease prevention facilities before construction, and synchronize the construction of such facilities during the project construction phase. Before completion and acceptance, the Company should evaluate the effectiveness of occupational hazard control. During completion and acceptance, the Company should carry out the completion and acceptance evaluation of occupational disease prevention facilities. Only after passing the acceptance by the health administrative department can they be put into formal production and use.

Carrying out physical examination for occupational diseases regularly

Production line employees should undergo regular occupational health check every year and establish health records. Employees must undergo occupational health check before going on duty, during their tenure and before leaving.



Providing effective protective equipment

The holding investment enterprises have established a system for the distribution of personal protective equipment, a ledger for the distribution of labor protection equipment, and provided necessary labor protection equipment according to the number of personnel in each position. The Company has provided personal protective equipment such as dust masks, gas masks, earplugs, earmuffs, acid and alkali resistant gloves, acid and alkali resistant shoes, chemical protective clothing, positive pressure air respirators, etc. for personal use of operators.

Carrying out identification and monitoring of hazardous factors

Holding investment enterprises have carried out the identification of occupational hazards, improved emergency response measures for occupational hazard accidents, conducted emergency drills for occupational hazard accidents, and enhanced emergency response capabilities. They regularly commissioned professional qualified occupational hazardous factor testing institutions to sample and monitor the occupational hazardous factors involved in production equipment.

Strengthening awareness of occupational disease prevention

We have set up occupational disease and hazard warning signs on the production site to publicize the occupational hazards present in the operating activities, and equipped the site with qualified emergency rescue facilities. We organized training and education regularly, popularized knowledge of occupational disease prevention and control, and enhanced the awareness of occupational disease prevention and control among all employees. We utilized the Occupational Disease Prevention and Control Week and Safety Month activities to carry out publicity and training on occupational disease prevention and control for all employees.

SDIC Shaanxi New Energy Organized and Carried out the Rescuer Training

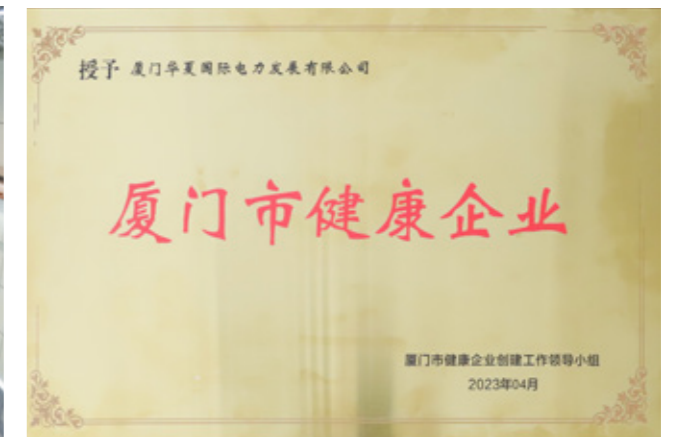
To further enhance employees' awareness of self rescue and mutual assistance, and improve their ability to prevent and handle accidents, the Company invited training teachers from Shaanxi Boai Red Cross Emergency Rescue Service Center to conduct rescue worker training in the Xi'an office from May 24th to 25th.



Case



▲ Yalong Hydro Guandi Hydropower Plant was Awarded the Provincial-level "Healthy Enterprise"



▲ Huaxia Power was awarded the title of "Xiamen Healthy Enterprise"

Safeguarding the safety of contractors

The Company has strengthened the safety management of contractors, strictly put in place the *Regulations for the Management of Safety Credit Evaluation of Construction Projects and Outsourced Project Contractors*, established a "negative list" of contractors and clarified the "forbidden areas" in terms of safety management, and improved the standardization level of contractors' safety management.



04

Putting People First and Making a Greater Success

SDIC Power adheres to the people-oriented principle, solidly promotes the project of strengthening enterprises with talents, deepens the reform of the talent development system and mechanism, facilitates the synergy between talent work and company reform, protects the legitimate rights and interests of employees, pays attention to their physical and mental health, and provides intellectual support and talent guarantee for the high-quality development of the Company.



Offering equal opportunities

In strict accordance with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other laws and regulations, SDIC Power adheres to the employees according to law, and signs labor contracts with employees based on the principles of equality, voluntariness, consensus and two-way selection. It firmly opposes forced labor, hiring child labor and other behaviors, implements non-discriminatory employment policies based on gender, ethnicity, religion and other actions, and promises to eradicate all forms of employment discrimination.

SDIC Power is committed to promoting fair employment and adhering to the principles of fairness, impartiality, openness, two-way selection and merit-based recruitment. The Company has formulated the *Administrative Measures for Employee Recruitment*, provided various employment opportunities for the whole society, and widely attracted employees who met the Company's development needs and identified with the Company's cultural concepts. The Company also adheres to a compliant recruitment procedure with normalized processes and consistent standards.

The total number of employees

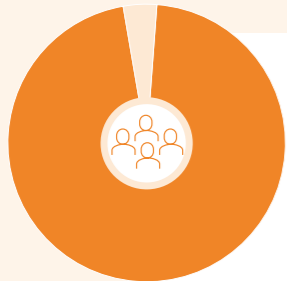
10,280



New employment in 2023

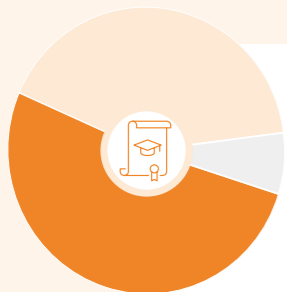
1,705

Regional distribution of employees



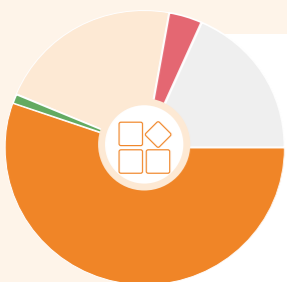
- Number of employees from the Chinese Mainland **95.87 %**
- Number of employees from Hong Kong, Macao, Taiwan, and foreign countries **4.13 %**

Education level of employees



- Postgraduate and above **7.08 %**
- Bachelor's degree **51.63 %**
- Below Bachelor's degree **41.29 %**

Composition of employees' profession



- Production **55.54 %**
- Technicians **21.36 %**
- Administration **18.26 %**
- Finance **3.83 %**
- Sales **1.01 %**

Safeguarding the rights and interests of employees

SDIC Power guarantees the basic rights and interests of employees, provides competitive salary and benefits, enriches their benefits, safeguards their vacation rights, listens to their voices, and maintains harmonious labor relations.

Guaranteeing welfare and benefits

The Company has implemented the principle of equal pay for equal work, continuously improved the Administrative Measures of Employee Remuneration and related systems, adjusted the incentive mechanism, and reasonably stimulated the internal vitality of talents. The Company has paid five social insurances and one housing fund for employees on time, and established an enterprise annuity system; strictly implemented the national working hour system and paid leave system, and safeguarded the rights and interests of employees on leave; provided social security, and paid supplementary medical insurance, comprehensive medical insurance for employees.

Ensuring working hours and rest & vacation

In accordance with relevant national laws and regulations, the Company has provided employees with annual leave, sick leave, marriage leave, funeral leave, nursing leave, maternity leave, paternity leave, etc., fully safeguarding their legal leave rights.

Adhering to democratic management

The Company has continuously improved and perfected the congresses of workers and staff, formulated the Administrative Measures of Congress of Workers and Staff, Proposal Work System for the Workers' Congress etc., and guarantee employees' right to information, participation, expression and supervision in participating in corporate management. Various communication methods such as employee symposiums, leadership mailboxes and regular interviews were adopted to actively listen to employees' suggestions and opinions on the Company's development and effectively solve employees' concerns.



Convening **64** events including workers' congress

2,976 employees participated in total

Improving the Management System of Supplementary Medical Insurance to Safeguard Employee Health

The Company organized the centralized procurement of supplementary medical insurance, further improved and optimized the management system of supplementary medical insurance for holding investment enterprises, and enhanced the level of employee reimbursement & claim services and supplementary medical insurance.

Case

Boosting employee development

Keeping career path unblocked

The Company has attached great importance to the construction of a talent echelon system. In accordance with the *Administrative Measures of Post Appointment*, the Headquarters has constructed a career promotion path for horizontal flow and vertical development in management sequence, professional sequence and consultant sequence.

