

2023

*Environmental, Social and
Governance Report*



浙江滬杭甬高速公路股份有限公司
ZHEJIANG EXPRESSWAY CO., LTD.

STOCK CODE 0576

About This Report

Reporting Period

This report covers the reporting period from 1 January 2023 to 31 December 2023 (the "Reporting Period").

Reporting Scope

This Environmental and Social Responsibility Report covers the Company and its subsidiaries (the "Company") engaging in the expressway business, excluding Zheshang Securities Co., Ltd., Zhejiang Grand Hotel Limited and the Company's associates, joint ventures and joint-stock companies.

Basis of Preparation

Environmental, Social and Governance Reporting Guide, Guidance on Climate Disclosures and Practical Net-Zero Guide for Business of the Hong Kong Stock Exchange.

Source of Information

All information referred to in this report is derived from the official documents, statistical reports and financial reports of the Company, and has been verified by a third party. All information referred to in this report is solely for the purpose of disclosure on the progress of sustainability management of the Company and shall not be used for commercial purposes.

Languages

This report is prepared in both traditional Chinese and English. In case of discrepancies, the traditional Chinese version shall prevail.

Access to the Report

You can download both Chinese and English versions of this report from the Hong Kong Stock Exchange's website at <http://www.hkexnews.hk>.

We highly value the opinions of our stakeholders. Please do not hesitate to contact us via the contact details below. Your comments will help us further improve this report and enhance our ESG performance.

Contact details:

Company website: <http://www.zjec.com.cn/>

Attn: Zheng Hui (Board Secretary)

Tel No.: 86-571-87987700

Fax No.: 86-571-87950329

Email: zhenghui@zjec.com.cn

Address: 5/F, No. 2, Mingzhu International Business Centre, 199 Wuxing Road, Hangzhou City, Zhejiang Province, PRC

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Chairman's Statement

In the year of 2023, Zhejiang Expressway has steadfastly adhered to the principle of sustainable development. Amidst a multifaceted and fluid commercial landscape, we have adeptly navigated through upheavals and tribulations, incessantly bolstering our magnitude and prowess, culminating in the attainment of our “annual triumph”, thus rendering an exhilarating performance.

Throughout this annum, we have fortified our foundational capabilities whilst achieving novel milestones. Our service calibre has experienced unprecedented enhancement, effectively fulfilling the exigent requirements for high-quality traffic facilitation during the Hangzhou Asian Games, thanks to our innovative strategies aimed at significantly refining the communal commuting experience and roadway standards. In the realm of technological innovation, we have garnered new impetus, finalised the digital master plan, and facilitated a transformation within our technological infrastructure. This year has been marked by numerous technological advancements, with the successful establishment of the provincial-level Bridge Engineering Research Centre, the advent of intelligent expressway industrialisation, and a consistent elevation in our innovative acumen. Moreover, our commitment to safety governance has ascended to novel zeniths, persistently exploring innovative paradigms, integrating advanced technologies, and instituting fresh stratagems to foster an ongoing enhancement in safety production, internal governance, and audit risk control.

This year has been a journey of mutual growth with all our stakeholders. We have intensified our allegiance to the “customer-first” philosophy, incessantly refining traffic fluidity, augmenting scientific upkeep, and delivering meticulous travel services, all in pursuit of presenting a superior commuting milieu to the public. We have evolved our commitment to “green development”, establishing a climate governance schema, implementing eco-friendly low-carbon measures, actively confronting climatic variations, and thus contributing towards the fulfilment of our strategic carbon peaking and neutrality goals. By embracing a “people-centric” approach, we offered our workforce an amiable working ambience and benefit safeguards, facilitating their self-realisation and aspirations through a holistic growth and training framework. In line with the “win-win cooperation” ethos, we engaged with suppliers on a reciprocal basis, fostering a mutually beneficial alliance and crafting an open, transparent commercial sphere. By embodying the “giving back to society” principle, we zealously engaged in rural revitalisation initiatives, conduct community welfare endeavours, support provincial paired-up assistance, and enhance East-West collaboration, thereby fostering prosperity and development in the community.

As we embark on the lengthy voyage ahead with tailwinds, Zhejiang Expressway is poised to march forward with renewed resolve, heightened accountability, pragmatic approaches, and an exemplary work ethic. We are committed to carving new niches for our enterprise, unlocking fresh horizons for our business, pioneering developmental strides, and promoting high-quality, sustainable growth. We will contribute to the enhancement of superior expressway service experiences and preserving a better travel landscape. Together with all stakeholders, we are dedicated to constructing a joyful homeland.

YUAN Yingjie

Chairman
Zhejiang Expressway Co., Ltd.

About Zhejiang Expressway

Zhejiang Expressway Co., Ltd. (hereinafter referred to as the “Company” or “we”) is a core member enterprise and an important listed platform under Zhejiang Communications Investment Group. The Company was exclusively initiated and established in March 1997 by the former Zhejiang Provincial Expressway Investment Co., Ltd., and listed on the Hong Kong Stock Exchange in May of the same year. We are the first state-owned enterprise in Zhejiang Province and the only provincial expressway investment and operation company to be listed outside the territory of Chinese mainland.

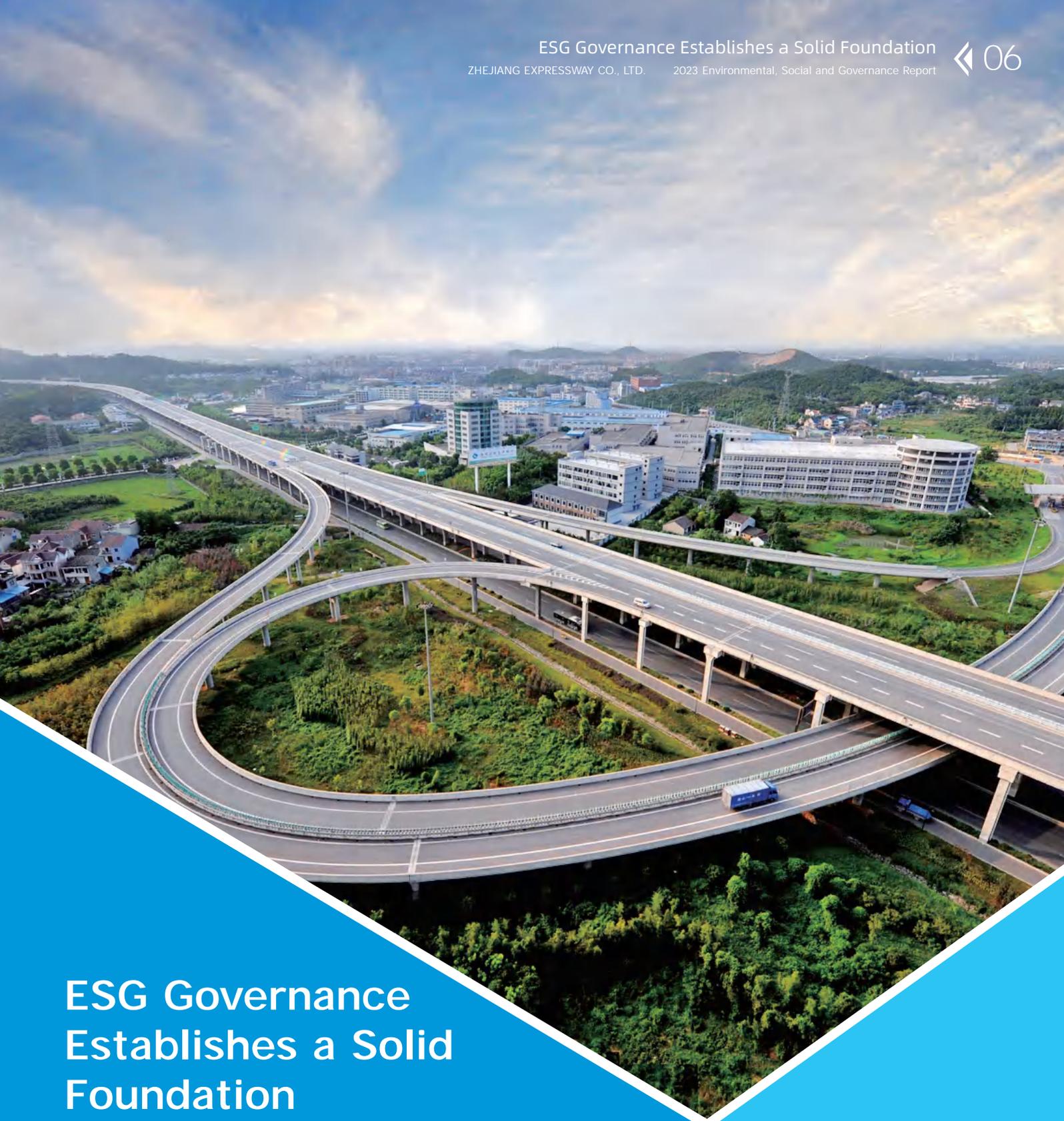
The Company is committed to becoming a leading international investment holding enterprise with a focus on expressway infrastructure investment and operation, integrated with production and finance, and moderately diversified. In terms of our core business of expressways, we are fully dedicated to building the nation’s premier brand in expressway operation services, investing in and operating a total of 24 expressways with a total mileage of 2,193 kilometres. These include major sections such as Shanghai-Hangzhou Expressway, Hangzhou-Ningbo Expressway, Shangyu-Sanmen Expressway, Ningbo-Jinhua Expressway, Hangzhou-Huangshan Expressway, Huangshan-Hangzhou Expressway, Shanghai-Jiaxing-Huzhou-Hangzhou Expressway, Zhoushan Cross-sea Bridge, Hangzhou-Nanjing Expressway, Longyou-Lishui and Lishui-Longquan Expressways, and Zhajiasu Expressway.

The Company adheres to the core values of “trustworthy, harmonious, open-minded and enterprising” and the corporate spirit of “willingness to contribute, courage to shoulder responsibilities, and daring to innovate”. We strictly follow the rules of the stock market for standardised governance, committed to constructing a modern expressway operation service system that is safe, convenient, high-quality, efficient, intelligent, technological, and green. We have won more than 40 provincial and ministerial-level honours, including the “Benchmark Enterprise in the Creation of Benchmark for the Management of Key State-owned Enterprises” by the State-owned Assets Supervision and Administration Commission of the State Council, and the Model Collective of Zhejiang Province. We have also been awarded industry honours over 65 times, including the “China Road Sister”, “China Expressway Information Technology Award”, and the China Securities Golden Bauhinia Award for the “Fourteenth Five-Year Plan” Most Valuable Listed Company. The Company has been repeatedly ranked among the “Corporate Governance” and “Best Investor Relations” rankings by international financial magazines such as Asiamoney and Forbes, enjoying high recognition in the domestic expressway industry and international capital markets.



Honours and Accolades for the Year 2023

No.	Honour Award/Title	Presenter
1	Ranked 236th in the "China Top 500 Transportation Companies" List, highest among listed expressway companies nationwide	"China Transportation" Annual Report Editorial Committee China Transportation Think Tank
2	Winner of the 13th China Securities Golden Bauhinia Award for Most Valuable Listed Company	Hong Kong Ta Kung Wen Wei Media Group The Listed Companies Association of Beijing Hong Kong Chinese Enterprises Association Hong Kong Chartered Governance Institute
3	Winner of the 13th China Securities Golden Bauhinia Award for Outstanding Investor Relations Management Listed Company	Hong Kong Ta Kung Wen Wei Media Group The Listed Companies Association of Beijing Hong Kong Chinese Enterprises Association Hong Kong Chartered Governance Institute
4	Winner of the ESG Information Disclosure Award for Listed Companies	Hong Kong International ESG Alliance
5	Excellent Rating in the 2022 Transportation Enterprise Social Responsibility Report	China Association of Communication Enterprise Management
6	Special Initiator for Promoting Asset Securitisation and Revitalising Stock Assets	Shanghai Stock Exchange
7	Outstanding Initiator in Real Estate ABS Business	Shanghai Stock Exchange
8	The "Emergency Rescue Online for Passengers- Digital Sunshine Rescue Practice in Zhejiang" won the First Expressway Rescue Management and Service Innovation Case Competition	China Highway & Transportation Society
9	"Maintenance Project of Zhoushan Bay Bridge" awarded First Prize for Road Maintenance Engineering Innovation Cases by China Highway & Transportation Society	China Highway & Transportation Society
10	The "Digital Monitoring and Early Warning Joint Control System for High Traffic Junction in Expressway" (SATM) won the Outstanding Engineering Award of the Year 2023	China Highway & Transportation Society
11	Huzhou Management Centre awarded the Honour Title of "National Workers Pioneer"	All-China Federation of Trade Unions
12	Winner of the "China Road Sister" Award for seven straight years	China Highway & Transportation Society
13	Building the Most Trustworthy International Investment Holding Enterprise successfully selected as an "Excellent Integrity Enterprise Case" in the Fourth Outstanding Integrity Enterprise Case Selection	Business Credit Centre Enterprise Management Magazine
14	"Iron Guard Inspection" Rescue Team awarded the title of "First Expressway Excellent Rescue Team"	China Highway & Transportation Society Road Rescue Branch
15	"Hang Shao Tong, Weekly Delivery" Project awarded National-Level Enterprise Quality Management Excellent Practice Case	Business Technology Quality Centre
16	Winner of the Fifth Communication and Transportation Excellent Cultural Brand Award	China Transport News Ministry of Transport Highway Research Institute
17	Upholding Integrity, Innovating, Enhancing Quality and Efficiency awarded Second Communication and Transportation Industry Clean Culture Construction Excellent Case	China Association of Communication Enterprise Management
18	Zhejiang Province Safety Culture Demonstration Enterprise	Zhejiang Association of Work Safety
19	"Veteran Eagle Peak" awarded Zhejiang Province Workers Pioneer Title	Zhejiang Federation of Trade Unions
20	"Little Red Riding Hood" Model Worker Craftsman Volunteer Service Project selected as an Outstanding Case of Zhejiang Province Model Worker Craftsman Volunteer Service	Zhejiang Federation of Trade Unions