The Company has improved its talent training mechanism, strengthened the training of outstanding young cadres, and built a high-quality and professional cadre talent team. The company has formulated the *Administrative Measures for Employee Communication* to promote the institutionalization and standardization of employee communication work. Through job rotation, job exchange and secondment, the Company flexibly adjusted the job positions of employees, thus comprehensively improving their ability to perform multiple positions.

Enriching employee training

In accordance with the *Administrative Measures for Training*, the Company strengthens top-level design and unified planning, and ensures diverse training through centralized off-the-job training, on-the-job learning, mentorship training, online training, overseas training and other approaches. We carry out precise thematic training at different levels and fields, provide targeted assistance to employees in updating their knowledge and expanding their abilities; we establish a comprehensive tracking and training mechanism, and implement personalized training for key trainees; we carry out progressive training, strengthen organizational dynamic tracking, and implement closed-loop management.



▲ Business English training program of headquarter

Various Holding Investment Enterprises Actively Carried out Employee Training Activities



SDIC Panjiang organized comprehensive quality improvement training for marketing management personnel in 2023



SDIC Hebei New Energy carried out training to enhance employees' professional competence and comprehensive capacity

In response to the rules and regulations, key issues and practical experience in various business fields, each subsidiary invited relevant professional talents and business backbones to provide training to employees through various forms such as special lectures and case study, to help employees comprehensively improve their business capabilities.

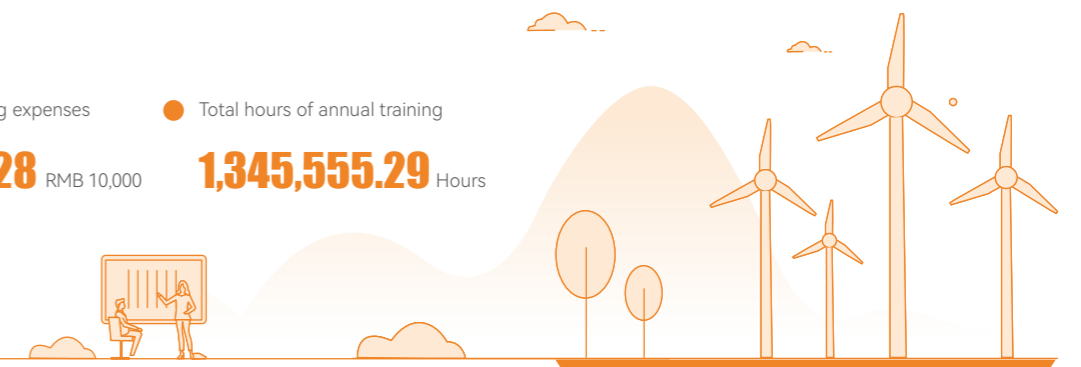
SDIC Hainan New Energy organized training to enhance the comprehensive management ability of middle-level and backbone employees



SDIC KingRock conducted its first Indonesian language training to enhance internationalization capabilities



Case



Cultivating professional talents

The Company has further optimized and facilitated the career development environment and channels for technical and skilled talents, and strengthened the construction of the Company's high-quality technical talent team. The Company has formulated the Administrative Measures for Technical Expert Database, carried out multi-level activities, fully mobilized the enthusiasm and creativity of professional and technical personnel of holding investment enterprises, encouraged in-depth thinking, exploration and innovation, combined with actual production situations to solve practical problems in the production and operation of holding investment enterprises, provided talent reserves and technical support for their further development, and offered a development platform for professional and technical talents.

Excellent Results Achieved in the National Vocational Skills Competition in the Power Industry

The Company has placed a high premium on the construction of marketing talent team, actively organized personnel training, testing and selection, and selected 9 employees to participate in the 14th National Vocational Skills Competition in Power Industry (Electricity Traders) in 2023. It was the first national level competition for the electricity trader profession. The Company selected participating teams to win the third prize of the team, with two players receiving individual second prize and individual third prize respectively. The Company won the Excellent Organization Award.



▲ Group photo of winners

Case

Yalong Hydro Launched a Labor Competition Titled "Facing Beautiful Yalong River, Striving for a New Journey"

Yalong Hydro carried out the themed labor competition of "Facing Beautiful Yalong River, Striving for a New Journey" in a deep-going way, fully mobilizing the enthusiasm, initiative and creativity of the majority of participants. Centered around the entire process of civil construction, wind turbine hoisting, tower assembly and equipment installation, the Company organized and carried out activities such as construction "opponent match", innovative and efficient technology breakthrough, skill training, advanced team evaluation and quality month to accelerate engineering construction. The lifting and transportation time of wind turbine equipment was shortened by 15%, and the construction of the transmission line was completed 28 days ahead of schedule. This created a strong labor competition atmosphere of "comparison, learning, catching up, helping and surpassing", laying a solid foundation for the timely production of projects and the creation of industry benchmark projects.



Case

Caring for the lives of employees

SDIC Power is committed to providing an all-around guarantee for employees and is concerned about the demands and lives of employees. The Company strives to provide good care for employees, actively organizes various cultural and sports activities, and strives to create a warm, united, sincere and mutual-assistant organizational atmosphere, so as to effectively enhance employees' happiness index and sense of belonging.

Care for employees in need

The Company strictly followed the Administrative Measures for the Income and Expenditure of Trade Union Funds and the Administrative Measures for Subsidies and Condolence Payments to Employees in Difficulty, and timely provided a series of consolations to employees for illness, marriage and childbirth, retirement, major holidays, birthdays, etc. The total amount invested in assisting disadvantaged employees throughout the year was RMB 233,400, with a total of 84 employees receiving the assistance.

Care for female employees

The Company has established a Women's Workers Committee to safeguard the rights and interests of female employees. The Headquarters organizes Women's Day activities every year and has established yoga and dance interest groups. Some holding investment enterprises have signed special collective contracts for the protection of rights and interests of female employees and established mommy and baby houses.

Enriching cultural and sports activities

The Company is actively concerned about the physical and mental health of employees, organizes a variety of cultural and sports activities, guides employees to face their work and life with a good mind and spirit of self-esteem, confidence, rationality, peace and positivity, and helps them to build harmonious, stable and positive labor relations.

the Women's Working Committee of SDIC Panjiang organized a team building and expansion activity for female employees

SDIC Hainan New Energy launched the "Flowers in Bloom and Elegant on Fingertips" flower arrangement activity to celebrate Women's Day on March 8th

SDIC Beijing held the "Making Dumplings on Winter Solstice" activity

SDIC Xiaosanxia held the 2023 Employee Table Tennis and Badminton Competition

SDIC Qinzhou launched the 7th "Qinzhou Electric Cup" Employee Gas Volleyball Competition

SDIC Dachaozhan held a summer parent-child activity called "Hands holding Hands, Fun for Kids"

Yalong Hydro organized the 6th "Yalong River Cup" Badminton Competition for Employees

SDIC Panjiang conducted a special training on employees' emotional stress and provided "one-on-one" psychological assistance services for employees in 2023



05

Doing Good Turns and Contributing to the Community

The Company has actively responded to the national rural vitalization strategy and carried out industrial investment, counterpart assistance and infrastructure construction to promote local economic development. The Company, actively participated in public welfare undertakings, and expanded new fields of voluntary services to make contributions to social construction. The Company has carried out rich activities to enhance cultural identity, created a harmonious neighborhood atmosphere, and worked together to build a beautiful community.



Contributing to rural vitalization

SDIC Power and its holding investment enterprises have adhered to the coordinated efforts through "blood transfusion" and "blood creation", and invested a total of RMB 21.95 million in rural vitalization funds, with a focus on supporting each holding investment enterprise's targeted assistance to the economic construction of villages and towns, effectively promoting the development of local characteristic industries and providing strong guarantees for rural vitalization.



SDIC Dachao Shan Explored Innovative Assistance Models for Traditional Chinese Medicine Planting Industry

In 2023, SDIC Dachao Shan tailored measures to local conditions and promoted the implementation of two industrial assistance projects, i.e., blueberry planting and traditional Chinese medicinal crops planting, in Lanping County, where assistance was provided. The projects helped linked village actively integrate into the "small berry + traditional Chinese medicine" industrial layout of Lanping County, explored the development model of "company + cooperative + village collective + farmers", and established a professional cooperative for traditional Chinese medicine planting farmers through the cooperation of wealth leaders, Guanping village collective and farmers. Measures such as price subsidies for planting training and establishing price protection mechanisms were taken to stimulate the enthusiasm of farmers, and "courtyard economy + traditional Chinese medicine" were carried out to promote income growth through agricultural cooperation.

Case

SDIC Yunnan New Energy Built the Benchmark Project of "Solar Power + Collective Economy + N"

SDIC Yunnan New Energy continued to strengthen its integration and co-construction with local governments, closely followed the "three goals" and "five key tasks" of the county. With the path of industrial alliances and the purpose of resource sharing, it built a platform for grassroots organizations to interact, integrate and coordinate development, and created a first-class "Solar Power + Collective Economy + N" benchmark that can be learned, referenced, replicated and promoted. It promoted the goal of strengthening, village-level collective economy, and increasing people's income and wealth, hence laying a solid foundation for consolidating and expanding the achievements of poverty alleviation and effectively connecting with rural vitalization.

Case

Chen Renjun from Yalong Hydro Won the Title of Excellent First Secretary of Sichuan Province

In July 2021, Chen Renjun was sent by Yalong Hydro to Yiyi Village, Kela Town, Yajiang County as the first secretary stationed in the village to promote assistance. Under the coordination and promotion of Chen Renjun, batches of assistance projects were carried out in depth. The 15-kilometer rural road in Yiyi Village was interconnected, and the household access roads for 64 households of farmers and herdsman were upgraded. At the same time, Chen Renjun took the initiative to connect with relevant departments of Yajiang County to promote the construction of the "3,000 mu grass seed base for yak cluster breeding". Through scientific grass planting and saving, a sustainable development path for the yak industry was created for farmers and herdsman to increase their income. Chen Renjun has devoted himself to the remote mountain village in Ganzi, Sichuan Province for two years. He "stationed" in the hearts of the people and "helped" them to live a better life. In August 2023, Chen Renjun was commended by the Sichuan Province as an "Excellent First Secretary of the Village".

Case



The cumulative amount of consumer assistance reached RMB

11.67 million

Consumer assistance

The Company actively carried out consumer assistance, and helped solve the external sales demand of agricultural and sideline products, economic crops and other products in designated counties and villages through cafeteria procurement, union procurement and other methods. In 2023, the cumulative amount of consumer assistance reached RMB 11.67 million.

Industrial assistance

SDIC Guizhou New Energy planned to develop and construct a new energy project of 1 million kW in Pingtang County, Qiannan Prefecture. As of the end of 2023, the 200,000 kW solar power projects in Leyang and Xintang in Pingtang County have been fully connected to the grid for power generation, helping a total of 904 rural residents in the surrounding areas to find employment and 294 people lifted out of poverty.

Organizational assistance

Three temporary cadres and first village secretaries were dispatched to designated counties and villages for assistance. Two holding investment enterprises, SDIC Gansu New Energy and SDIC Guizhou New Energy, jointly organized branch co-construction activities with Lianhuasi Village in Taibai Town, Heshui County, Gansu and Jingzhou Village in Pingzhou Town, Pingtang County, to contribute to the construction of beautiful and livable rural areas.



▲ The Hegedaqiao Bridge Constructed in the Lianghekou Reservoir Area

Participating social welfare actively

SDIC Power actively gives back to social welfare undertakings, the Company has formulated the Administrative Measures for External Donations and carried out external donations in an orderly manner. Meanwhile, the Company fully leverages the advantages of its holding investment enterprises, dedicates love, serves the masses and gives back to the community with practical actions, and solidly promotes various community volunteer services and emergency & disaster assistance work, thus solving the difficulties of people's livelihood and promoting the common prosperity and development of the Company and local communities.

2023



Total investment in public welfare donations

RMB **4,497,600**



Number of people benefiting from public welfare donations

36,000 persons



Volunteer activities organized

1,082 person-times



Total hours of volunteer services

1,974 hours

Donating to the Affected Areas of the "M6.2 Earthquake in Jishishan County on December 18"

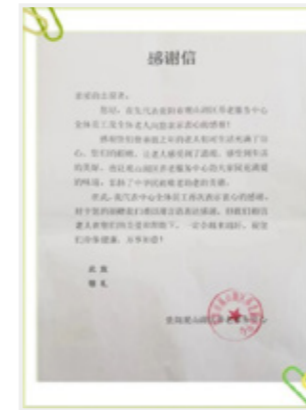
In December 2023, an earthquake with a magnitude of 6.2 occurred in Jishishan County, Linxia Hui Autonomous Prefecture, Gansu Province. The Headquarters of SDIC Power responded urgently and made quick decisions, taking the initiative to assume the social responsibility of central enterprises. The Company donated RMB 2 million to the "Gansu Charity Federation" and RMB 1 million to the "Red Cross Society of Minhe Hui and Tu Autonomous County" for emergency rescue in earthquake stricken areas, living security for disaster stricken people, and post-disaster reconstruction work.



Case

SDIC Guizhou New Energy launched a volunteer activity titled "Love for the Elderly and Respect for the Elderly on the Double Ninth Festival"

On October 23, a volunteer team composed of Youth League members from SDIC Guizhou New Energy came to the Guanshanhu District Elderly Care Service Center to jointly carry out a volunteer practice with the theme of "Love for the Elderly and Respect for the Elderly on the Double Ninth Festival". Volunteers chatted with the elderly people, organized birthday parties and visited those financially disadvantaged and unable to take care of themselves, provided them with daily necessities and caring greetings, and conveyed the Company's love for the elderly.



Case

SDIC Hebei New Energy Organized Environmental Protection Voluntary Activities

On March 4, 2023, SDIC Hebei New Energy organized an activity with the theme of "Hiking and Cleaning, Lei Feng Spirit is always with Me". Officials and workers thoroughly cleaned up the garbage such as plastic bottles, food packaging bags, waste paper and cigarette butts on both sides of the about 5-kilometer main mountaineering road in Bajiaotai Mountain, Zhangjiakou City.



Case



Huaxia Power Volunteers Help Residents With Repair Home Appliances

Giving non-profit education support

SDIC Power has always adhered to its original aspiration, actively fulfilled its corporate social responsibility, vigorously promoted the spirit of solidarity and mutual assistance, and contributed its own strength to the development of education. The Company has widely initiated and deeply carried out non-profit education activities, and taken practical actions to help the continuous progress of the country and society, demonstrating the Company's sense of responsibility and dedication.

SDIC Hainan New Energy Launched a Special Activity to Care for Children in the Wenchang Project Site

To implement the measures of caring for the healthy growth of children in the residential area, and transmit positive social energy, the Company has always adhered to the fundamental task of implementing moral education and cultivating good children with "four confidences" as the focus. SDIC Hainan New Energy organized and launched a special care activity called "Warmth on June 1st · Love for Education" to send holiday blessings to children in the old village where the Wenchang project was located, as well as items such as backpacks, markers, milk, bread, etc.



Supporting the Educational Development in Tibet

SDIC Power Headquarters launched the first public trust fund in Tibetan education assistance work, and implemented educational assistance in the plateau pastoral areas of Nagqu, Tibet. In 2023, "SDIC Public Welfare – SDIC Power Student Aid", "SDIC Public Welfare – SDIC Power Elite Award", "SDIC Public Welfare – SDIC Power Gardener Award" have been successively distributed in place, and the creation of new and unified public welfare brands has better demonstrated the brand image of SDIC.

Yalong Hydro Carried out Volunteer Service Activities on Children's Day

Yalong Hydro effectively cared about the study life and growth of children and juveniles. In 2023, it raised a total of nearly RMB 300,000, donated to over 3000 children and continuously contributed to the educational development in ethnic regions. On the occasion of Children's Day in 2023, all the holding investment enterprises in the river basin jointly carried out the "June 1" volunteer service activities. Volunteers gave children a small knowledge class on clean energy and wind power generation, meanwhile they provided children with school supplies and living supplies, and brought love and hope to children in mountainous areas.