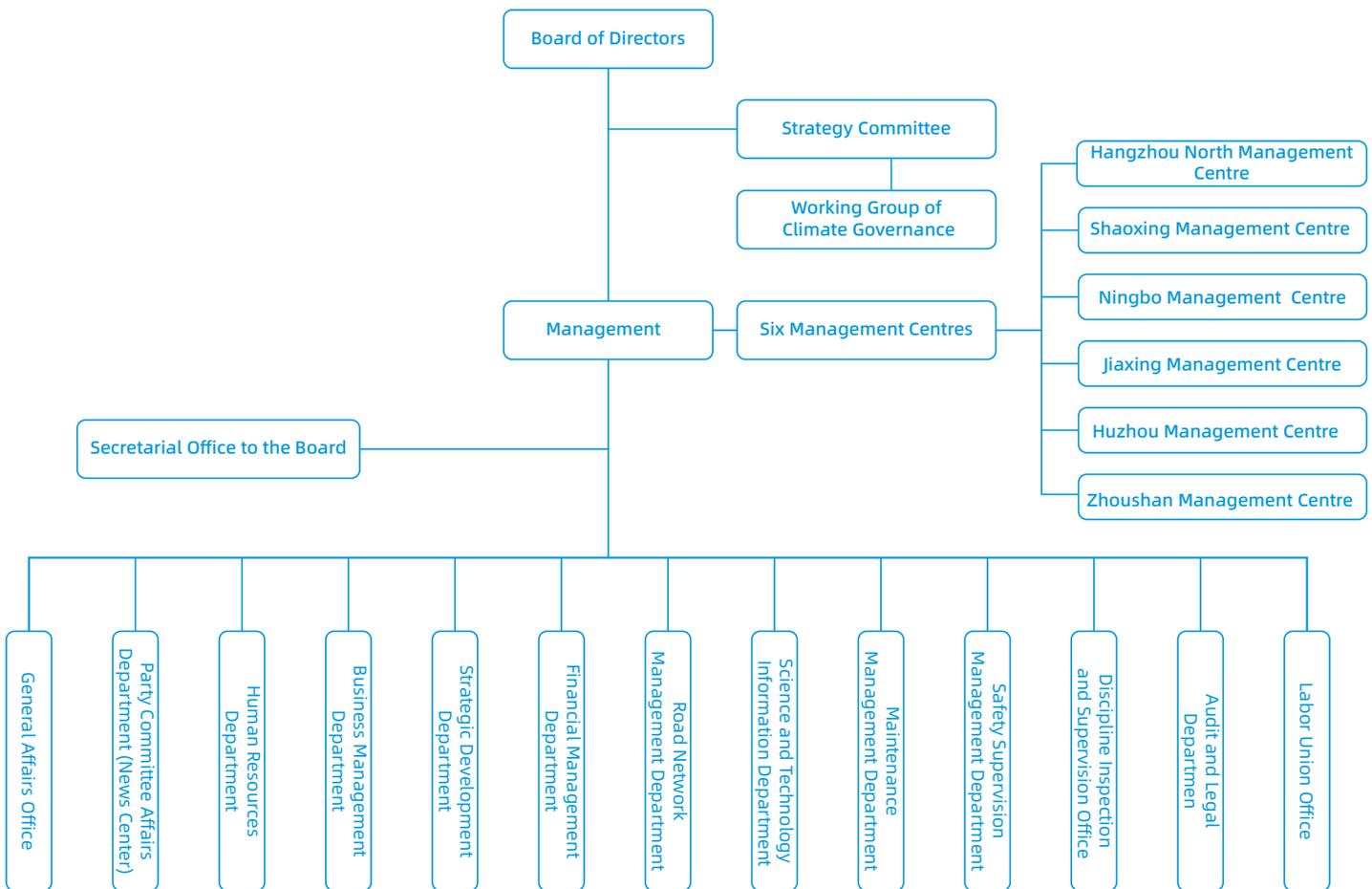
ESG Governance Establishes a Solid Foundation

The Company integrates the concept of sustainable development into its management and day-to-day operations, actively exploring the path of coordinated development of economy, society, and environment. By continuously improving the ESG governance system and enhancing the level of sustainable development management, the Company collaborates orderly with all stakeholders to advance social responsibility initiatives, boosting the realisation of sustainable development through effective ESG governance practices.

ESG Governance System

The Company is committed to establishing and maintaining a robust environmental, social, and governance (ESG) framework, with the Board of Directors serving as the highest coordinating and decision-making body for ESG matters. Annually, it specifically reviews the Environmental, Social and Governance Report and assesses the implementation progress against set ESG-related objectives. The Secretarial Office to the Board is in charge of the day-to-day management of ESG matters, regularly reporting to the Board of Directors and Management on ESG activities. Meanwhile, special working groups are formed to develop the Company’s ESG work plans and implementation schemes, coordinating, and advancing various tasks.

The Company proactively benchmarks itself against ESG development trends, requirements, and the ESG efforts of peers, learning from the world-class corporate ESG management practices and experiences to continuously enhance its ESG management, practice, and disclosure. During the Reporting Period, the Company included climate-related issues within the purview of the Board of Directors’ Strategy Committee, establishing a climate governance framework and working mechanism to further refine the ESG governance system. The Company encourages its management to participate in continuous professional development seminars and training for corporate governance, thereby steadily boosting the ESG competencies and standards of the management team.



ESG Governance Structure

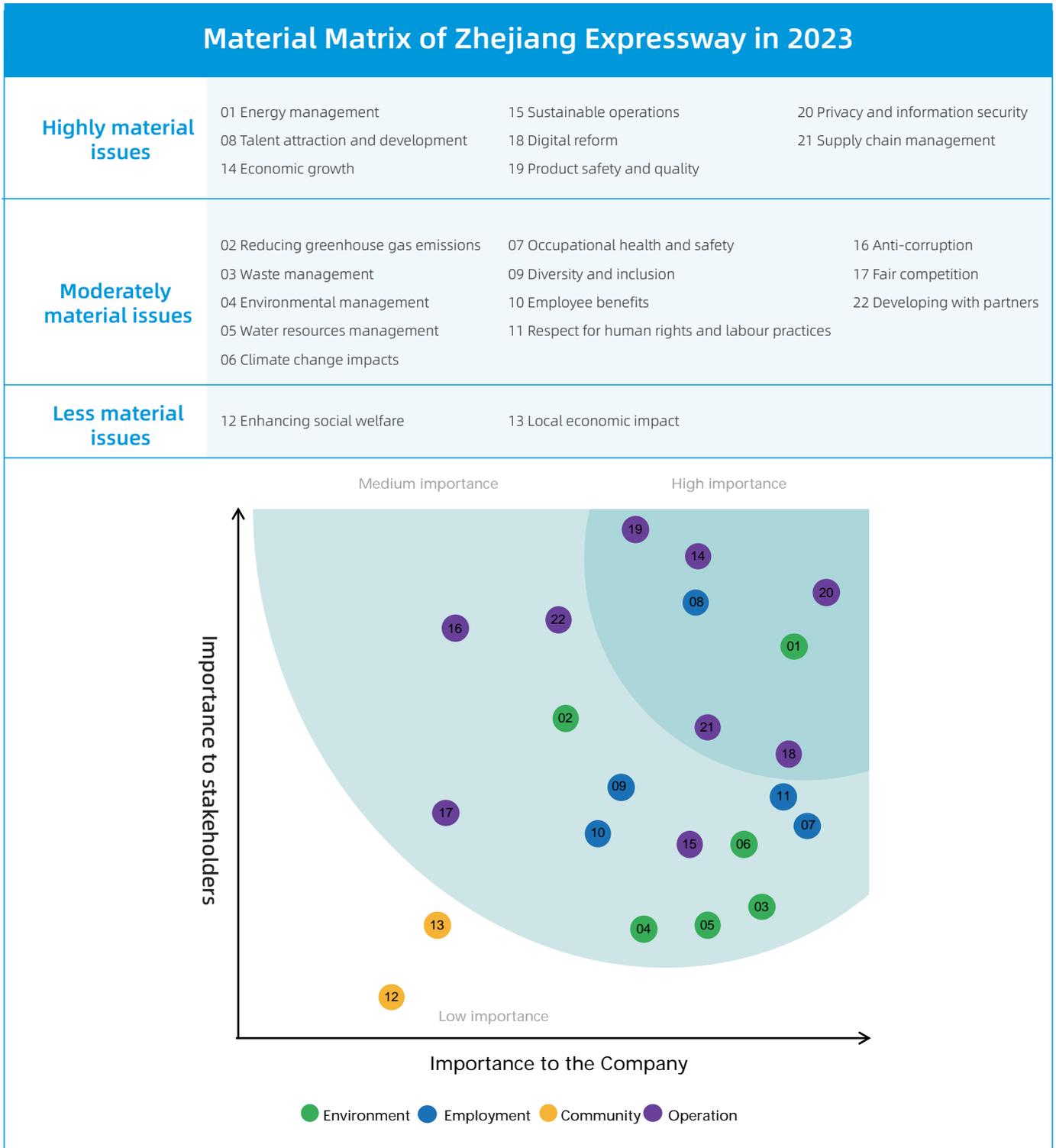
Communication with Stakeholders

The Company thoroughly understands and analyses the needs and concerns of all stakeholders, closely integrating them with its business to establish a regular information disclosure mechanism. It sets up a long-term, diverse, open, and transparent communication mechanism, fostering positive interactions with stakeholders and striving to gain the trust and recognition of internal and external stakeholders.

Stakeholders	Material Issues of Concern	Communication and Response Methods
Customers	<ul style="list-style-type: none"> • Unblocked, intact and comfortable road access • A wide range of services in the service zones • Good and efficient toll collection service • Timely arrival for roadside assistance and obstacle clearance in an effective manner • Timely and comprehensive information dissemination with easy access 	<ul style="list-style-type: none"> • Visits • On-site surveys • Questionnaire surveys • Telephone interviews
Government and regulatory authorities	<ul style="list-style-type: none"> • Operating results • Supporting government work plans and contributing economic and social development • Compliance with national and local policies and regulations, payment of taxes in accordance with the law • Contributing to the construction of intelligent transportation • Compliance and integrity • Industrial optimisation and upgrading • Sharing industry experience 	<ul style="list-style-type: none"> • Reporting • Inspection • Approval • Institutional documents • Work meetings • Annual reports
Securities regulators	<ul style="list-style-type: none"> • Compliance with relevant regulations of stock exchanges • Disclosure of information in a timely and high-quality manner 	<ul style="list-style-type: none"> • Institutional documents • Reporting • Publication of announcements • Annual reports
Investors and creditors	<ul style="list-style-type: none"> • Return on Investment • Preservation and appreciation of value • Risk defence • Stable income and dividends • Exploring new points of profit growth • Reducing the risk of business investment 	<ul style="list-style-type: none"> • Board meetings • Annual reports • Public announcements • Roadshows • General meeting of shareholders • Investor surveys
Partners	<ul style="list-style-type: none"> • Mutual benefits • Performance in good faith • Stable development of the partnership • Support on the information and conditions of roads 	<ul style="list-style-type: none"> • Contractual agreements • Work meetings • Daily communication
Industry competitors	<ul style="list-style-type: none"> • Experience sharing • Promoting the healthy development of the industry 	<ul style="list-style-type: none"> • Industry conferences • Visit and exchange
Employees	<ul style="list-style-type: none"> • Good welfare and benefit system • Sound career development plan • Providing opportunities for transition • Safer and more comfortable working environment • Caring about occupational mental health 	<ul style="list-style-type: none"> • Employment contracts • Collective contracts • Congress of employees • Trade Union Chair's Reception Day • Satisfaction survey
Communities where we operate	<ul style="list-style-type: none"> • Reducing road noise • Protecting the local ecology 	<ul style="list-style-type: none"> • Visits • Daily communication • Complaints and suggestions
Public/Media	<ul style="list-style-type: none"> • Open and transparent information • Disclosure of significant information in a timely manner 	<ul style="list-style-type: none"> • Information publication • Interviews and reports

Identification of Material Issues

By integrating the opinions and expectations of stakeholders into its management and development goals, the Company has conducted a materiality assessment and analysis on ESG issues designed in its operations in order to respond to stakeholders' concerns proactively and specifically in this report. The Company has engaged a third-party certification entity to form an analysis team with our dedicated task force, which conducted a materiality assessment in a rigorous and effective manner through four stages: identification, prioritising, verification and review.



Strengthening Risk Management and Control

The Company continuously improves its comprehensive risk management system, integrating risk management into every aspect of business operations to enhance risk prevention and control levels. It ensures precise and effective risk prevention before events, comprehensive and orderly risk monitoring during events, and timely and appropriate risk resolution after events, firmly maintaining the baseline of not incurring significant risks.

The risk governance structure was optimised. During the Reporting Period, new Operations Management Department and Technology Information Department (Digital Centres) were established to coordinate and execute risk prevention and control around diverse market business investment risks, operational risks, bidding risks, cost control risks, data compliance, and cyber information security risks at the risk level. The Company further refined the risk management policies by formulating the Company Investment Risk Management Guidelines and the Procedures for the Review and Evaluation of Company Operational Businesses. Also, we enhanced the Company's investment risk control processes, and implemented comprehensive tracking and supervision of the Company's key investment projects throughout their entire cycle.

A comprehensive review was conducted based on the risk points identified in the previous year, forming a major risk list and developing primary risk resolution solutions. The risk reporting mechanism was optimised, implementing routine inspections and special supervisory checks, publishing quarterly risk inspection reports, following up on the progress of risk assessment and solution implementation, and continuously improving the Company's risk management level.





Practising Compliance Operations

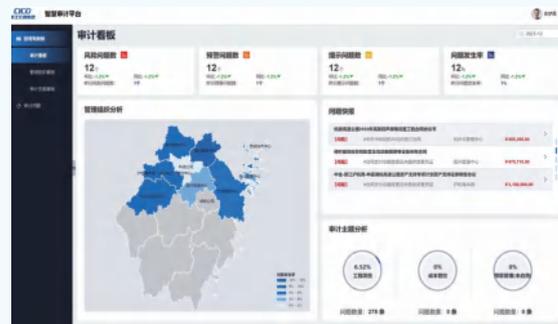
Based on the Company Compliance Management Measures, the Company consistently strengthens the compliance internal control system, consolidating the “five-in-one” mega supervision system consisting of discipline inspection, organisation, audit, legal affairs, and risk control, and solidifying the internal control defence lines to ensure the Company’s stable development.