SDIC Dachaoshan launched the "Celebration of Children's Day" through Xiaoya Joy Reading

SDIC Dachaoshan walked into Bangxu Primary School to carry out the Xiaoya Joy Reading and "Celebration of Children's Day" event. Volunteers conducted knowledge training on electric shock and trauma first aid, and sent 70 students the beautiful blessings of Children's Day, as well as books and notebooks.



Case

Facilitating community development

SDIC Power has always regarded improving people's livelihoods and giving back to the community as its responsibility. By conducting in-depth medical assistance projects, implementing precision education assistance, and providing diversified convenient services, the Company continuously contributes to the harmonious and healthy development of the community. The Company actively communicates with the community, understands the needs of community residents and solves their problems, so that residents can truly feel happy and satisfied, thereby further enhancing their sense of identity and belonging to the community.

Chuangguan Environmental Protection (Thailand) Co., Ltd. won the Excellent Green Environmental Management Award



SDIC Dachaoshan was Once Again Awarded the "A-level Tax Credit Rating" Enterprise



Chuangguan Environmental Protection (Thailand) Co., Ltd. Held an Environmental Public Welfare Activity of "Cultivating Love for the Environment through Artistic Creativity"

In order to actively practice corporate social responsibility, promote global green and low-carbon development, and jointly build a better home, Chuangguan Environmental Protection (Thailand) Co., Ltd. held an environmental public welfare activity with the theme of "Cultivating Love for the Environment through Artistic Creativity" in Sangan Kham Community, Reclamation County, Bangkok, to publicize the importance of waste management and waste recycling to surrounding communities.



Case



06

Adhering to Perseverance and Building a Solid Foundation

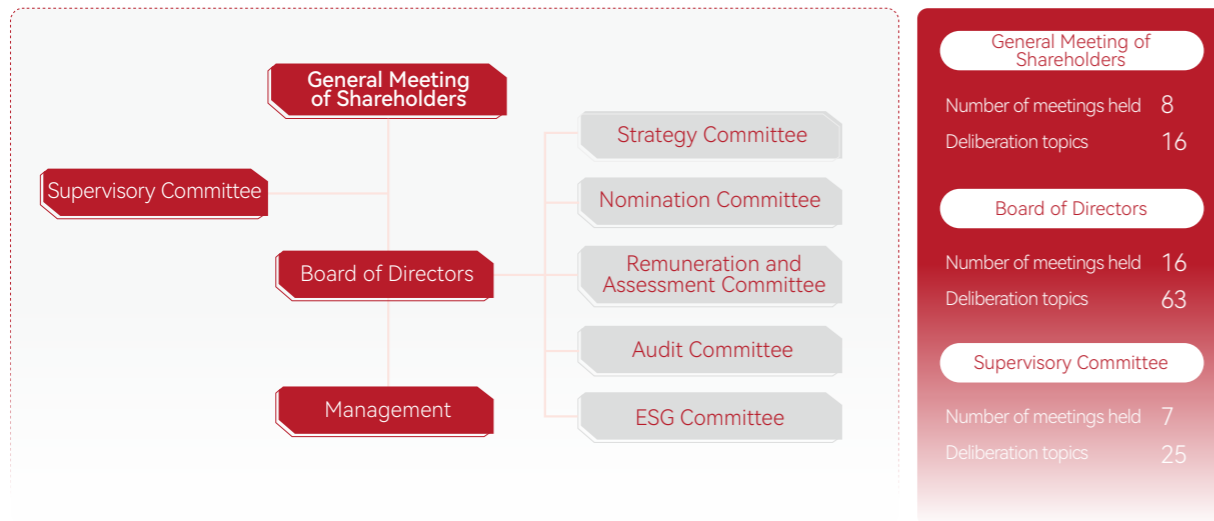
In strict accordance with laws and regulations as well as regulatory requirements for listed companies, through continuous improvement of its corporate governance structure, SDIC Power has established a modern organizational system and operational mechanism; it has strengthened compliance risk control, enhanced risk control and disposal capabilities; smoothed information collection channels and fully listened to investors' opinions.



Optimizing Corporate Governance

Clarifying governance structure

SDIC Power strictly abides by the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange* and other relevant laws and regulations. The Company has established the authorization system of the Board of Directors and formed a corporate governance structure with the General Meeting of Shareholders as the highest authority, the Board of Directors performing decisions, the Supervisory Committee playing a supervisory role, and the management performing daily operations and management, each performs its own duties, assumes its own responsibilities and coordinates the operations with effective checks and balances.



Improving the construction of the Board of Directors

The Company has established the Strategy, Nomination, Audit, Remuneration and Assessment Committees, as well as the Committee on Environment under the Board of Directors, Society and Governance. The Nomination, Audit, Remuneration and Assessment Committees of the Board of Directors of the Company implements an independent director convener system, strictly implements a separate communication mechanism between independent directors and external audit institutions, fully utilizes the professional expertise of independent directors to provide suggestions for the Company's development, continuously promotes the modernization of the corporate governance system and capacity, and boosts the high-quality development of the Company.

- Strategy Committee**: To research and provide recommendations on the Company's long-term development strategy and major investment decisions.
- Nomination Committee**: To provide recommendations on the selection of candidates, selection criteria and procedures for company directors and managers.
- Remuneration and Assessment Committee**: To develop performance evaluation criteria for company directors and senior executives, and conduct assessments; To prepare and review compensation policies and plans for the Company's directors and senior executives, and submit them to the Board of Directors and general meeting of shareholders for approval.
- Audit Committee**: To supervise the external audit of the Company, guide the internal audit work, promote the establishment of effective internal control, and provide true, accurate and complete financial reports.
- ESG Committee**: To research and provide suggestions on the Company's sustainable development strategy and ESG related matters.

Diversification of the Board of Directors

The Board of directors of the Company is composed of nine directors, and due to the adjustment of staff directors, there were eight directors in office as of December 31, 2023. To continuously enhance the diversification of the Board of Directors, the professional staffing of directors covers areas such as enterprise management, economics, financial management, audit, law, electricity, etc. In the context of diversification, the members of the Board of Directors complement each other in terms of their disciplines, form a synergy to give full play to the functions and roles of the Board of Directors, and effectively safeguard the interests of all shareholders.

Until December 31, 2023

1 female director

3 independent directors

5 non-independent directors

Remuneration management of the Board of Directors

The Board of Directors of the Company establishes a Remuneration and Assessment Committee to make suggestions to the Board of Directors on the formulation of remuneration plans and schemes for directors and senior executives, prepares the Administrative Measures for Remuneration of Directors and Supervisors and the Administrative Measures for Remuneration of Persons-in-Charge, standardizes the remuneration management of directors and supervisors of the Company, sets up effective incentive and constraint mechanisms, and promotes the sustainable and healthy development of the Company.

On-site Investigation by Directors

The company has established a sound mechanism for ensuring the performance of directors (including independent directors), and actively provided conditions for the performance of directors in terms of organization, personnel, resources, information, funds, etc., to ensure that directors fully perform their duties in accordance with the law.

From March to May 2023, the Company organized directors to conduct site survey in SDIC Genting Meizhouwan and SDIC Hainan New Energy. The directors conducted inspections on some of the Company's thermal power, wind power and solar power projects, gained a deep understanding of the Company's operating conditions, and had full communication and exchange with frontline production personnel, offering advice and suggestions for the development, construction and management of the Company's regional projects.



Case



▲ 2023 Meeting for Independent Directors of the Company

Feeding back to investors for their concern

Protecting the rights and interests of shareholders

SDIC Power always regards the protection of the rights and interests of all shareholders and stakeholders as an important part of its business management, and regards maximizing the interests of the Company and all shareholders as an important goal of its business operations. SDIC Power strictly complies with relevant laws, regulations and normative documents such as the *Company Law of the People's Republic of China*, the *Rules of Procedure of the General Meeting of Shareholders of Listed Companies*, and *Interim Measures for the Administration of Domestic Enterprises' Issuance of Securities and Listing Abroad*, as well as the provisions of the Company's *Articles of Association*, and formulates the *Rules of Procedure of the General Meeting of Shareholders* to ensure the legality of procedures and resolutions and improve the efficiency of the shareholders' meeting.

The Company shall convene a general meeting of shareholders in accordance with relevant laws and regulations to safeguard the legitimate rights and interests of shareholders, including the right to information, participation, inquiry and voting. The Board of Directors of the Company has effectively fulfilled its responsibilities, organized the general meeting of shareholders seriously and on time, and all directors of the Company have been diligent and responsible, ensuring the normal convening of the shareholders' meeting and exercising their powers in accordance with the law.



▲ 2022 General Meeting of Shareholders

Maintaining investor relations

SDIC Power has always adhered to the firm concept of "respecting, revering and protecting investors", revised the *Administrative Measures for Investor Relations*, formulated the *2023 Investor Relations Management Plan*, and carried out investment-related work in a planned and systematic manner.

Improving mechanism

The Company has established an investor relations working group, with the Secretary of the Board of Directors serving as the group leader. The members include heads of seven departments and key personnel. In 2023, a systematic investor relations working meeting was held for the first time to explain the main work and processes of investor relations to group members, and to facilitate information collection channels.

Discovering value

The Company regularly sorts out key issues that investors are concerned about, updates quarterly operating data on time, continuously improves database construction, and lays the foundation for high-quality investor communication.

Delivering value

The Company continues to strengthen investor communication through multiple channels, platforms and methods. Through the Company's official website, new media platforms, telephone, fax, email and other platforms, by means of general meeting of shareholders, investor briefings, roadshows, analyst meetings, visits and discussions, the Company fully listens to investor's opinions and effectively protects the legitimate rights and interests of investors, especially small and medium-sized investors.



Investors Visited SDIC Yunnan New Energy and SDIC Beijing

To strengthen communication with investors and showcase the Company's image, from October to November 2023, SDIC Power invited 26 investors and analysts to visit SDIC Yunnan New Energy Nanzhuang Solar Power and SDIC Beijing Thermal Power projects.



Case

The Company Regularly Holds Performance Briefings and Investor Exchange Meetings

After the regular disclosure of quarterly reports in 2023, the Company held performance briefings, attended by the Chairman, general manager, independent directors, financial manager, Secretary of the Board of Directors and important department heads. An offline investor exchange meeting was held after the annual and semiannual reports, receiving good response.



Case

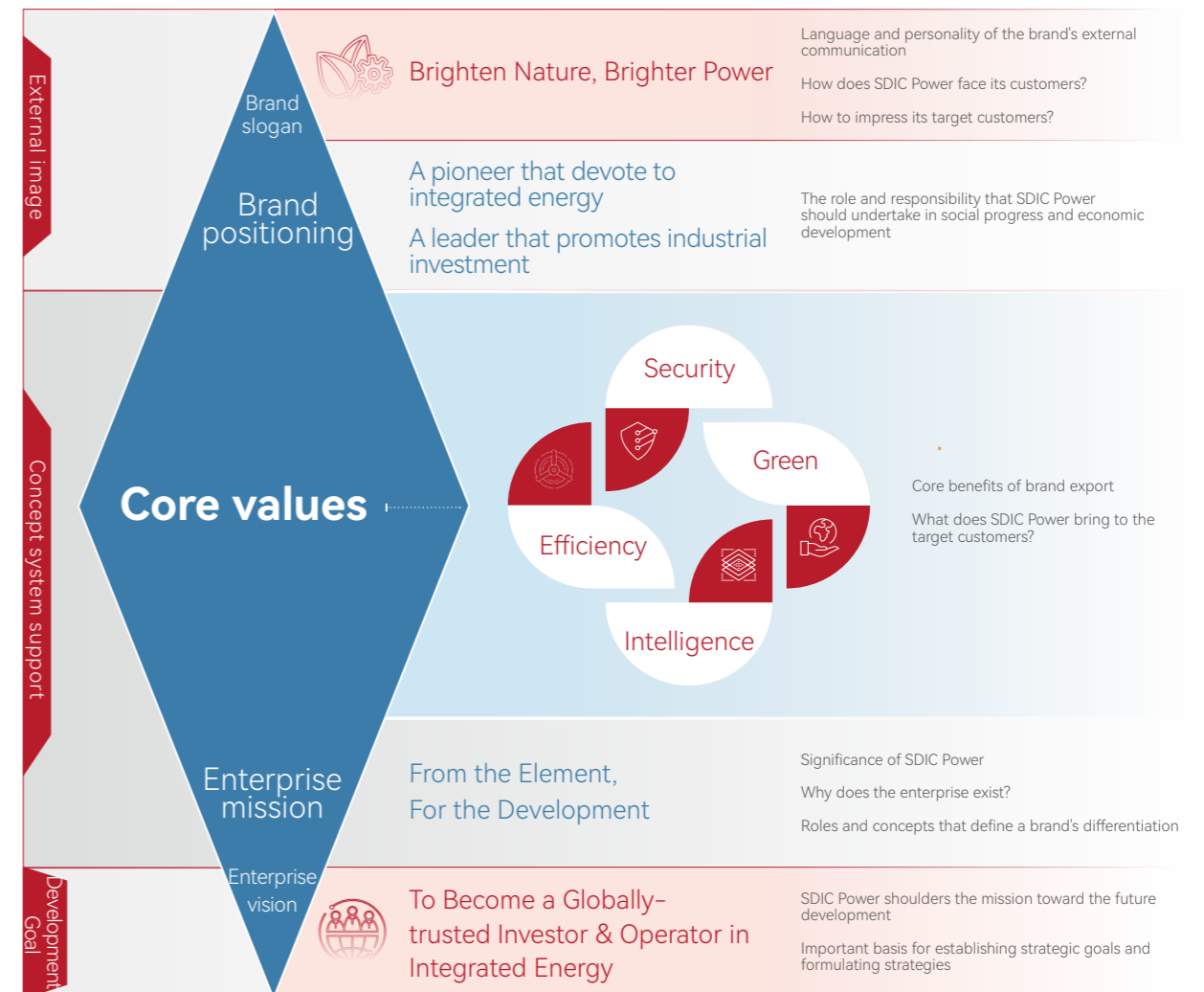
Disclosing information transparently

SDIC Power fulfills its information disclosure obligations in strict accordance with the Code of Corporate Governance for Listed Companies, Rules Governing the Listing of Stocks on Shanghai Stock Exchange and other relevant laws and regulations, and discloses information truthfully, accurately, completely and timely, which is concise, clear and easy to understand, without false records, misleading statements or significant omissions. The Company has disclosed information timely and fairly, and realized zero errors, zero supplements and zero inquiries. The Company has been awarded Class A evaluation of information disclosure by the Shanghai Stock Exchange for seven consecutive years.

Number of announcements disclosed	Number of announcements disclosed by Shanghai Stock Exchange	Number of announcements disclosed by London Stock Exchange
Number of Periodic reports 8	Number of Periodic reports 4	Number of Periodic reports 4
Number of interim announcements 86	Number of interim announcements 58	Number of interim announcements 28

Advancing the brand leadership actions

SDIC Power has closely integrated with the 14th Five-Year Plan, comprehensively launched the brand culture creation project, reshaped the brand culture concept that conforms to the characteristics of the era, established a brand culture image with its own advantages and development characteristics, and helped SDIC Power achieve high-quality and sustainable development. The launch of the new concept of brand culture by SDIC Power has established a solid foundation for the Company to build the "main framework and key pillars" with its own characteristics and brand culture integration. The new brand culture concept contains the main line of strategic development of the enterprise, further clarifies the future development direction of the enterprise and serves as a good boost for business development.



Strengthening Compliance Risk Control

Optimizing compliant operations

SDIC Power adheres to the principles of compliance and honest operation according to the law, making compliance operation the bottom line. It strictly implements the requirements of the Administrative Measures for the Compliance of Central Enterprises and other regulations, cultivates the compliance awareness of all employees, improves internal control, optimizes management mechanisms and business rules, and effectively enhances the ability to control and dispose of major risks.