During the Reporting Period, the Company sorted out internal and external compliance requirements and constructed a company compliance obligation library according to key areas and effectiveness levels. We performed comprehensive inspections of company compliance risks and special inspections of data compliance projects, implemented specialised audits in an organised manner, and developed actionable suggestions or guidelines for handling compliance risks. We also practise closed-loop management. A list of common issues from five years of audits was compiled, self-inspections and special training were organised to enhance the legal compliance awareness of all employees.

Case

“Intelligent Audit” strengthens internal controls

In November 2023, the Company’s “Intelligent Audit” platform was launched. Based on large amounts of business data, the platform enables comprehensive monitoring of the Company’s finances, tendering, contracts and risks, achieving full online operation of internal audits and real-time monitoring of certain audit risks through data mining, data analyzing and AI technology. Utilising three billboards of the overall, the organization and the theme, it displays problems and rectification statuses, instantly pushes quick reports of issues, and provides decision-making and day-to-day management references for our executives, business departments, and management centres.





Strengthen Integrity Building

The Company strictly complies with laws and regulations such as the Anti-Corruption and Bribery Law, and continues to promote the construction of a clean management system, thoroughly implementing the Integrity Shanghai-Hangzhou-Ningbo Enhancement Plan, and formulating the 2023 Work Responsibility Division for Clean Zhejiang Expressway Building, starting from the source to prevent corruption issues. The Company has revised the Expressway Operation Grassroots Unit “Micro-Corruption” Prevention Handbook, precisely formulating preventive measures for the integrity risk points at every business link of grassroots units, effectively preventing integrity risks.

The integrity management supervision mechanism is continuously perfected, leveraging the role of grassroots integrity supervisors offline and establishing grassroots integrity supervisor contact groups by region. The Company implemented online the digital discipline inspection platform construction, establishing supervision scenarios such as official vehicle use, road property compensation, tendering, and contract management, integrating integrity construction into all business links.

Various forms of integrity culture promotion and education are continually enriched. The implementation of five approaches: on-boarding education, pre-job assessment, promotion commitment, learning and discussing, and annual statement enables the full integration of integrity education with employee career development. For newly-recruited and newly-promoted employees, integrity knowledge tests and integrity talks are actively conducted, and integrity commitment letters are signed. By organising the viewing of warning education films *Forever Blowing the Charge*, the Company has conducted warning education conferences, participated in immersive experiences at the CPC provincial committee’s legal and discipline education base, attended court hearings, so that employees’ awe of laws and regulations was enhanced. Relying on the WeChat official account, the “tone of incorruptibility” section was launched, deepening the construction of “Clean Units”, promoting the integration of integrity culture into the daily life, and fostering a strong atmosphere of respecting and upholding integrity.

During the Reporting Period, the Company received the Excellent Case Award at the “Second Transportation Industry Integrity Culture Construction” activity, the Lin’an Centre of the Hangzhou North Management Centre’s “‘Eight Fields of Sunlight’: Standardisation of Small and Micro Power of Traffic Stations” was recognised as an innovative case, and the Huangshan Centre of the Hangzhou North Management Centre was awarded the “Excellent Unit in Transportation Integrity Culture Construction”. During the Reporting Period, the Company and its employees were not involved in any corruption lawsuits.



Stable Operations Enhance Innovation

With the goal of comprehensively building the top brand of national expressway operation service, the Company deepens the reform and innovation, explores development opportunities in providing the public with better travel services, firms up the pace of innovation and intelligent upgrading, continues to optimise the quality of service, and fully implements the safe operations, promoting the enterprise to achieve high-quality and sustainable development.

Innovative and Intelligent Upgrade

Adhering to the concept of innovative development and practicing the enterprise spirit of “Dare to Breakthrough”, we continuously optimise and improve the Company's innovation system, strengthen scientific and technological innovation, cultivate a team of innovative talents, and endeavour to provide the public with fast, convenient and smooth intelligent services through the information, technological and digital upgrading.

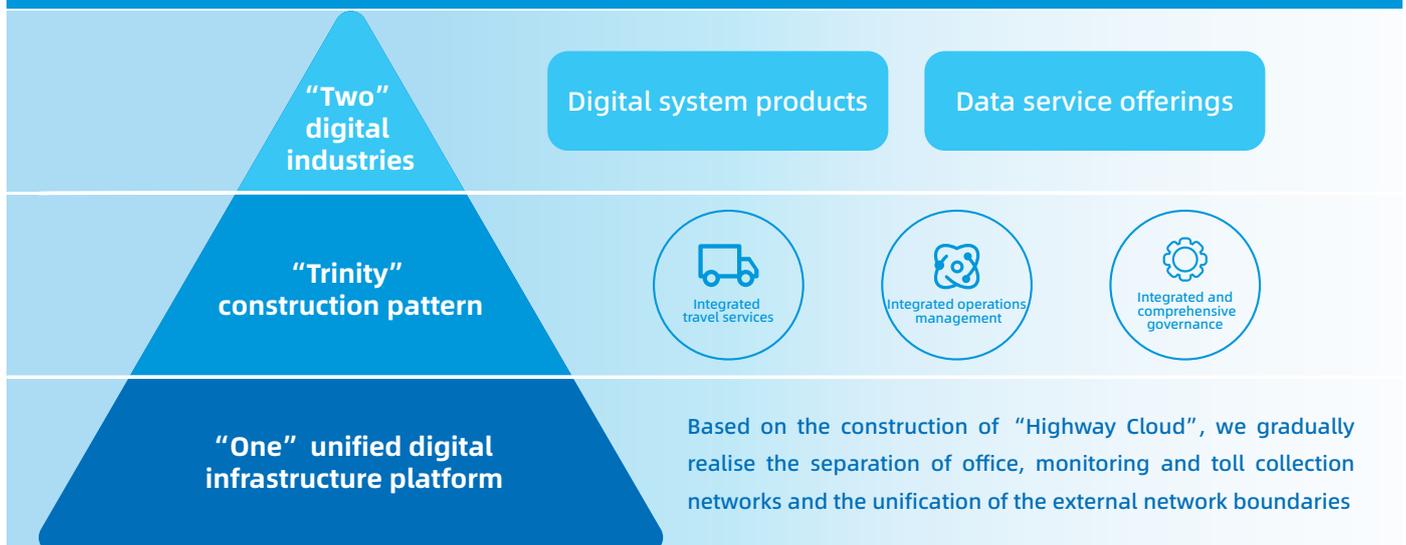
Improving the Innovation System

We continuously elevate informatisation, technologisation and digitisation, further promote the innovation of technological management innovation, and improve the Company's digital management structure. The system of science and technology management system has been sorted out and improved, and the relevant science and technology management system has been compiled and revised to create a favourable supportive environment for the development of science and technology.

Adhering to the concept of open and synergistic development, we endeavour to consolidate the foundation of scientific and technological innovation, and accelerate the layout of scientific and technological innovation platforms. Based on this, the “Bridge Hospital” was officially implemented, and one provincial innovation platform was established. Among them, the newly-established “Zhijiang Intelligent” Technology Company is the first to propose the “active discovery - active control - active service” closed loop management technology route in China, creating four products including “Zhijiang Wise Eyes”, “Zhijiang Intelligent Control”, “Zhijiang Intelligent Connection” and “Intelligent Driving Forward”. These innovative achievements have been recognised by the industry.

Our core technologies have been at the forefront. Besides, we formulated the Hangzhou-Shaoxing-Ningbo Intelligent High-speed Coordinated Operation Standards, and worked synergistically to promote intelligent high-speed construction. Besides, we compiled the Intelligent High-speed Construction and Management Specifications and the Intelligent High-speed Performance Assessment Specifications, and formed the standards for enterprise construction, management and post-assessment. Additionally, the Data Asset Management Measures was formulated, data collection carried out, and the compliant and efficient circulation and use of data assets boosted.

The “132” Architecture of Zhejiang Expressway Digital Construction Structure





Case

The inauguration of Zhejiang Engineering Research Centre for Health, Safety and Toughness Enhancement Technology of Long and Large Bridges

The Company joined hands with Southwest Jiaotong University, China Railway Bridge Science Research Institute Co., Ltd., Zhejiang University of Technology, and Zhejiang Communications Group's Testing Technology Co., Ltd. to set up the Zhejiang Engineering Research Centre for Health, Safety and Toughness Enhancement Technology of Long and Large Bridges, which was recognised by the Development and Reform Commission of Zhejiang Province as the Provincial Engineering Research Centre. The centre aims to build the "intelligent perception - digital evaluation - specialised treatment" integrated set of technology systems and technical service platforms, to promote the Company's reshaping of scientific and technological innovation system and transformation of scientific and technological achievements.



Strengthening Scientific and Technological Innovation

Based on meeting the requirements of multi-level, personalised and high-quality transportation services of the society, and with the digital reform as the traction, we continue to increase the investment in science and technology research and development, strengthening the transformation of technological and scientific achievements. Through internal and external synergies and cooperation, we achieved new breakthroughs and new results in the enhancement of independent innovation capability and the research and development of key core technologies.

During the Reporting Period, an intelligent transformation project for high-traffic toll stations was implemented, forming the industry's first technical standard for intelligent toll stations. The new toll collection mode of unmanned toll collection, manned toll guard and remote handling has been realised, with the hourly capacity of the exit toll lanes reaching 140 vehicles on average, and the rate of remote handling of special cases on the lanes increased to 60%.

While promoting innovative development, the Company strictly abides by relevant laws and regulations, establishes a sound intellectual property protection system, and effectively implements the utilisation, protection and management of intellectual property rights.

During the Reporting Period, there was one new invention patent and 20 utility model patents (software). Three new invention patents were declared, and three standards at all levels were edited with our participation. There was no intellectual property litigation during the Reporting Period.

Innovation Achievement of Zhejiang Expressway for the Year 2023

The “Emergency Rescue Online for Passengers - Digital Sunshine Rescue Practice in Zhejiang” won the “First Highway Rescue Management and Service Innovation Case Competition”

The project “Digital Monitoring and Early Warning Joint Control System for High Traffic Junction in Highway” (SATM) won the Outstanding Engineering Award of the Year at the 25th China Expressway Information Conference

The “Millimetre-wave Radar Event Detection Capability Analysis for Shanghai-Hangzhou-Ningbo Expressway” was awarded the Outstanding Paper for 2023 in China transportation informatisation

The project “Research and Application of Intelligent Key Technology for High-Traffic Tollbooths on Expressways” won the Second Prize for “Scientific and Technological Advancement for the Year 2022 in the China Communications and Transportation Association Science and Technology Awards”

The project “Key Technology and Application of Real-time Sensing and Assessment of Operation and Maintenance Environment and Condition of Long-span Suspension Bridges” won the Second Prize of “Scientific and Technological Advancement for the Year 2022 in the China Communications and Transportation Association Science and Technology Awards”

The technical achievement of Key Technology for Service Performance Degradation Diagnosis of Concrete Structures under Complex Environment and Engineering Application that we participated in won the Second Prize of Zhejiang Provincial Science and Technology Advancement Award in 2022

The project “Expressway Customised Service Programme Research” received three stars in Transportation “Four New” Achievement Promotion Index

The “Expressway Rescue Management and Service Innovation Case of SCORE Standardised Construction and Accident Disposal for Expressway Rescue Vehicles” was named the model case in the “First Expressway Rescue Management and Service Innovation Case Competition”

The Research on Safety and Protection of Large-Span Suspension Bridges under Fire and Research on Comprehensive Assessment Methods of Key Components of Cable Bearing Bridges Based on Multi-source Information Fusion have passed the acceptance and appraisal by experts and reached the leading international level

The project “Development and Application of Digital Intelligent Guardrail Cloud Platform Based on Map Visualisation” won the Second Prize in the 19th Innovative Achievements of Modernisation of Transportation Enterprise Management in 2023

The project “Expressway Traffic Incident Intelligent Control and Early Warning System” won the Third Prize in the 19th Innovative Achievements of Modernisation of Transportation Enterprise Management in 2023

The project “Construction and Implementation of License Plate Recognition-based Off-Ramp ETC Free Flow System” won the Third Prize in the 19th Innovative Achievements of Modernisation of Transportation Enterprise Management in 2023

The “Intelligent Management Cockpit - Zhedao Cloud Management Platform” won the Second Prize in Modernisation Innovation Achievement of Zhejiang Enterprise Management in 2023

Case

The intelligent management and maintenance promoted by the integrated management platform of "Bridge Hospital"

The Bridge Technology Centre of the Company has developed and put into operation a comprehensive management platform called "Bridge Hospital", which opens up the data barriers between various decentralised systems and promotes the integration of bridge construction, management and maintenance, as well as intelligent management and maintenance. The platform contains nine functional modules such as basic bridge information management, bridge health monitoring, bridge diagnosis, etc., and builds five major billboards. In addition, the "one bridge for one file" scheme has been implemented for 6,180 bridges under the Company's jurisdiction, realising centralised management of all elements of technical data.

In the application, the platform also gathered bridge experts from different regions at the same time by bringing together technical experts both at home and abroad and achieving video consultation system, realising the "remote cloud consultation" of "difficult cases" about bridges, and effectively improving the decision-making efficiency of bridge management and maintenance.



Ningbo Management Centre developed intelligent inspection device for bridge bearings, which ensures the accuracy of the inspection while improving the inspection efficiency and reducing the operational risk.



Zhoushan Management Centre put into use a new type of girder bottom inspection vehicle at the Taoyaoamen Bridge, which adopts fully automatic control and has the characteristics of accuracy, safety, environmental protection, no noise and no pollution.

Cultivating Innovative Talent

We attach great importance to the introduction and cultivation of innovative talents, and continue to empower innovation and upgrading with talent vitality. We have developed an innovation incentive mechanism and increased efforts to encourage innovation and creativity among all staff. We strive to promote the academic and qualification upgrading programme, encourage employees to obtain certificates and upgrade their academic qualifications, and provide appropriate learning opportunities for employees in need; during the Reporting Period, 179 employees obtained certificates and 84 employees obtained academic upgrading.

The construction of high-capacity platforms has been strengthened and the recruitment and introduction of specialised technical talents stepped up. We have been approved to set up a postdoctoral workstation in Zhejiang Province, and attracted two postdoctoral researchers in the direction of joint training of intelligent expressways and intelligent monitoring. Zhijiang Intelligent Technology Co., Ltd. has been established, introducing 25 professionals in short supply in science and technology information, capital operation and so on. We have conducted recruitment for more than 10 universities, including Tsinghua University, Peking University, Zhejiang University, etc., and promoted the management training programme for the “Escort Talent Programme”, introducing 21 master’s degree holders from “Double First-class” and famous foreign universities. At the same time, we have carried out joint training with Southeast University and Central South University to realise the gathering of high-level talent team and promote the deep integration of industry, academia and research. The series of activities for the 2nd “Science, Technology and Innovation Month” were organised to fully stimulate the momentum of science, technology and innovation with rich activities and a strong atmosphere.

Case



Ma Zhenhong Innovation Studio in Shaoxing Management Centre won the title of the 12th Batch of Highly Skilled Personnel (Model Labourer) Innovation Studio in Zhejiang Province.



“Ma Hongfei Studio” in Hangzhou North Management Centre was selected as one of the first batch of Women’s Work Committee for the Alliance of Innovation Studios in the province.

Optimisation of Quality Services

We always adhere to the concept of “customer first”, constantly explore and improve the management mechanism and technological innovation, upgrade the smooth traffic, optimise the scientific maintenance and strengthen travel services, providing the public with a safe, convenient, smooth and beautiful travel environment.

Upgrading to Keep Smooth Traffic

We continuously optimise the management mode of smooth traffic. The Expressway Clearance and Rescue Standardisation Manual has been revised, and the rapid response and comprehensive disposal capability continuously improved. We further strengthened the smooth management and completed the management of two high-traffic congestion points. Intensive construction was implemented comprehensively. The toll station entrance closure time was reduced by 37% year on year, and the main line lane closure and diversion kilometre-hours decreased by 39% year on year.

We have explored the establishment of a new system of all self-owned clearing and rescue operation with high efficiency, strong management, operability and replicability, implemented the differentiated management of clearing obstacles and rescue, and piloted the construction of three rescue stations on high-traffic road sections, with the average arrival and rescue time reduced by 60% and 45% respectively. We have conducted the remediation of spills with concentrated efforts and reduced the number of accidents involving crash spills by 30% year on year.

We have strengthened the cooperation with the traffic police force and section departments in a synergistic manner to enhance the comprehensive ability to keep smooth. We have ensured the smooth flow of heavy traffic, so as to promote the high-quality completion of the Spring Festival, Qingming Festival, Dragon Boat Festival, Mid-Autumn Festival, National Day, the 19th Asian Games in Hangzhou, the 4th Asian Para Games in Hangzhou, the Import and Export Expo and other important holidays and important meetings.

The ETC utilisation rate special enhancement action was carried out. During the Reporting Period, 120 additional ETC after-sales outlets were set up, and 120,000 new ETC users were added in total, with a 2% increase in the utilisation rate, which effectively promoted the smooth flow of lanes.

During the Reporting Period, the total number of vehicles entering and leaving was 508,127,900. The 60-minute recovery rate for traffic accidents was 96.43%, a 7 percentage points improvement from the previous year.

Case

“Four Major Actions” to promote the Asian Games

In order to ensure the smooth holding of the 19th Asian Games in Hangzhou and the 4th Asian Para Games in Hangzhou in 2023, we have set up the work leading group for the Asian Games and closely deployed all the work. We have improved the road environment, elevated service on the whole, upgraded safe escort, and enhanced the quality of the “Four Major Actions” empowered by science and technology. Meanwhile, the work scheme for “Seven Big Enhancements” including road environment, service, smooth traffic, electromechanical activities, science and technology, safety, and environment have been formulated. What’s more, we have enhanced the service quality of three commuting road sections, four service zones and 10 commuting stations^①, to ensure smooth traffic in a fine and efficient manner to escort the Asian Games event.



Improving Road Environment



Upgrading Safe Escort



Elevating Service on the Whole



Enhancing Science and Technology Empowerment Quality



The smooth-traffic keepers in Shaoxing Management Centre made good use of the drone shouting function to guide the orderly passage of vehicles in the road hub.



On 27 January, live broadcast of CCTV News featuring Thank You for Sticking to the Post (To the Spring Festival) went to the Jiaxing section of Shanghai-Hangzhou Expressway, giving praise for the front-line work of smooth traffic in the Spring Festival.

^①The Hangzhou Asian Games Company's operating area covers the following: Three commuting road sections (Hangzhou-Ningbo, Hangzhou-Nanjing and Hangzhou-Huangshan, totalling 176.5 kilometres), four service zones (Shaoxing, Yuyao, Chang'an and Jiaxing), and 10 commuting stations (Lin'an, Hangzhou West, Deqing, Nanzhuangdou, Hangzhou, Xiaoshan, Airport, Guali, Keqiao and Shaoxing).

Optimising Scientific Maintenance

Adhering to the concept of “effortless” and “low-carbon” maintenances, we provide customers with a better traveling experience with efficient green maintenance technology. We have strengthened plan coordination and programme optimisation, formulated the annual Overall Planning Programme for Maintenance Work according to road conditions and strengthened the implementation. We have also studied and formulated the Guidelines for Intensive Construction Organisation and the classification and grading control indicators for construction efficiency, fully implemented intensive and staggered construction, and enhanced the experience of smooth traffic for customers. The “premium” construction period control was strengthened. Multiple construction modes were adopted, which included the mode that shifts construction from day to night to minimise the impact of lane occupation during the construction period. During the Reporting Period, a total of 141 nights of night work were carried out, and the length of road closure with RMB 1 million worth of maintenance value decreased by approximately 20.8% year on year.

We have continuously improved the standardised management of maintenance, issuing enterprise standards such as the Slope and Tunnel Maintenance and Management Manual and General Atlas for Conventional Diseases of Bridge and Tunnel, and participated in the publication of the Magnetic Expansion and Conductivity Inspection Standard for Bridge Tension Cables of China Engineering Construction Standardisation Association, so as to promote the systematic and scientific maintenance.

3D precision milling, non-stick wheel asphalt and other applications were innovated. The expressway sweepers have been applied in a comprehensive and normalised manner to significantly improve the level of road cleansing, increase the technological research and application of collision buffer vehicles, integrated green maintenance vehicles, bridge radar detection equipment, garbage rapid clean-up equipment and other equipment. We have further promoted digital conservation and disseminated the application of the Smartlink Management and Control System. We have carried out nine scientific research projects such as pavement lane-division maintenance technology, and two of them have passed the technical appraisal, reaching the leading international level. Many such projects have won awards and been recognised by the profession[®].



Case

Successful implementation of the largest project for domestic suspension bridges in retrofitting dehumidification system

In May 2023, Zhoushan Management Centre fully launched the project of “retrofitting dehumidification system of main cable for the first time” since the completion of Xihoumen Bridge, which is also the largest project of installing dehumidification system for suspension bridges in service in China.

Through independent research and development of large-scale construction platform, independent improvement of the major material of wrapping tape, research and development of parallel dehumidification unit featuring “one main engine and one backup”, for the first time in China, the Company adopted the modular design and installation of the main engine and other innovations to successfully complete the construction, so as to maximise the delay in the corrosion of steel wires and extend the bridge’s service life.



Xihoumen Bridge Construction Site



Pavement construction of Hangzhou-Huangshan Expressway applied dust-free waste collection equipment for the first time, reducing environmental pollution; it was the first large-scale successful application of an extremely thin wear layer in the province, while realising the quality (IRI pass rate of 92.5%), technology, and efficiency breakthroughs.



The Ningbo section in Ningbo-Taizhou-Wenzhou Expressway pioneered the development and application of intelligent and mobile maintenance cart, and achieved a breakthrough in the realisation of tunnel lining of the full cross-section and other maintenance of non-disruptive operations, reducing the impact on traffic.

Upgrading Travel Services

We are constantly upgrading our service level by focusing on customer experience. We have further promoted the standardisation of service system. During the Reporting Period, we completed the revision and evaluation of the local standard of the Expressway Toll Station Service Specification and also participated in the compilation of a number of group standards, such as the Guide for Evaluation of Expressway Operation Service Level.

We have stayed committed to providing efficient and satisfactory services, led by the service brand “Emergency Rescue for Passengers”, deepened the application of “Online Rescue” scenarios and enabled the direct towing rate of extended services to reach 76%. The functions of the “Intelligent Driving Forward” app have been enriched and expanded. In doing so, we endeavour to elevate intelligent services.

Responding to customers’ needs, we have expanded the functions of our “Intelligent Kiosks” app and extended our services outside the app. We are the first in the country to introduce the autonomous discount featuring “full loading for delivery” to attract traffic, and has successfully launched a total of four promotional activities, such as “Hangzhou-Shaoxing Connect” and “Ningbo Land Connect for Weekly Delivery”. We strove to enrich service scenarios, and successfully launched 40 heterogeneous cooperation projects of “Expressway Plus”, providing diversified services to the public. During the Reporting Period, we cooperated with local governments to seek beneficial measures for enterprises and people and benefited 43 million vehicles.

We have established a refined customer service system, optimized the customer complaint handling mechanism, and coordinated with various departments to promptly handle customer complaints and suggestions. During the Reporting Period, we received over 20,000 customer complaints through channels such as the 96222 customer service hotline, the overall customer satisfaction rate was 98.2%, the complaint handling rate was 100%, and there were 0 culpable complaints.

We continue to strengthen customer information and privacy protection. The “Intelligent Driving Forward” app informs users of the scope of information use before collecting personal information and obtains user authorization and consent. At the same time, sensitive personal information is desensitized and stored, and important data is encrypted to ensure confidentiality and integrity. No lawsuits have been filed for breach of customer privacy.

Upgrading Travel Services



Civilisation Demonstration Window of National Transportation Industry

Lin'an Centre for Hangzhou North Management Centre



Workers' Pioneer of Zhejiang Province for the Year 2023

“Eagle Post for Veterans” at the rooftop site of Shaoxing Management Centre



The first “Outstanding Expressway Rescue Team”

“Iron Guard Patrol” rescue team of Jiaxing Management Centre



The first “Top Ten Outstanding Individuals in Expressway Rescue”

Chen Xinlian, head of the smoothness assurance team at Huzhou Management Centre

Upgrading Travel Services



The 10th Most Beautiful "China Road Sister"

Yu Boping of Yuyao Toll Centre, Ningbo Management Centre



The 10th Most Beautiful "China Road Sister"

Xu Xin, a toll collector at Huzhou South Comprehensive Management Office, Huzhou Management Centre



The 10th "China Road Sister Team"

"Memories of the South" Team for Hangzhou North Management Centre



The 10th "China Road Sister Team"

ETC customer service team of girls from Anhui



The 9th "China Road Sister Team"

"Sea Swallow" Team of Zhoushan Toll Centre, Zhoushan Management Centre



The 9th "China Road Sister"

Wu Guoying, a toll collector at Chang'an Toll Station, Jiaxing Management Centre

Case

The first free towing service in China was offered, and “Online Rescue” contributes to better transportation

We collaborated with traffic police, transportation, firefighting department, medical care, insurance and other units to build digital scenarios for the application of “Online Rescue”. The first free direct towing for repair shop service for high-speed accident cars creates a new model of direct compensation for domestic expressway road damage, and integrates the functions of “direct information, direct link for rescue, free direct towing, direct compensation for road damage” and other functions, which has been awarded the “best application” of the digital reform in Zhejiang Province, awarded the bronze prize for Zhejiang provincial reform breakthroughs, and regarded as the first expressway rescue management and service innovation case.



By the end of the Reporting Period, “Online Rescue” had provided more than 70,000 cases of direct towing services and received more than 25,000 favourable comments from drivers and passengers, saving about 50,000 hours of waiting time and RMB18.63 million of secondary transfer fees, with a customer satisfaction rate of 99.8%. Rescue arrival time was reduced by 15.92%, the length of traffic control at toll booths decreased by 37.47%, and the total length of congestion and slowdown decreased by 25.21%.



Fenghua Toll Management Office in Ningbo Management Centre has launched a 24-hour “Intelligent Purchase” Convenience Store for passing drivers and passengers to provide convenient food, beverages, and travel supplies. The measures such as the sale by consignment, setting up pick-up points and other initiatives have helped the nearby villagers to increase their income and become rich.



Huzhou Management Centre is equipped with strapping tools at the entrances of six toll stations with large flow of trucks in and out, which assisted truck drivers in rectifying loading on the spot, and helped to solve the problem instead of “persuading them to drive back”, ensuring the safety of trucks on the road.

Implementation of Safe Operations

We adhere to the policy of “safety first, prevention first, and comprehensive management”, effectively fulfil the responsibility system of production safety for all staff, and continuously carry out the work of consolidating the safety foundation, improving the emergency response capability, and cultivating the safety culture, so as to continuously improve the safety operation capability, prevent and resolve the major safety risks, and maximise the protection for the life and health of the staff and the travelling public. During the Reporting Period, we were selected as a model enterprise of safety culture in Zhejiang Province.

Strengthening the Security Base

Further implementing the Safety Production Law, Safety Production Regulations in Zhejiang Province and other laws and regulations, we continue to improve the Company's safety management system. During the Reporting Period, the revision of the Safety Production Work Responsibility System and Safety Production Management Measures was completed. Meanwhile, we completed four topics of the study including the Characteristics and Prevention and Control of Expressway Accident-prone Sections to solidify the safety management infrastructure.

The Company and each management centre have set up safety production committees to fully implement the main responsibility for production safety, signing safety responsibility statements at all levels to the post and the person, and carrying out regular performance appraisals to strengthen the safety responsibility of all staff.

To further improve the Company's safety management mechanism, during the Reporting Period, according to the Notice on Strengthening the Construction Work of Dual Prevention Mechanism for the Construction of Expressway and Transportation Industry in Safety Risk Classification and Control and Hidden Trouble Detection and Management issued by Department of Transport of Zhejiang Province, we compiled the Implementation Plan for the Construction Work of Dual Prevention Mechanism for the Hidden Trouble Detection and Management and Safety Risk Classification and Control, and conducted the pilot practice to summarise the experience and to achieve the mechanism of the full coverage.

We endeavoured to strengthen the effectiveness of safety supervision, pilot the grass-roots special commissioner mechanism, carry out road-related operations team twinning mechanism, and implement clearing and rescue double-vehicle warning mechanism, so as to achieve scientific prevention of operational risks.