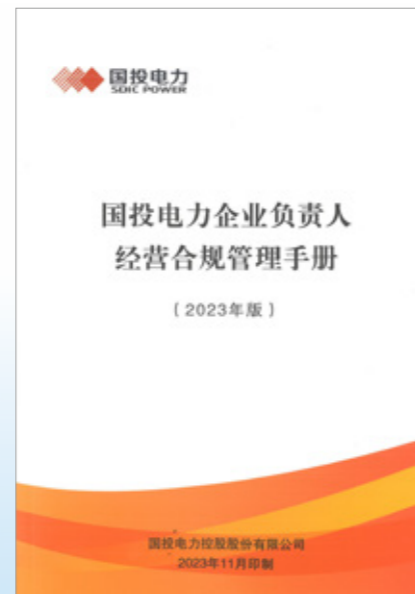
Building a compliance management system
Establish a compliance management system in an all-around way, lay the cornerstone of the compliance management system, and implement full staff compliance and whole process compliance.

Setting up the management structure
Six key enterprises have set up chief compliance officers to clarify their compliance management responsibilities and improve the organizational structure of compliance management. They fully carry out compliance reviews in the sector, which are held by the department head to prevent and control compliance risks from the source of functional exercise.

Improving the review mechanism
The Company established and improved its compliance review mechanism, embedded the compliance review as a mandatory procedure in the operation and management process and implemented a one-vote veto system for the existence of serious violations.

Carrying out compliance evaluation
The Company regularly evaluated the effectiveness of compliance management and strengthened the compliance assessments of its holding investment enterprises.

Enhancing compliance awareness
The Company comprehensively promoted the legal business learning of legal personnel in the sector on a credit-hour basis and organized them to participate in related training provided by the superior regulators to fully improve the duty performance capabilities of the work team for the rule of law in the sector.



Business Compliance Management Manual for Enterprise Leaders

As of the end of the reporting period

domestic and foreign enterprises of the Company have fully established compliance management systems

25

key enterprises have appointed Chief Compliance Officers

6

2023

contracts were legally reviewed

257

rules and regulations were formulated or revised

45

rules and regulations, contracts and major decisions were legally reviewed

100 %

SDIC Tianjin New Energy Held the "Compliance Escort Year" Kick-off Meeting

In order to further cement its foundation of lawful and compliant operations and management and enhance the compliance awareness of all employees, SDIC Tianjin New Energy grandly held the "Compliance Escort Year" Kick-off Meeting, where the slogan, "Everyone and everything complies with regulations and discipline", was released and all employees were called on to sign the compliance commitment.



Case

Improving risk control

SDIC Power adheres to early warning and precise prevention and control. According to the Administrative Measures for Comprehensive Risk Management, SDIC Power has established a sound organizational structure for comprehensive risk management and defined the relevant management mechanism for risk early warning reports. It scientifically identifies annual major risks in terms of industry conditions, strategic planning, business processes, etc., dynamically tracks and monitors them and achieves early discovery, warning and treatment, to ensure its efficient and safe operations.

Risk management organizational structure

The Company has fully established three lines of defense in risk management to strongly guarantee its steady development. The Company's Risk Management Committee is responsible for its risk management, with a Risk Committee Office under it, and the Company's Audit Department is the department that leads its comprehensive risk management. Each department is responsible for risk management within its respective scope of responsibilities and has a contact person for risk management. The Company's investment enterprises have established sound management organizational structures as required by the Company, to conduct risk management.



Risk management reporting mechanism

The Company has established a management work mechanism for risk early warning reporting, in which risk indicators are defined, indicator thresholds are set, regular monitoring is conducted and early warnings are classified. In the meantime, the Company has established a sound risk reporting mechanism, covering annual risk reports, quarterly reports, monthly risk information and event reports, special reports, and major operational risk event reports.

Risk identification, assessment, tracking and monitoring

The Company scientifically identifies annual major risks in terms of industry conditions, strategic planning, business processes, etc., dynamically tracks and monitors them and regularly reports to the Board of Directors or decision-making bodies, to provide references for operation and management decision-making.

Preventing risks and eliminating hidden dangers

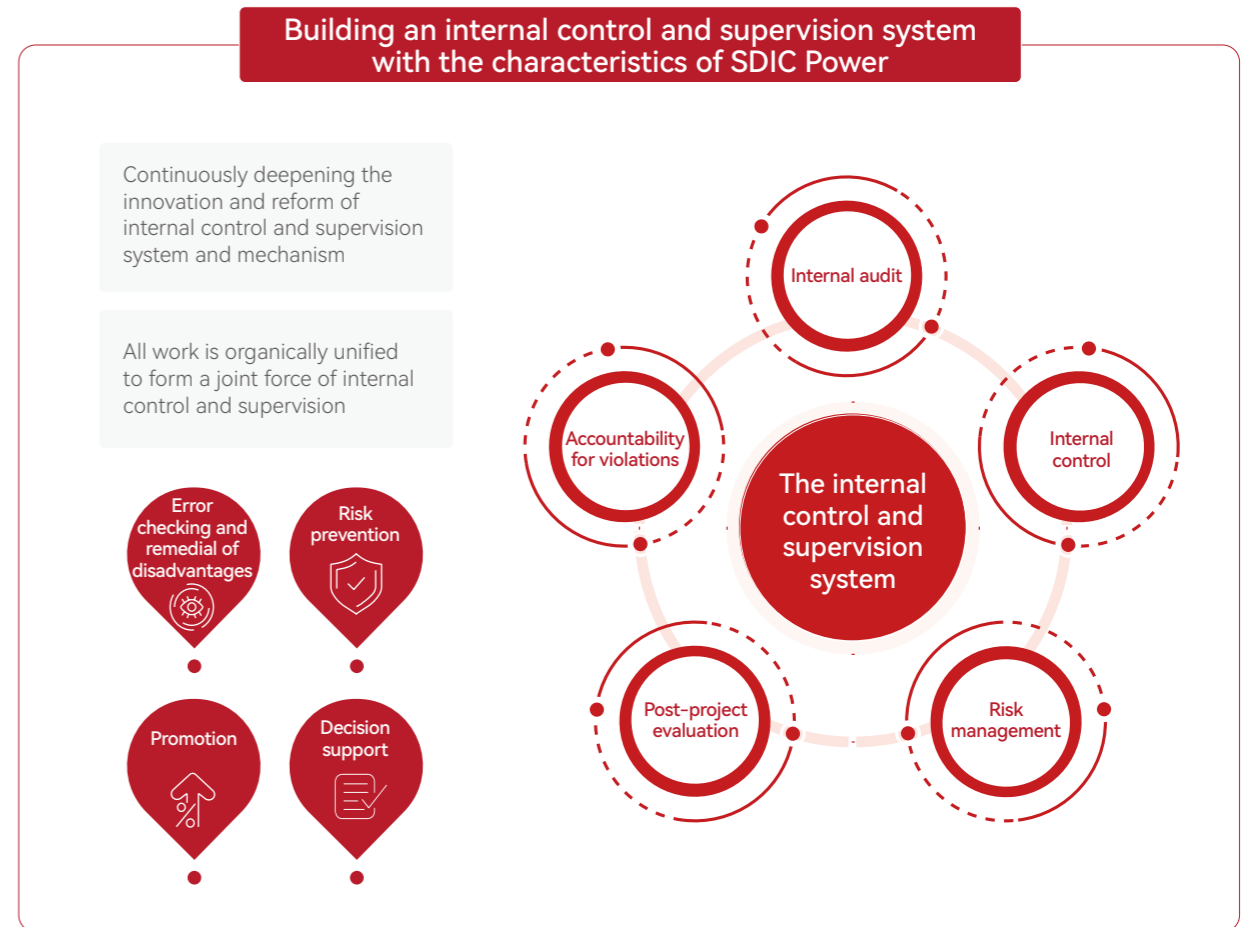
The Company has established a sound risk response mechanism, in which treatment and resolution plans are studied and formulated to strictly control risk exposure.

Strengthening the building of talents for risk management and audit supervision

The Company firmly focuses on talent team building, sticks to "practicing instead of training" as the key to business talent cultivation, actively brings into play the role of on-site mentoring, cultivates investment enterprises' risk management and audit supervision specialists and promotes their professional capabilities and levels.

Strengthening internal control management

SDIC Power continues to deepen the innovation and reform of its characteristic "five-in-one" internal supervision system and mechanism that covers internal auditing, investment project post-evaluation, internal control, risk management and violation accountability, promotes the integration of various kinds of fundamental work to form a joint supervision force, and effectively plays the role of internal supervision in checking errors and correcting malpractice, preventing risks, promoting improvement and supporting decision-making.



Building the internal control system and mechanism

The Company promptly revised its Internal Control Manual and Internal Control Process to continuously make its internal control system more precise, systematic and effective. The Company included internal control audit work in the scope of annual internal control evaluation and continued to strengthen the supervision and evaluation of its internal control system. The Company innovatively organized internal control supervision and evaluation inspections by promoting mutual supervision and evaluation among enterprises in the region and proposed improvement goals and specific measures to promote the continuous optimization of their internal control systems.

Optimizing the system and business process

The Company comprehensively reviewed its internal control system and core business process, promptly optimized and improved internal rules and regulations and updated the *Internal Control Standard Business Process*, to effectively ensure the mutual connection and supplementation of its rules and regulations.

Looking Forward

2024

We should not dwell on the past but should continue to move forward into the future. The year 2024 is a key year to promote the full implementation of the 14th Five-Year Plan. On the journey to become a globally trusted investor & operator in integrated energy, SDIC Power will:

Enhance core functions and highlight value creation. Adhere to the coordination between stock efficiency improvement and incremental development, serve the construction of a new development pattern, comprehensively enhance the value creation ability, and promote the Company's high-quality development to a new level.

Inherit green genes and accelerate the pace of low-carbon development. Help achieve the "Dual Carbon" strategic goal, strengthen confidence in green transformation, continue to accelerate the pace of clean and low-carbon development, orderly adjust resources, and continuously promote the development of new energy business.

Contribute to energy security and fulfill the responsibility of supply guarantee. We will make every effort to ensure energy supply, enhance the ability of scientific and technological innovation, continuously promote the adjustment and upgrading of industrial structure, safeguard the bottom line of work safety, and fulfill the social responsibility of central enterprises.

We will grasp the development trend, forge ahead with determination, seize opportunities bravely, overcome difficulties, and strive to open up a new world of energy and power development.



Key Performance Indicators

Part I: Environmental Performance*				
	Indicator	Unit	2023	
Water resource	Water taken	10,000t	2,309.21	
	Water consumption	10,000t	202,249.68	
	Fresh water consumption per RMB10,000 output value (comparable price)	Ton/RMB 10,000	4.91	
	Fresh water consumption	10,000t	2,309.21	
	Reuse rate	%	98.86	
Energy	Reused water consumption	10,000t	199,940.47	
	Fossil energy consumption	10,000 tons of standard coal	1,755.88	
	Coke	t	0	
	Gasoline	t	1,042.49	
	Diesel	t	3,078.89	
	Natural gas	10,000 m ³	0	
	Purchased electricity of investment enterprises	kWh	57,198,340	
	Purchased electricity of SDIC Power headquarters	kWh	315,345.22	
Wastewater	Energy consumption	10,000 tons of standard coal	984.54	
	Comprehensive energy consumption per RMB10,000 output value (comparable price)	Ton of standard coal/RMB 10,000	2.34	
	Industrial wastewater discharge	10,000t	0.69	
	Total chemical oxygen demand emissions	t	0.11	
	Ammonia nitrogen emissions	t	0.06	
	Waste gas	Sulfur dioxide emissions	t	3,289.33
		Nitrogen oxide emissions	t	7,730.22
		Smoke (dust) emissions	t	471.07
	Solid waste	General industrial solid wastes generated	10,000t	591.11
		Fly ash generated	10,000t	358.42
Slag generated		10,000t	138.85	
Coal gangue generated		10,000t	0.99	
Desulfurized gypsum generated		10,000t	90.44	
General industrial solid waste intensity		Ton/RMB 10,000	2.32	
Comprehensive utilization ratio of general solid wastes		%	99.19	
Comprehensive utilization of general solid wastes		10,000t	586.43	
Comprehensive utilization of storage in previous years		10,000t	0.08	
Hazardous wastes generated		10,000t	1.14	
Hazardous waste intensity		Ton/RMB 10,000	0.002	
Hazard waste disposed		10,000t	1.13	
Disposal of storage in previous years		10,000t	0	
Greenhouse gas emissions	Total greenhouse gas emissions	tCO ₂ eq	49,921,334.84	
	Scope 1 emissions	tCO ₂ eq	49,912,082.33	
	Scope 2 emissions	tCO ₂ eq	9,252.51	
	Power supply greenhouse gas emission intensity	tCO ₂ eq/kWh	0.84	
Impact of production, services and products on biodiversity	Total amount of breeding and releasing	Nos.	308.1	
Green and environmental protection actions and measures	Carbon allowance trading	10,000t	268.2	
	Carbon emission trading amount	亿元	2.09	
Legality and regulatory compliance in the environment	Investment in environmental protection	RMB 10,000	78,150.18	
	Proportion of investment in energy conservation and environmental protection in output value	%	1.57	

Part II: Social Performance			
	Indicator	Unit	2023
Safety management	Investment in work safety	RMB 1 million	503.27
	Number of enterprises with standardized work safety	Nos.	57
Safety training	Coverage of safety training	Person-time	92,356
	Training for main safety heads	Person-time	60
	Training for work safety management personnel	Person-time	657
	Training for special operation personnel	Person-time	2,773
	Training for other personnel	Person-time	53,080
	Number of persons covered by safety training	Person	16,741
	Coverage rate of work safety training	%	100
	Hours of training on work safety	Hour	146,624
Safety accident and work-related injury response	Number of enterprises with safety culture development	Nos.	33
	Number of work-related employee deaths	Person	0
	Death rate per million man-hours	%	0
	Lost working hours due to work injury	Hour	0
	Number of safety emergency plans	Nos.	1,330
	Number of various safety inspections	Times	8,930
	Number of safety accidents	Accident	0
	Accident rate per million man-hours	%	0
Occupational health	Number of contractor safety accidents	Accident	0
	Number of persons covered by occupational health examinations and files	Person	4,790
	Total number of employees who should participate in occupational health examinations and filing	Person	4,327
	Coverage of occupational health examinations and files	%	100
	Investment in work-related injury insurance for employees	RMB 10,000	797.78
	Coverage rate of work-related injury insurance for employees	%	100
	Number of occupational disease patients	Nos.	0
	Number of employees participating in occupational disease physical examinations	Person	4,790
	Number of employees who should participate in occupational disease physical examinations	Person	4,327
	Coverage of physical examination against occupational diseases	%	100

	Indicator	Unit	2023
Employee structure	Total number of employees	Person	10,280
	Number of employees from Hong Kong, Macao, Taiwan, and foreign countries	Person	425
	Number of employees from the Chinese Mainland	Person	9,855
	Number of male employees	Person	8,002
	Number of female employees	Person	2,278
	Number of employees aged below 30 (inclusive)	Person	3,523
	Number of employees aged between 30 and 50 (inclusive)	Person	5,660
	Number of employees aged over 50	Person	1,097
	Number of ethnic minority employees	Person	1,321
	Number of employees with disabilities	Person	15
	Number of part-time employees	Person	4
	Production personnel	Person	5,709
	Sales personnel	Person	104
	Technicians	Person	2,196
	Finance staff	Person	394
	Administrative personnel	Person	1,877
	Number of new employees	Person	1,705
	Number of new female employees	Person	427
	Number of new male employees	Person	1,278
	Number of newly hired fresh graduate employees	Person	421
	Number of newly recruited employees	Person	1,276
	Graduate degree or higher degree	Person	728
	Undergraduate	Person	5,307
Below undergraduate	Person	4,245	
Democratic management	Frequency of employee participation	Times	64
	Person-time of employee participation	Person-time	2,976
Employee satisfaction	Number of labor disputes	Nos	2
Employee support	Investment in supporting employees in difficulty	RMB 10,000	23.34
	Number of employees in need of support	Person	84
Employee education and training*	Times of employee training	Person-time	276,707
	Annual training expenses	RMB 10,000	2,285.28
	Total hours of annual training	Hour	1,345,555.29
	Employee training coverage	%	99.07
	Number of male employees receiving training	Person	7,607
	Proportion of male employees receiving training	%	98.91
	Number of female employees receiving training	Person	2,156
	Proportion of female employees receiving training	%	99.63
	Number of senior management employees receiving training	Person	139
	Proportion of senior management employees receiving training	%	100.00
	Number of middle management employees receiving training	Person	572
	Proportion of mid-level management employees receiving training	%	97.78
	Number of base-level employees receiving training	Person	9,052
Proportion of ordinary employees receiving training	%	99.13	