We further promoted the work of “science and technology to promote safety”, built the main platform for digital application of safety management, and gradually achieved the goal of “one platform and full management” for production safety. We have basically built a 24/7 all-weather equipment monitoring, operation and maintenance system, and innovated and upgraded all kinds of security protection facilities.

During the Reporting Period, we did not have any responsible production safety liability accidents or road traffic fatalities with the same responsibility or above, and there were no fire accidents or fire hazards that caused social impact. No production safety liability accidents with direct economic losses of RMB 2 million (RMB 5 million for water transportation) or more have occurred.

Case



Iron suction vehicle (independently developed by Shaoxing Management Centre) operated in the “Expressway Spillage Special Rectification Action” to effectively prevent tire puncture due to iron nails and other sharp objects.



Ningbo Management Centre has compiled the Expressway Nighttime Construction Safety Control Manual, the first control rules guiding the safety of nighttime construction on operating expressways in China.

Upgrading Emergency Response Capacity

We continuously improve the Company's emergency plan system. During the Reporting Period, we compiled and issued the Emergency Response Guidance Manual for Expressway Emergencies, which structured and tabulated the emergency plans, and refined them into operational procedures to improve the effectiveness of the use of emergency plans. We have revised the Emergency Response Plan for Safety Production Accidents, the Emergency Response Plan for Dangerous Chemical Goods in Vehicle Transportation Emergencies, and one comprehensive and seven special emergency response plans. We have formulated the Accident (Incident) Review Management Measures, strengthened the tracking and tracing of problems and rectification, and further improved the level of safety supervision.

During the Reporting Period, we participated in the compilation of the standards for the Construction and Operation of Expressway Emergency Protection Bases in Zhejiang Province and jointly promoted the construction of industry standards. We have actively created a new mode of emergency response linkage, completed the construction of localised emergency response alliances for all centres under its jurisdiction, effectively integrated the resources of the government, enterprises, society and emergency response experts, emergency response materials and other resources, and deepened the linkage emergency response mechanism. We have strengthened emergency training and emergency drills to improve the comprehensive capacity of emergency rescue teams.

Case



After the province's first emergency rescue for rescue point across high-traffic expressway section, the "Emergency Rescue for Passengers" station, was put into use, the time of arrival for the roadway obstacle rescue was shortened by 18%.



The first provincial operation of large-scale "sea, land and air combat" comprehensive drill in expressway Comprehensive emergency response drill for ship collision emergency of across-sea bridges of Zhejiang Province expressway system.



Fostering A Safety Culture

We focus on enhancing the safety awareness of drivers and passengers, continue to improve the construction of safety signs, banners and other facilities, and widely publicise safety science. We have formulated a special work programme for the construction of safety culture, and deeply promoted the improvement of employees' safety awareness and comprehensive ability. During the Reporting Period, training on firefighting knowledge, medical rescue and other safety skills was organised. Relying on the WeChat official account, we set up the "Safe Escort" section for safety production work, posting weekly our latest work progress.

99 lectures

were held on production safety laws and regulations, policy documents, etc.

with **4,866** participants in total

80

emergency drills and trainings were organised

with **2,784** participants



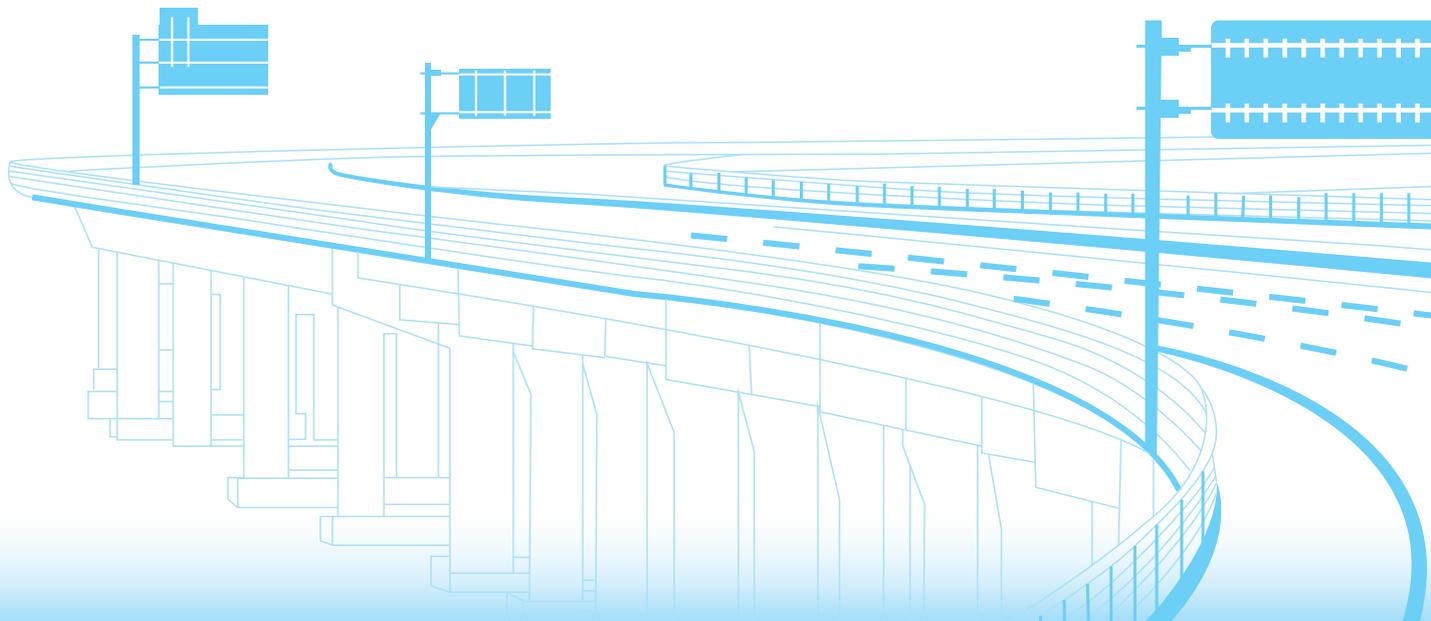
332

safety inspections were conducted

with **1,009** participants

495

hidden dangers were rectified



Case



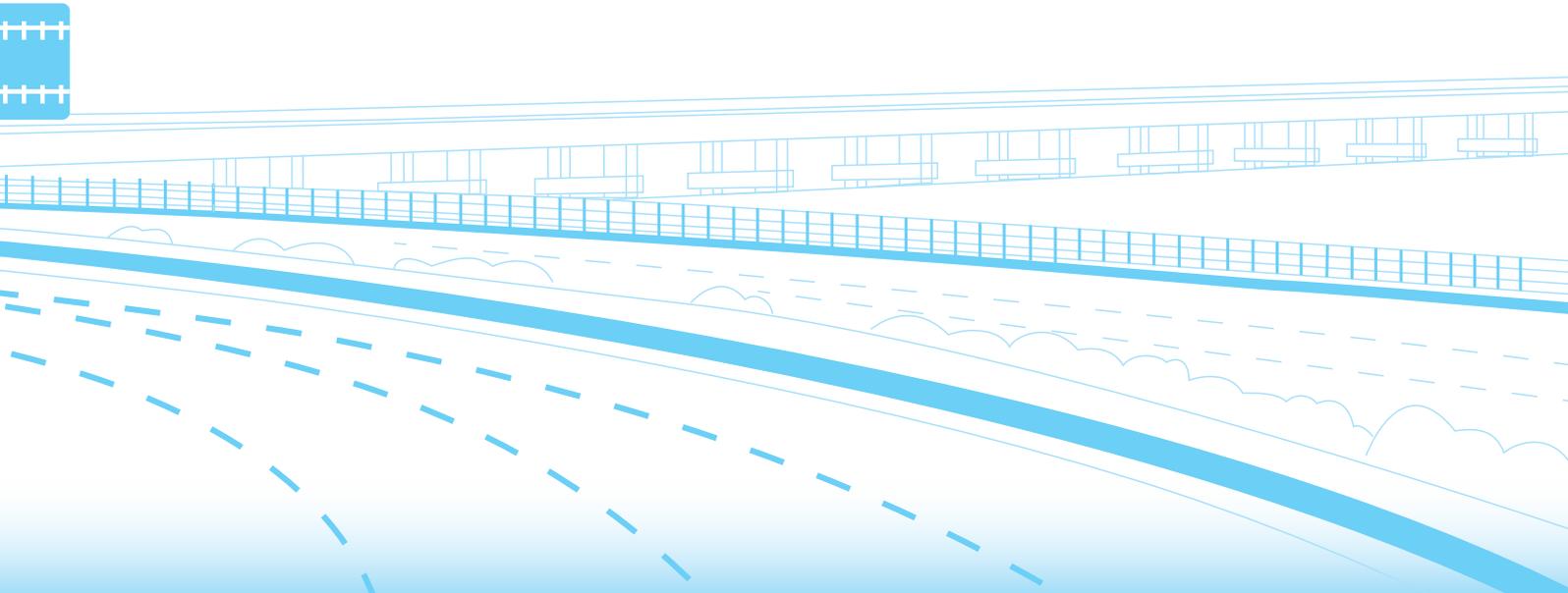
“Safety Production Month” Series Activities



Safety hazard review and drilling



Huzhou Road Traffic Emergency Rescue Training Base provides immersive safety training experience for companies and the public.





Green Development Beautifies the Environment

The Company adheres to the path of green development and is committed to actively addressing climate change while realising business growth. It devotes to improving resource efficiency, practicing green operations, and continuously reducing the environmental impact of its business activities, so that it can make positive contributions to realising sustainable development.

Response to Climate Change

The Company actively practices the “carbon peaking and neutrality” strategy and emphasises on identifying the risks and opportunities brought by climate change in order to minimise the adverse impacts of the environment on the Company’s production and operation.

Improving Climate Governance

The Company insists on continuously improving its work of climate governance, formulating a special work programme, clarifying the Strategy Committee of the Board of Directors as the supervisory and decision-making body for climate-related risks and opportunities. It includes climate-related issues in the jurisdiction of the Strategy Committee of the Board of Directors. The Company established a Working Group of Climate Governance, and appointed leaders who are responsible for “carbon peaking and carbon neutrality” as the group leader. The Working Group is responsible for developing climate-related work plans, including targets of greenhouse gas (GHG) emission, and monitoring and evaluating the implementation of the responsible departments.

The Company formulates and implements work mechanisms such as regular monitoring and communicating with the governance groups. The Working Group of Climate Governance holds quarterly climate work meetings and reviews the implementation of climate-related work plans. The Working Group of Climate Governance regularly submits an annual report on its work to the Strategy Committee of the Board of Directors, and the Strategy Committee of the Board of Directors communicates with the Working Group of Climate Governance on governance concerns and ensures the execution of the Company’s climate management-related objectives.



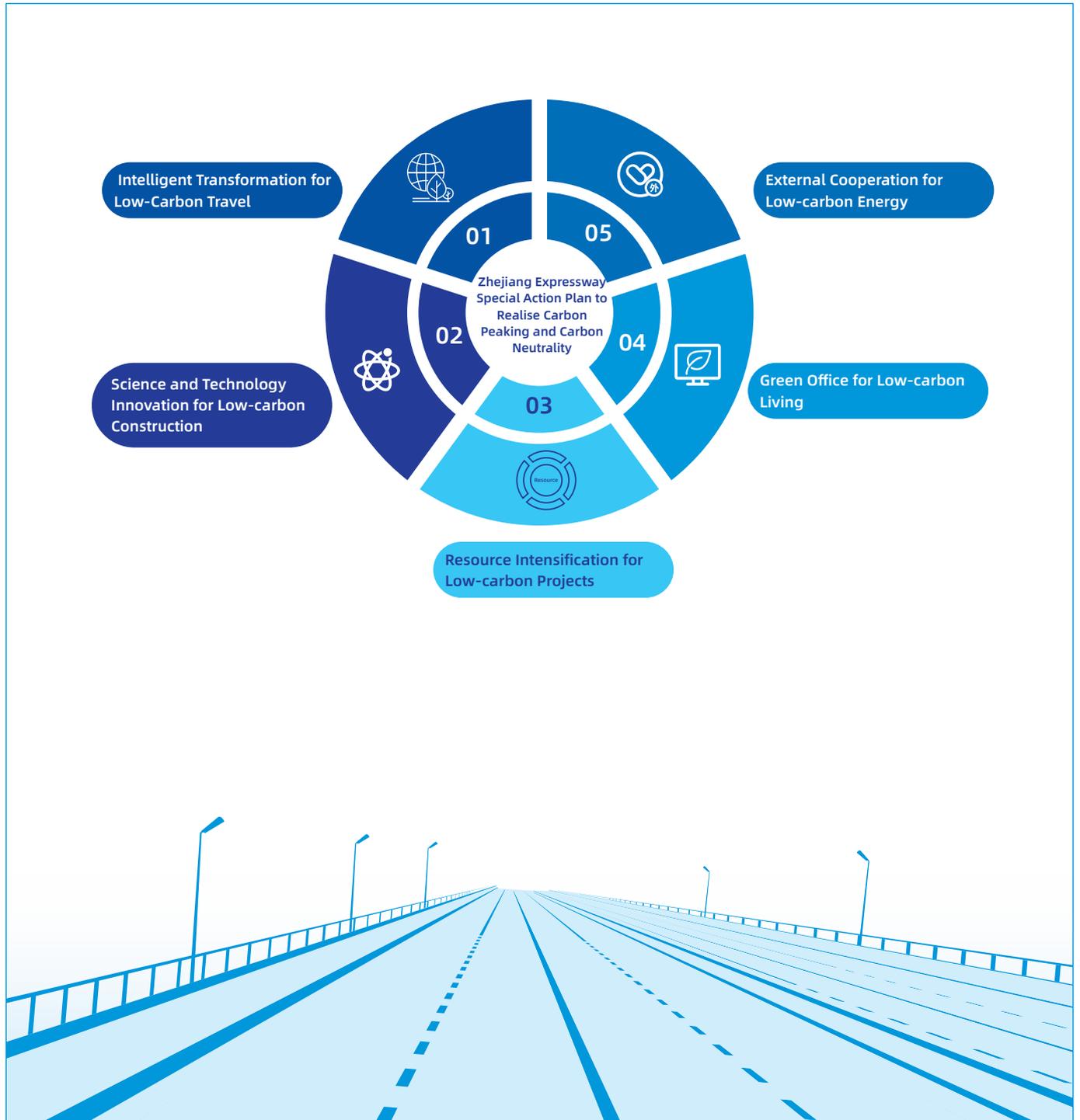
Climate Governance Work Structure

Creating a Low-carbon Expressway

The Company continues to promote the implementation of the Special Action Plan to Realise Carbon Peaking and Carbon Neutrality, and accelerates the diversification and low-carbonisation of energy supply as well as high efficiency and reduction of resource consumption based on the guarantee of efficiency, safety and greenness on expressways.

The Company takes energy saving and carbon reduction in the whole life cycle of expressways as the general guideline and utilises natural resources such as wind and light relying on the land resources of expressway facilities. In terms of the energy demand and future development trend of service facilities, such as toll stations, service zones, interchange hubs, and office management land, the Company carries out the integrated intelligent energy construction of clean energy such as wind, light, storage and hydrogen and optimises the formation of a replicable and extendable technical programme. During the Reporting Period, the Company has completed the construction of photovoltaic power stations at one low-carbon toll station, one low-carbon service zone and one interchange hub.

During the Reporting Period, the Company’s total GHG emissions amounted to 58,269 tonnes of carbon dioxide equivalent (CO₂e)^③, of which carbon dioxide accounted for 90.76%, which was the main type of GHG emissions. The direct GHG emissions (Scope 1) amounted to 9,550 tonnes CO₂e and the indirect GHG emissions (Scope 2) amounted to 48,719 tonnes CO₂e. The GHG emission intensity was 26.57 tonnes CO₂e/kilometre. CO₂e emissions reduced by photovoltaic power amounted to 1,481.34 tonnes of CO₂e.



③The emission and removal factors are based on the EPD's Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong; and the emission factors for electricity are derived from the national average emission factors for electricity in the Ministry of Ecology and Environment's Circular on the Reporting and Verification of Greenhouse Gas Emissions from Enterprises in Selected Key Industries from 2023 to 2025.

Case

Distributed interconnected photovoltaic project in grid-connected operation

On 13 April 2023, the commissioning of Zhoushan Management Centre's 1.28MWp distributed photovoltaic power generation was completed, and it was smoothly connected to the national grid, realising "surplus power on-grid" after satisfying "self-consumption". After the project is connected to the grid and generates electricity, it is expected to generate about 1.3 million kWh of electricity annually, saving 370.5 tonnes of standard coal and reducing carbon dioxide emissions by approximately 626.73 tonnes. In October 2023, the photovoltaic project located in Dayin Interchange Zone of Ningbo Section of Hangzhou-Ningbo Highway successfully realised full flow and grid connection, which is expected to produce 1.47 million kWh of clean electricity annually, save 418.95 tonnes of standard coal, and reduce 708.7 tonnes of carbon dioxide, with significant energy-saving and emission reduction benefits.



Zhoushan Management Centre launched a new mode to supply "surplus power to the grid" after satisfying "self-consumption"



Photovoltaic project in Dayin Interchange Zone of Ningbo Section of Hangzhou-Ningbo Expressway

Case

"One-stop" new energy charging and switching station facilitates users to replenish energy

In order to facilitate the user charging and switching to replenish energy, on 24 November 2023, the new energy charging and switching station of Lubu Toll Station of Ningbo Management Centre was officially operated to provide convenient charging service for the vehicles to and from the expressway and the nearby residents. The charging and switching station makes full use of the vacant site stock resources in the toll station area, and is equipped with two liquid-cooled fast-charging piles with a maximum power of 500KW, 16 fast-charging piles with a maximum power of 60KW, and a switching station, which is open 24/7 to meet the charging needs of 19 new energy vehicles at the same time, providing a "one-stop" new energy supply.



Utilising roofs, carports, and unused open spaces to install wind-solar storage and charging integrated green energy at Jiaying East Toll Station, the first low carbon toll station in the Company was built.

Coping with Extreme Weather

The Company focuses on the uncertain impacts and risks associated with extreme weather events and strictly implements initiatives to prevent extreme weather. The Company integrates the emergency management function of flood control and ice and snow prevention into the safety emergency management system, and improves the comprehensive emergency response capability with digital application. The Company further improves the relevant emergency plans, incorporates the knowledge of defence against various natural disasters such as typhoons, rainstorms, floods, fog, gales, blizzards and freezing into the contents of the new and re-training of employees' safety, carries out emergency drills, and enhances the level of comprehensive response capacity. It continues to improve the application of the emergency management system for typhoon, flood control and snow and ice resistance, and steadily improves the level of informationisation and digitisation of emergency response.

During the Reporting Period, the Company responded effectively to extreme weather conditions such as Super Typhoon No. 5 "Dusu Rui", Typhoon No. 6 "Kanu", and low temperatures and snowfall in winter to ensure smooth and safe road traffic.



Snow blowers carried out snow removal operations in the Yulingguan section of Hangzhou-Huizhou Expressway.



Inspectors checked the temperature of the bridge deck at the Mushan Lake Bridge to ensure that there was no ice or snow on site.

Reduction of Pollution Emissions

The Company strictly abides by all laws and regulations, aims at minimising pollution emissions, refines and standardises the Company's relevant management system, and adopts diversified measures to strengthen the management of emissions such as waste gas, sewage, solid waste, and noise so as to reduce the impact of the Company's operation on the environment.

During the Reporting Period, the Company did not experience any major environmental pollution incidents. The operations involved emissions of 20,465 kilograms of nitrogen oxides (NO_x), 31 kilograms of sulphur oxides (SO_x) and 1,423 kilograms of particulate matter (PM)^④. During the Reporting Period, a total of 12 sound barriers were installed, with a total length of 1,880 meters. A total of 222,514 tonnes of old asphalt materials were generated, of which 12,520 tonnes were used for on-site thermal recycling and 171,968 tonnes of old materials were recycled elsewhere, representing a recycling rate of 18.9% on the road and a total recycling rate of 96.2%^⑤. The grid-connected rate of sewage discharge was 100%, and domestic garbage and waste achieved 100% standardised removal and disposal.

^④The data collected and disclosed during this Reporting Period includes data for all jurisdictional sections, and the scope of the data has been added from previous years. The NO_x and SO_x emission factors are derived based on data from the Clean Air Charter - A Business Handbook issued by the Hong Kong General Chamber of Commerce and the Hong Kong Business Coalition, as well as Towngas' Sustainability Report in 2018. The PM emission factors are based on the Hong Kong Environmental Protection Department's (EPD) EMFAC-HK vehicle emission calculation model and the U.S. Environmental Protection Agency's Motor Vehicle Emission Simulator, and such factors are calculated assuming a relative humidity of 80%, a temperature of 25 degrees Celsius, an average driving speed of 30 kilometres per hour, and include only emissions during driving.

^⑤For details of the green conservation work, please refer to 2. Optimizing Scientific Maintenance, ii., Part 2 of this report.



Reduction of Emissions

- Rationalise the planning of vehicle use, advocate the use of new energy vehicles by employees, and reduce emissions in their own operations
- Utilise technology and innovation to improve vehicle traffic and rescue efficiency and reduce emissions in the service zone



Compliance with Sewage Treatment Standards

- Sewage discharge is connected to the municipal pipeline network to achieve standardised treatment
- Strict audit management to incorporate wastewater compliance into the construction programme



Effective Noise Reduction

- Carry out remediation of noise-sensitive points, and timely repair diseases such as bridge expansion joints and pavement potholes to maintain excellent road conditions
- Reduce the impact of traffic noise on residents along the route through measures such as noise-reducing road surfaces, encrypting greening and installing additional sound barriers



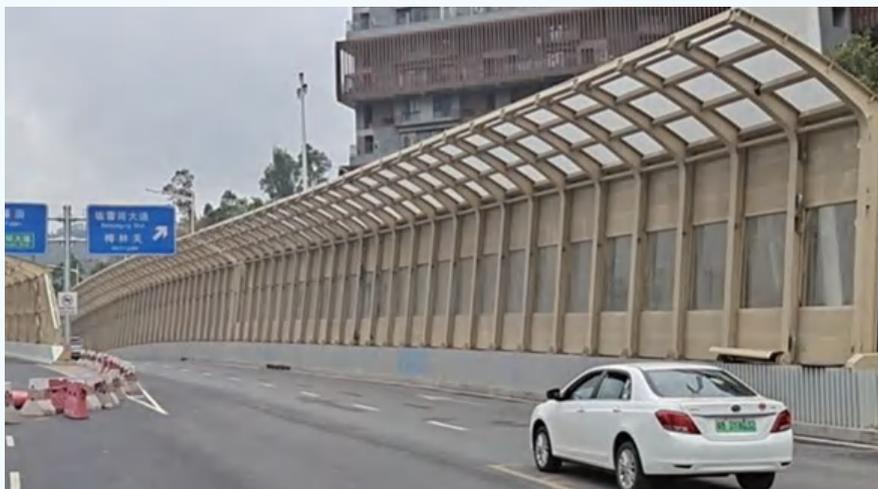
Rational Treatment of Solid Waste

- Strictly implement waste separation in accordance with local requirements
- General waste and toxic and hazardous waste are uniformly handled by outsourcing units with relevant qualifications to ensure that solid waste treatment is harmless and resourceful

Case

Optimising solutions to minimise noise impacts

In the reconstruction and expansion project of G1522 Changshu-Taizhou Expressway (Zhajiasu Expressway), there were more houses along the Xiuzhou Viaduct-Majiabang Interchange, and the Company fully considered the requirements of residents in the process of reviewing the project design plan, increased capital investment, and minimised the impact on residents in the construction process. At the same time, the Company carefully optimised the design scheme, reduced noise through the use of prefabricated construction, used noise-reducing pavement material PA-13 instead of SMA-13, added 4.5-meter and 6.0-meter-high knuckle arm sound barriers, and adopted measures such as low-noise bridge expansion devices and greening noise reduction to reduce expressway driving noise. According to the conclusion of EIA simulation data, the comprehensive noise reduction was 10-15 decibels.



Practice of Green Operations

The Company continues to promote the implementation of the various initiatives of the Management Measures for Energy Conservation and Emissions Reduction, refines the task decomposition schedule, and conducts clear and quantitative energy-saving targets for water, electricity and automobile usage fees. It carries out monthly statistics of costs for water, electricity, gasoline and gas according to the time nodes, accounting for the achievement of the annual plan and the year-on-year data, to ensure that the goals of energy-saving work are achieved.

The Company has carried out extensive publicity and education on energy conservation and emission reduction, and conducted a number of activities with the theme of “Energy Conservation and Carbon Reduction, You and I Walk Together” during the National Energy Conservation Publicity Week and “Actively Responding to Climate Change and Promoting Green and Low-carbon Development” on the National Low Carbon Day to popularise the knowledge of energy conservation and carbon reduction and enhance employees’ awareness of environmental protection. The Company advocates low-carbon travel in many ways, supervises and manages the use of air conditioners and water heaters, turns them on at regular intervals, uses them in fixed quantities, and cleans air conditioner filters regularly. It resolutely eliminates the problems of “long running water”, “daytime lights”, “long bright lights”, “unmanned lights”, and long standby time of office equipment; and guides employees to consciously cultivate energy-saving habits to effectively reduce the consumption of energy such as electricity, water, gasoline, and paper.

During the Reporting Period, the total energy consumption was 13,055.77 tonnes of standard coal^①, of which electricity was the main energy used, accounting for 80.42% of the total energy consumption. The comprehensive energy consumption of operating mileage was 5.95 tonnes of standard coal/kilometre, a decrease of 2.45% from the previous year. Total water consumption was 584,000 cubic meters, with a per capita water consumption of 119.45 cubic meters per person. The replacement of 393 sets of tunnel lighting fixtures, interchange area and high-pole lamps with LED lamps in the service zone was completed, and the photovoltaic construction was completed for a total of 3.9773MWp.

The Company extends the green office concept to partners, promotes the whole process of bidding electronic work, improves efficiency with online processing, and saves paper through electronic bidding. Remote bid evaluation rooms have been set up in six management centres to enable online review, bid opening and evaluation, helping to achieve “zero errand and zero travel cost” in procurement transactions.

During the Reporting Period, approximately 1.2 tonnes^② of paper were saved through e-tendering, which is equivalent to reducing GHG emissions by 1.39 tonnes of CO₂e. The remote bid evaluation method saved the bidder approximately RMB100,000^③ in transportation costs, which is equivalent to a reduction in greenhouse gas emissions of 51.3 tonnes of CO₂e.

At the same time, the Company pays full attention to the surrounding ecological environment in the operation process and applies scientific methods to protect it. The Company organises environmental public welfare activities to promote environmental protection knowledge to nearby residents and drivers, and works together with more stakeholders to protect the green home.

^①Various energy discount coefficients are quoted from GB/T 2589-2020 General Principles of Comprehensive Energy Consumption.

^②Measurement note: The total number of purchases occurring in 2023 for engineering over RMB500,000, goods over RMB500,000, and services over RMB100,000 is 611, or 611 bids. The paper used for bidding is calculated in accordance with five paper files (one original copy and four copies) per bid, 60 pages of paper per bid, and the carbon emission factor of A4 paper is calculated in accordance with 3.8 kilograms of carbon dioxide emissions per 500 sheets.

^③Measurement note: Approximately 2,000 supplier staff was involved in the bidding in 2023, with transportation distances based on a single round trip of 50 kilometres and emissions of 0.513 kilograms of carbon dioxide per kilometre from a general purpose vehicle.

Case

Efficient use of space turns “grey under the bridge” into “leisure green”

The space under expressway bridges is prone to problems such as illegal encroachment and disorderly use, and has become “surplus space” or even “grey space”. The Huzhou Management Centre, together with relevant units, has adopted the “use escrow” model to renovate and upgrade the space under the bridge, repaint the bridge piers, harden the ground, refill the plants, and configure the construction of small football fields, standard basketball courts, children’s amusement facilities and various sports and fitness equipment, which are open to residents free of charge. The related initiatives have widely benefited the neighbouring residents, and the two under-bridge spaces of Fang’an Village Separation Bridge of S43 Hangzhou Round City West Duplicate Line and Liujiadu Separation Bridge of G25 Hangzhou-Nanjing Expressway have been reported by CCTV’s News Broadcast.