	Indicator	Unit	2023
Employee education and training*	Average training hours of employees	Hour	136.54
	Average training hours of male employees	Hour	143.31
	Average training hours of female employees	Hour	112.47
	Average training hours of senior management employees	Hour	97.64
	Average training hours of mid-level management employees	Hour	111.02
	Average training hours of ordinary employees	Hour	138.76
	Innovative development	Total R&D investment	RMB 10,000
Proportion of R&D investment in main business		%	0.45
Number of invention patents		Nos.	32
Number of utility model patents		Nos.	95
Supplier management	Number of suppliers	Nos.	5,254
	Number of suppliers in Chinese Mainland	Nos.	5,112
	Number of suppliers from Hong Kong, Macao, Taiwan and foreign countries	Nos.	142
Responsible supply chain	Number of suppliers reviewed	Nos.	5,699
	Number of suppliers suspended for noncompliance	Nos.	178
	Number of potential suppliers rejected for noncompliance with regulations	Nos.	1,156
	Number of suppliers with ISO 9000 Certification	Nos.	308
	Number of suppliers with ISO 14000 Certification	Nos.	111
	Number of suppliers with ISO45001 Certification	Nos.	104
	Signing of integrity agreements	%	100
Information security	Breach of networks and information systems	Times	0
	Business system downtime	Times	0
	Network security incidents and major anomalies	Times	0
Social contributions	Number of newly hired fresh graduate employees	Person	421
Community co-building	Total investment in public welfare projects	RMB 10,000	449.76
	Number of volunteers participating in the activities	Person	1,082
Non-profit charity	Total hours of volunteer services	Hour	1,974
	Average hours of volunteer services	Hour	0.19
	Investment in rural vitalization	RMB 10,000	2,195
Rural vitalization	Number of persons benefiting from rural vitalization	Person	40,300

Part III: Governance Performance

	Indicator	Unit	2023
Organizational composition and functions	Number of Board of Directors members*	Person	8
	Proportion of Board of Directors members with doctor's degree	%	37.50
	Proportion of Board of Directors members with master's degree	%	37.50
	Proportion of Board of Directors members with bachelor's degree and below	%	25.00
	Proportion of male Board of Directors members	%	87.50
	Proportion of female Board of Directors members	%	12.50
	Proportion of independent directors	%	37.50
	Proportion of non-independent directors	%	62.50
	Number of board meetings held	Times	16
	Average tenure of Board of Directors members	Year	3.60
	Proportion of external supervisors	%	66.67
	Number of Supervisory Committee meetings held	Times	7
	Average tenure of Supervisory Committee members	Year	2.52
	Number of senior executives	Person	5
	Proportion of senior executives with doctor's degree	%	20.00
	Proportion of senior executives with master's degree	%	60.00
	Proportion of senior executives with bachelor's degree and below	%	20.00
	Proportion of male senior executives	%	100.00
	Proportion of female senior executives	%	0.00
Average tenure of senior executives	Year	0.39	
Integrity building	Integrity supervision mechanism	Nos	31
	Time of training on anti-corruption and integrity	Hour	11,874
	Participation in training on anti-corruption and integrity	Person-time	31,082
Internal control	Number of material or important internal control defects	Nos.	0
Shareholders' equity	Number of general meetings of shareholders held	Times	8
	Attendance rate of directors at general meetings of shareholders	%	43.94
Investor relations management	Number of roadshows	Times	84
	Accumulated reception of investors	Person-time	1,122
Information disclosure system	Periodic reports prepared and disclosed	Nos.	8
	Number of periodic reports disclosed by Shanghai Stock Exchange	Nos.	4
	Number of periodic reports disclosed by London Stock Exchange	Nos.	4
	Interim announcement released	Nos.	86
	The number of provisional announcements issued by Shanghai Stock Exchange	Nos.	58
The number of provisional announcements issued by London Stock Exchange	Nos.	28	
Risk prevention and control	Material litigation and arbitration	Times	0

*Notes: 1. Some data in the "Environmental Performance" and "Employee Education and Training" do not include data about the holding investment enterprises Red Rock Investment and NSHE.

2. The greenhouse gas emission data is the emission data of thermal power enterprises controlled by the Company. As of the release of the Report, the third party verification of the Company's greenhouse gas emission data has not been completed.

3. The Board of directors of the Company is composed of nine directors, and due to the adjustment of staff directors, there were eight directors in office as of December 31, 2023.

Index of Indicators

	Guidelines on ESG special reports of listed companies holding central enterprises	GRI Standards	LSEG Guide to ESG Reporting 2020
About the Report	/	GRI 1	/
Message from the Chairman	/	/	/
About SDIC Power	/	GRI 2	/
Topic I: Lighting up the Future with Clean Electric Power	/	/	/
Topic II: Supporting Sustainable Development by ESG	/	GRI 1, GRI 2-29, GRI 3	/
Utilizing Nature for Green Development			
Deepening Environmental Protection Management	E5.4	GRI 2-27	EPR27, EPR28
Addressing climate change	E1.3, E3.2, E3.4, E5.1, E5.2	GRI 302, GRI 305	ECC14, ECC15
Reducing pollutant emissions	E1.1, E1.2, E1.4, E5.6	GRI 301, GRI 303, GRI 305, GRI 306, GRI 307	EPR18, EPR19, EPR21, EPR24, EPR25, EPR26
Utilizing resources efficiently	E2.1, E2.2, E2.3,	GRI 2-27	EWT11
Protecting the natural ecology	E4.1	GRI 2-27, GRI 304	/
Making Steady Progress and Pursuing High-Quality Operation			
Insisting on lean management	S2.1	GRI 2-27	/
Enhancing the driving force of innovation	S2.3	GRI 2-27	/
Working together with partners for win-win results	S2.2, S3.1, S3.2	GRI 308	/
Consolidating network security	/	GRI 2-23	/
Promoting digital transformation	S4.4	GRI 2-23	/

	Guidelines on ESG special reports of listed companies holding central enterprises	GRI Standards	LSEG Guide to ESG Reporting 2020
Putting Compliance into Practice for Essential Safety			
Improving the work safety management system	S2.1	GRI 2-27	SHS15, SHS38
Risk Control and Hidden Danger Identification	S2.1	GRI 2-27	/
Strengthening the safety culture	S2.1	GRI 403	SHS13
Occupational health and safety	S1.3	GRI 403	SHS12
Putting People First and Making a Greater Success			
Offering equal opportunities	S1.1	GRI 2-27, GRI 401	/
Safeguarding the rights and interests of employees	S1.2	GRI 2-27, GRI 401, GRI 402, GRI 405, GRI 406, GRI 407, GRI 408	/
Boosting employee development	S1.4	GRI 404, GRI 405	SLS26
Caring for the lives of employees	S1.5	GRI 405	/
Doing Good Turns and Contributing to the Community			
Contributing to rural vitalization	S4.3, S4.4	GRI 413	SHR17
Participating in social welfare actively	S4.3	GRI 413	/
Giving non-profit education support	S4.3	GRI 413	/
Facilitating community development	S4.3	GRI 413	/
Adhering to Perseverance and Building a Solid Foundation			
Optimizing Corporate Governance	G1.1, G1.2, G1.3	GRI 2-27	/
Feeding back to investors for their concerns	G3.1, G3.2, G4.1, G4.2	GRI 2-27	/
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Strengthening Compliance Risk Control	G2.1, G5.1, G5.2	GRI 2-27, GRI 419	/
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Key Performance Indicators	/	/	SLS24, SLS25
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Disclaimer	/	/	/

Note: "/" is not applicable in this section.

Disclaimer ///

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SDIC Power

The cover shows the Kela Photovoltaic Power Station Phase I, which is located in Kela, Yajiang County, Ganzi Tibetan Autonomous Prefecture, Sichuan Province. With the highest altitude of 4,600 meters, the Project has an installed capacity of 1 million kW and covers an area of 25,000 mu.



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Paper: Environment-friendly paper is used for printing

Ink: Environment-friendly ink is used to reduce air pollution