Case

Strengthening the protection of cultural relics and guarding the roots of civilisation

The construction of Shanghai-Suzhou-Zhejiang-Anhui Expressway Expansion Project from Changxing West Interchange to Zhejiang-Anhui Boundary Project passes through the two core areas of Xigang Ruins and Qiliting Ruins for cultural preservation. In order to do a good job of heritage protection, the Company commissioned a professional organisation to carry out exploration and heritage assessment in the process of reviewing the project design plan. According to the professional recommendations of the heritage protection organisation, the Company communicated with the construction unit many times to optimise the design and construction programme in strict accordance with the relevant requirements of heritage protection, to avoid the impact on the heritage body, restore the site’s original appearance after construction, and at the same time for the subsequent site of the protection of the display to create the conditions.



Shaoying Management Centre innovatively adopted 4G Remote Street Light Control System to achieve 8% power savings



Huangshan Office of Hangzhou North Management Centre “Anhui Girl” volunteers went to kindergarten to carry out “Children’s Heart Protecting, Protecting the Earth” environmental protection education activity



Mutual Benefit and Mutual Sharing Promotes Harmony

The Company promotes the growth of the enterprise, and also adheres to the development concept of mutual benefit and mutual sharing, pursues win-win cooperation with partners, shares the fruits of enterprise development with employees, actively participates in social welfare activities and boosts rural revitalisation to contribute to the construction of a better community.

Growth with Employees

The Company adheres to the people-oriented principle, and actively builds harmonious employee relations. It respects and safeguards the basic rights and interests of employees, broadens their career development paths, supports their multi-dimensional ability enhancement, cares for their physical and mental health, and promotes the common growth of employees and the enterprise.

Protecting Employees' Rights and Interests

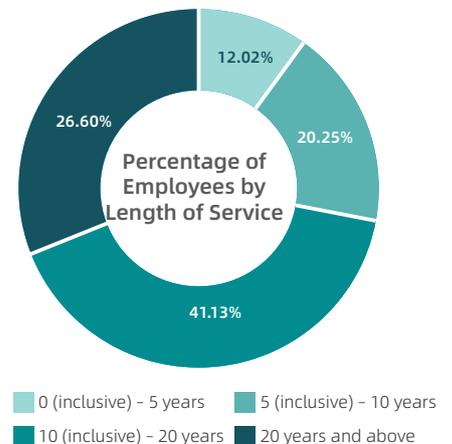
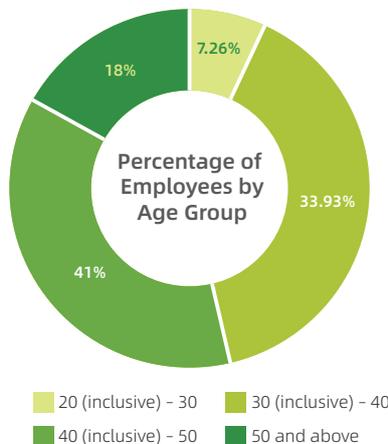
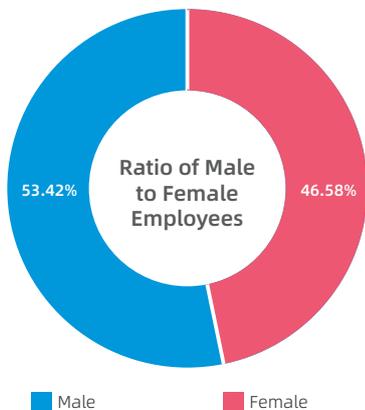
The Company strictly complies with the requirements of relevant laws and regulations, establishes various labour protection systems, and fully protects the rights and interests of our employees, such as equal employment, reasonable remuneration, and democratic communication.

It adheres to the principle of equal employment and carries out talent recruitment based on the principles of openness, fairness, competition and meritocracy, and resolutely eliminates discrimination in respect of age, gender, geography, ethnicity, customs and religion, etc.; it strictly abides by the relevant laws and regulations, prohibits forced labour and child labour, and strengthens the inspection of supplier-related employment. During the Reporting Period, the Company did not have incidents of labour disputes, child labour and forced labour.

During the Reporting Period, the Company had 4,889 employees, including 3,428 contracted employees and 1,461 employees under labor dispatch and otherwise. The number of employees who departed the Company amounted to 200, including 10 contracted employees and 190 employees under labor dispatch and otherwise; 40.5% of the employees who departed the Company were male and 59.5% were female; and there were no significant regional differences among the employees who departed the Company.

It continuously establishes and improves the democratic management system with the Congress of Employees as the basic form, smoothens the channels of democratic management, supervision and participation of employees, and encourages employees to participate in the democratic management of the Company. It continues to promote the "Doing Practical Things for Employees" project, and openly selects the top ten "Doing Practical Things" projects. Besides, it continuously carries out the activity of "Labour Union Chair's Reception Day" at two levels, and realises the full coverage of reception by the labour union chairman. During the Reporting Period, 9 activities were held, 116 employees were received, 89 issues of grassroots front-line employees on team building, remuneration and benefits, warmth and care were collected, fed back and solved, and the needs of employees were served efficiently and precisely.

The Company insists on providing employees with a competitive remuneration and benefits system. During the Reporting Period, the Departmental Performance Appraisal Measures and the Comprehensive Performance Appraisal Measures for Regional Management Centres were issued, and the Implementing Rules for the Management of Total Payroll Budgets and the Rules for the Work Incentive Appraisal for Reducing Costs and Improving Quality and Efficiency were revised to highlight the benefit orientation and incremental orientation, and to further improve the all-employee performance system. The Company timely and fully pays social insurance and purchases commercial insurance for employees to continuously consolidate talent attraction and retention capacity. During the Reporting Period, the signing rate of labour contracts was 100% and the rate of social insurance coverage was 100%.



Case



The Third Session of the Seventh General Meeting of Employees (Labour Union Members) of the Company



Continue to carry out the "Labour Union Chair's Reception Day" activity

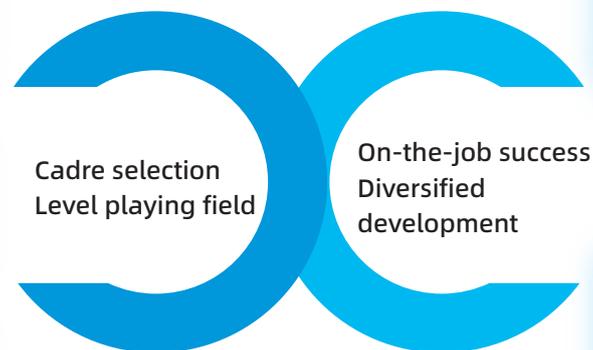
Empowering Employee Development

The Company issued documents such as the Action Plan for Empowering Enterprise through Talent and Forging First-class Teams, clarifying the tasks and initiatives for adjusting the constitution, the team and the mechanism. Focusing on the goal of "operation to management", we promote organisational restructuring and optimisation of responsibilities, continuously optimise the career development path of employees, provide diversified career development opportunities and growth space for employees, and help them to realise their value.

- The Company carried out multiple open competitive recruitments, and selected 18 middle-level cadres during the Reporting Period, with 60% of them competing for posts, and 23% of middle-level cadres exchanging posts across lines, regions and specialties.

- The Action Plan for the Young Cadre Workforce Construction has been formulated, increasing the proportion of young cadres under the age of 35 from 3% at the beginning of the year to 6%.

- Thirty young cadres were selected to industry authorities and grass-roots front-line for exchanges and training.



- The Management Measures for Employee Career Development Paths was revised to provide employees in different positions with multiple career development opportunities, making the talent development paths more complete.

- Besides, the Company formulates guidelines for the construction of five teams, including tollcollection, smooth operation, maintenance and investment, finance, etc., and intensifies training efforts to help the growth of specialised technical and skilled personnel.

We have deeply implemented the construction of a learning constitution, established a sound training system covering all employees and different levels, and provided scientific, systematic and differentiated training for employees through various channels such as training courses, online courses, visits and exchanges, and skills competitions. During the Reporting Period, we organised staff to go to Huawei, Alibaba Group and Shandong Expressway to carry out benchmarking learning, and completed the training of digital enhancement for middle-level cadres, new staff integration, and transformation of section chiefs, so as to gather talent energy for the development of the enterprise.

During the Reporting Period, the total cost of education and training of the Company amounted to RMB 7.619 million, with a total of 307 times of various forms of education and training and 10,069 participants, representing an employee participation rate of 100%. The total number of training hours is 30,047, of which 36, 46 and 56 hours are maintained for non-managerial, general management and middle and senior management personnel, respectively.



On top of that, the Company explores the mechanism of labour and skill competitions that integrates “training, practice, competition, and incentive.” During the Reporting Period, we hosted the 2023 Zhejiang Provincial Expressway Monitoring Management Administrator Employee Vocational Skills Competition, in which the Company won the first place in the group and two employees were awarded the honour of “Zhejiang Golden Blue Collar.” Labour unions at both levels held 11 competitions of various vocational skills, involving 412 employees and promoting the improvement of employees’ professional skills. We have launched the mechanism of “Masters and Apprentices” in the Masters’ Workshop, pairing up more than 40 pairs of masters and apprentices annually to guide young employees to grow up and become successful.

Case

Dajiangdong industrial workers training base was successfully selected as “Zhejiang Craftsmen College Training Base”

In September 2023, the Dajiangdong industrial workers training base built by the Company was inaugurated and selected as the training base of Zhejiang Craftsmen College Training Base. The training base teaching courses cover highway tolling, road monitoring, clearing and rescuing, electromechanical inspection, electrician skills, safety management and so on. Simultaneously, we have leveraged on the Company’s toll collection, surveillance personnel, and electricians to undertake independent qualifications, and built a qualification certification platform for expressway industry workers through this training base. During the Reporting Period, the training base has completed seven types of training, including clearing and rescue and high-speed traffic police skills training, benefiting 51 batches and 2,015 persons.



Dajiangdong industrial workers training base



Barrier clearance and rescue trainees conduct live-action training during night time

Case



Study tour for the "Super Intelligent Youth" empowerment programme



Training course for young cadres

Happy Employee Life

The Company attaches great importance to the work-life balance of employees, creating a cozy "Staff Home" and a warm, comfortable and caring working atmosphere and environment for employees. We organise various kinds of cultural and sports activities to meet the diversified needs of employees and enhance their happiness and sense of belonging. During the Reporting Period, 126 cultural activities of various kinds were organised, involving 4,286 employees. We have established a badminton association, regularly conducting exchange training, actively inviting retired players and professional coaches for on-site guidance, and have organised more than 1,300 members of the association to participate in various competitions.

Focusing on groups such as young employees, female employees, and employees in difficulty, we carry out various forms of activities to meet the actual needs of different groups. During the Reporting Period, the Company offered donations to 27 employees through the Employee Relief Fund, and distributed donations amounting to RMB252,600.

Besides, the Company pays attention to the occupational health and safety of employees, purchases personal accident insurance and occupational injury insurance for all employees, arranges regular medical checkups for employees, and provides labour protection supplies; each grassroots station has a special psychological consulting room and an emotional venting room to pay attention to the psychological health of employees. Comprehensive safety and health training was carried out^⑨. During the Reporting Period, 904 employee work safety drills and trainings were conducted, with 30,197 personnel of various types trained, and the cumulative training hours exceeded 43,000 hours. There were no major occupational health and wellness incidents. The cumulative number of workdays lost due to work-related injuries was 4,070.5, and the number of work-related deaths over the past three years (including the current Reporting Period) was 1, or 0.02%.

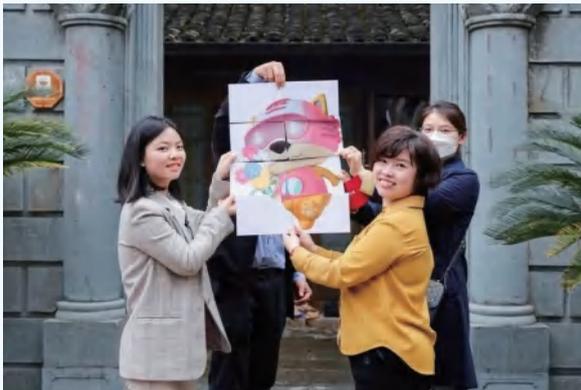
^⑨ For details of the Company's safety production and safety culture development, please refer to iii. Implementation of Safe Operations, iii., Part II of this report.

Case

“Super Intelligent Bookstore” was awarded “2023 National Trade Union Employee Bookstore Demonstration Site”

In December 2023, the Company’s elaborate “Super Intelligent Bookstore” was honoured by the All-China Federation of Trade Unions as the “2023 National Trade Union Employee Bookstore Demonstration Site”. The bookstore covers an area of 360 square meters and collects more than 3,000 books of all kinds, and exchanges and cooperates with Hangzhou Library to update books regularly. It is also equipped with digital devices such as librarian workstations and e-readers to provide employees with an immersive reading experience.

During the Reporting Period, the Company organised a variety of activities such as book sharing, book salon, reading punch card points and “Recommending a Book a Month” campaign to expand the service functions of the bookstore, so as to allow employees to enjoy the pleasure of reading in a relaxing and pleasant atmosphere, and to enrich the cultural life of employees.



Theme activity of “Love to Shanghai, Hangzhou and Ningbo, Women in Bloom”



Huzhou Management Centre held “Tea as a Medium to Write Asian Games” Song Dynasty style tea ceremony event



Health walk activities



Making mooncakes together at Mid-Autumn Festival

Development with Partners

The Company practices the concept of win-win cooperation, and actively cooperates and exchanges with suppliers, industry associations, industry partners, business affiliates, universities and other related parties to share the fruitful results of development with the community and grow together with partners.

Practising Responsible Procurement

We insist on equal cooperation and mutual benefit with suppliers, and strictly abide by relevant laws and regulations in cooperation with suppliers. We further improve the Company's bidding and procurement management system and system construction, deeply practice clean procurement, continue to carry out bidding and procurement of daily audit supervision, timely detect and rectify problems in the bidding and procurement process, and work with suppliers to create a transparent business environment.

We pay attention to suppliers' fulfilment of their responsibilities, actively identify the environmental and social risks in each link of the supply chain, revise the bidding rules, clarify the environmental protection initiatives in the screening, evaluation and implementation processes of suppliers, encourage and promote the use of environmentally friendly products by suppliers, and work with suppliers to help protect the environment.

During the Reporting Period, the Company selected 399 suppliers of major products, services and project maintenance, including 285 suppliers in Zhejiang Province and 114 suppliers outside the province.

Boosting the Development of the Industry

We join hands with industry partners, actively participate in industry associations and exchanges, take the initiative to participate in thematic research, and promote the deep integration of high technology and transportation industry. Besides, we explore the mode of school-enterprise cooperation to jointly cultivate talents in the industry. And the Company effectively integrates the resources of the government, associations, enterprises and other parties to further promote the construction of regional emergency response alliance, and jointly accelerate the modernisation of high-speed emergency management systems and capabilities.

Case

"Enterprise-School Cooperation" creates a sample of industrial worker training practice

On 17 March 2023, Shaoxing Management Centre and Jinhua Polytechnic completed the signing ceremony for the awarding of the "Civic and Political Theory Course Practice Base" at the Ideological and Political Education Base for Industrial Workers in Shanghai, Hangzhou and Ningbo, Zhejiang Province. Both sides play to their respective advantages, and Shaoxing Management Centre will provide teachers and students of Jinhua Polytechnic with the convenience of visiting bases and enterprises, providing valuable resources for scientific research practice. Jinhua Polytechnic will provide faculty support for the Shaoxing Management Centre in the areas of industrial workers' continuing education qualification upgrading and information technology capacity development. Both sides strengthen the linkage between "School-Student-Enterprise-Employee" through cooperation, and actively create a sample of industrial worker training practice through the mode of "Resource Sharing, Activity Co-organisation and Brand Co-creation".



Prosperity with the Community

We take positive action to give back to society, take the initiative to care for the surrounding community groups in need of care, carry out activities such as respecting the elderly and helping the poor, green environmental protection, safety publicity, and convenient services, set up the “Little Red Hat” model workers and craftsmen volunteer service team and other volunteer brands, encourage employees to participate in volunteer activities, and carry out volunteer services on a regular basis. During the Reporting Period, the Company’s employees who participated in community volunteer services totalled approximately 1,200 persons, with a total service duration of 240 hours. Approximately 2,160 employees were mobilised to participate in the “Donate Together” campaign on the Humanitarian Day to convey positive energy.

Besides, the Company takes the initiative to engage in public welfare. It took the lead in setting up the “Together Family” volunteer service team, organised the “Together to Protect the Asian Games” volunteer service activities during the Asian Games, and served the public on the main expressway routes and stations in six regions, including Hangzhou, Shaoxing, Ningbo, Jiaxing, Huzhou, etc. It held 185 activities throughout the year to add colour to the Asian Games with practical actions.

The Company does a good job of provincial pairing assistance and east-west collaboration. During the Reporting Period, the Company purchased products for eradicating poverty such as corn, snow pears, yellow peaches and rice for RMB1.01 million, and completed the purchase of “26 Counties in Mountainous Areas” common wealth products for RMB1.82 million.

Case

Two projects were selected as “Top Ten Cases” in the first expressway innovation and practice for rural revitalisation

In January 2023, in the first excellent cases of innovation and practice of expressway assisting rural revitalisation jointly sponsored by China Communications News and Planning Research Institute of the Ministry of Transport, the project of “Expressway Empowering Villages Along the Road to Ride on the ‘Common Wealth Shuttle’” of Shengxin Toll Centre of Shaoxing Management Centre was awarded as the “Top 10 Cases” of “Highway + Culture” Integration and Development. The project of Zhoushan Management Centre “Zhoushan-Daishan Bridge Promotes High-speed Economic Development in Daishan County” won the “Top Ten Cases” of “Expressway + Tourism” integration development.

Relying on the traffic advantages of Shangyu-Sanmen Expressway, Shengxin Toll Centre of Shaoxing Management Centre extends its services to villages and farmers while providing good protection for the traffic at the toll gates, so that the villages along the routes can ride on the “Common Wealth Shuttle.” During the May Day and National Day holiday, it helped Xinchang County to receive a total of 1.8 million tourists, realising tourism revenue of RMB1.056 billion.

In order to support the export of local “Jintang Plums”, during the plum harvest season in July 2023, Zhoushan Management Centre opened a “Green Channel” at the Jintang Toll Station, giving trucks transporting Jintang plums priority in passing through the toll booth and priority in green pass verification. At the same time, it planned “Temporary Plum Selling Points” in the service zone and guided the merchants to standardise the business model, and more than 20 local fruit farmers sold at the fixed points, and the sales volume increased dramatically.



Shengxin Toll Centre of Shaoxing Management Centre helps farmers pick cane shoots



Zhoushan Management Centre helps "Jintang Plums" to upgrade to "Fruit for Prosperity"

Case

Zhejiang's first expressway Red Cross emergency ambulance service station guards driver and passenger safety

On 30 June 2023, Zhejiang Provincial Expressway Red Cross Emergency Ambulance Service Station was inaugurated at Nanzhuangdou Toll Station of G25 Hangzhou-Nanjing Expressway, and in December, it was selected as the 2023 Zhejiang Provincial Red Cross Outstanding Achievement Collective in Emergency Ambulance Work. This is the first Red Cross service station on a high-traffic expressway in the province that integrates the functions of rescue training, emergency rescue and social welfare (volunteer service). During the Reporting Period, a total of four emergency rescue trainings were conducted, with 270 employees successfully completing the relevant courses and obtaining the Red Cross paramedic certificates, serving more than 12,000 passing drivers and passengers and building a solid barrier to protect the lives of drivers and passengers.



Zhejiang Provincial Expressway Red Cross Emergency Rescue Service Station



Conducting emergency rescue trainings

Indicator Index

Level	Indicator No.	Description of Indicators	Disclosure	Location in the Report
Environment				
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	✓	P29-36
	A1.1	The types of emissions and respective emissions data.	✓	P33
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	✓	P31
	A1.3	Total volume of hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	✓	P33
	A1.4	Total volume of non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	✓	P33/P35
	A1.5	Description of emission target(s) set and steps taken to achieve them.	✓	P31-35
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and description of reduction target(s) set and steps taken to achieve them.	✓	P34
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	✓	P33-35
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	✓	P35
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	✓	P35
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	✓	P31-35
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	✓	P34-35
	A2.5	Total volume of packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable as the product is a service	
A3: Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	✓	P35-36
	A3.1	Description of the significant impact of business activities on the environment and natural resources and the actions taken to manage the same.	✓	P35-36
A4: Climate Change	General Disclosure	Policies on the identification of significant climate-related issues which have impacted and may impact the issuer and the responses thereto.	✓	P29-33
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	✓	P29-33

Level	Indicator No.	Description of Indicators	Disclosure	Location in the Report
Social				
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	✓	P37-39
	B1.1	Total workforce by gender, employment type (e.g. full-time or part-time), age group and geographical region.	✓	P38
	B1.2	Employee turnover rate by gender, age group and geographical region.	✓	P38
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	✓	P25-28/P41
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	✓	P41
	B2.2	Lost days due to work injury.	✓	P41
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	✓	P39-41
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	✓	P38
	B3.2	The average training hours completed per employee by gender and employee category.	✓	P40
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	✓	P38
	B4.1	Describe measures to review recruitment practices to avoid child labour and forced labour.	✓	P38
	B4.2	Describe the steps taken to eliminate the situation if a breach is identified.	✓	P38
B5: Supplier Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	✓	P43
	B5.1	Number of suppliers by geographical region.	✓	P43
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	✓	P43
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	✓	P43
	B5.4	Description of practices used to promote the use of environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	✓	P43

Level	Indicator No.	Description of Indicators	Disclosure	Location in the Report
Social				
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P25-28 Advertising and labelling are not applicable as the product is a service	
	B6.1	Percentage of total products sold or delivered subject to recalls for safety and health reasons.	Not applicable as the product is a service	
	B6.2	Number of products and service-related complaints received and how they are dealt with.	✓	P18-22
	B6.3	Description of practices relating to preserving and protecting intellectual property rights.	✓	P15
	B6.4	Description of quality assurance process and recall procedures.	Not applicable as the product is a service	
	B6.5	Description of policies on consumer data protection and privacy, and how they are implemented and monitored.	✓	P22
B7: Anti -corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	✓	P12
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	✓	P12
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	✓	P10-12
	B7.3	Description of anti-corruption training provided to directors and staff.	✓	P12
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	✓	P44-45
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	✓	P44-45
	B8.2	Resources contributed (e.g. money or time) to the focus areas.	✓	P44-45

Verification Statement

Verification Statement of Environmental and Social Responsibility Report

Pursuant to the engagement by Zhejiang Expressway Co., Ltd. (“Zhejiang Expressway”), Hangzhou Wantai Attestation Limited Company (“Wantai Attestation”) has conducted an independent review verification on the 2023 environmental, social and governance report of Zhejiang Expressway (the “Report”).

Zhejiang Expressway is responsible for the information collected, analysed, compiled and disclosed in the Report, whereas Wantai Attestation is responsible for verifying the contents of the Report within its terms of reference under the agreement with Zhejiang Expressway. Zhejiang Expressway is the customer designated under this verification statement. This verification statement is based on the 2023 environmental, social and governance report prepared by Zhejiang Expressway. Zhejiang Expressway takes responsibility for the completeness and truthfulness of the information and materials in the Report.

Scope of Verification

The accuracy and reliability of the Report as to key performance indicators, information and management systems in the year of disclosure (2023).

The locations of verification including relevant departments of Zhejiang Expressway Co., Ltd., which is situated at No. 2, Mingzhu International Business Centre, 199 Wuxing Road, Hangzhou City, Zhejiang Province, China, namely the Secretarial Office to the Board, human resources department, operation management department, road network management department, technology information department, maintenance management department, safety supervision and management department, discipline inspection and supervision office, audit and legal affairs department, as well as union office. We did not interview other business units and stakeholders of Zhejiang Expressway Co., Ltd.

We assessed the processes including collection, analysis and inspection of the data in the Report.

The verification is conducted on March 22, 2024.

Verification Process

The verification process includes the following activities:

Assess the information and documents provided by Zhejiang Expressway;

Interview the personnel of Zhejiang Expressway responsible for collecting the information in the Report;

Examine the public information published on the related websites and media, and verify the relevant data and information in the Report at random;

Assess the balance of the content and reporting structure, comparability, accuracy, timeliness, clarity and reliability of the data disclosed in the Report with reference to the requirements of the Environmental, Social and Governance Reporting Guide (2023 Revision) in the Appendix C2 to the Rules Governing of the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange Listing Rules”), and if applicable, with reference to the requirements of the Guidance on Climate Disclosures, the Practical Net-Zero Guide for Business and the Optimising Climate-related Information Disclosure under the Framework of Environment, Society and Governance.

Verification Conclusion

The 2023 environmental, social and governance report prepared by Zhejiang Expressway Co., Ltd. objectively reflects the progress of the Company's performance of social responsibilities in 2023 and the performance results obtained. By random verification, the data in the Report is reliable and objective. Wantai Attestation is not aware of any systematic or material mistakes. The information disclosure is clear, understandable and accessible;

The Report is prepared based on the indicator requirements of the Environmental, Social and Governance Reporting Guide (2023 Revision) of Appendix C2 to the Stock Exchange Listing Rules in the manner that the requirements of the Guide are implemented, and the expectations and demands of the stakeholders are responded.

Completeness: The Report of Zhejiang Expressway covers all material issues identified and their boundaries, which give a full picture of their important impacts as to the environmental and social aspects such that the stakeholders can assess the performance of Zhejiang Expressway during the Reporting Period.

Balance: The Report is in compliance with the principle of balance which truly discloses both positive and negative information.

Comparability: The Report discloses various performance indicators of Zhejiang Expressway for 2023 and historical data have been disclosed for emissions and the use of resources. These data allow the stakeholders to understand the improvement in performance each year.

Accuracy: The information set out in the Report is accurate where qualitative and quantitative information of many performance indicators is publicly disclosed to the stakeholders.

Timeliness: The data and information set out in the Report are timely and valid during the Reporting Period and the Report is published as and when appropriate, indicating its good timeliness.

Clarity: The Report takes a combination of forms including textual description, graphs, charts, remarks and photos as well as case studies such that the stakeholders can easily understand it.

Reliability: Through timely collection, record and analysis review of the information and data set out in the Report of Zhejiang Expressway, the information and data disclosed in the Report are true and reliable.

Rectification Recommendations

Through verification and assessment, we have made the following rectification recommendations with respect to Zhejiang Expressway's ESG management and practice:

It is advised to make more improvements in the diversity of report publishing channels and the convenience of obtaining the report so as to satisfy the increasingly stringent disclosure requirements of the state, industry and relevant institutions, as well as the different needs and concerns of investors and other stakeholders;

It is advised to further quantify targets on the basis of establishing and improving the management practice of coping with climate changes this year so as to lead the industry with more systematic and comparable disclosure contents.

It is advised to strengthen the data collection on waste classification in the environmental aspect;

It is advised to continuously improve the standardisation and refinement of responsibility governance, and enhance the awareness, understanding and participation of the senior management personnel, full-time ESG personnel, ESG contact personnel of all departments and all employees in the ESG management of the company, to further improve the comprehensive ESG capacity of the company.



Special Statement

This verification statement does not include:

the activities other than in the information disclosed;

the statements regarding the positions, views, beliefs, objectives and future development directions and undertakings of Zhejiang Expressway.

Statement of Independence and Competence

Hangzhou Wantai Attestation Limited Company is the most longstanding third-party professional institution in China engaging in attestation. The qualifications of Wantai Attestation are recognised by Certification and Accreditation Administration of the People's Republic of China ("CNCA") and its professional competence is accredited by China National Accreditation Service for Conformity Assessment ("CNAS"). Its businesses cover three major types of attestation namely management systems, products and services. It is currently one of the large-scale comprehensive attestation institutions in China with the most complete range of certifications and qualifications and the largest scope of business.

Hangzhou Wantai Attestation Limited Company warrants that there is no conflict of interest with Zhejiang Expressway Co., Ltd. or its branches and stakeholders in the course of reviewing and verifying the Report. All information in the Report is provided by Zhejiang Expressway. Wantai Attestation is not involved in the compilation of the Report.

Signed by the General Manager

Date: March 22, 2024