

GUANGDONG INVESTMENT LIMITED

POLICY ON WATER SUPPLY MANAGEMENT

Water is a necessity for human life and the source of life. Water shortage or water quality issue has a greater impact on people's living, health and lives than any other products. To ensure a safe, high-quality and stable product supply, we have formulated a comprehensive and systematic policy on water supply management.

Water safety is related to the health and safety of tens of millions of residents, which explains why "water means life". Water supply projects are significant projects for people's livelihood that embody government responsibility and the maintenance of social stability, which explains why "water means politics". As water serves as an important strategic resource for supporting economic development, water supply enterprises bear the crucial responsibility of meeting the demand for water resources arising from local economic development, which explains why "water means economy". Based on the characteristics of water products, we remain committed to our mission and operational philosophy of "water means life, politics and economy", while undertaking our mission to provide quality service for continuously improving water environment for mankind.

We will:

- actively control the total amount of extraction at water sources, improve the development and utilization rates of water resources, strengthen water resources management of planning and rationalization, with a view to eliminating any form of wastage;
- improve efficiency of water transmission, effectively reduce pipeline leakage, strengthen water efficiency management, promote water source protection and water conservation to downstream and end users;
- formulate water resource management plans to satisfy the demand for water resources in regions within the service scope of our water resources segment;
- continuously monitor and efficiently control the leakage and damage of pipeline networks;
- cater for local conditions by developing small-scale drinking water and sewage treatment facilities to meet scattered water demand;
- promote water conservation awareness among members of the public and our employees in accordance with the respective business characteristics of each business segment;

- regularly review the policies and strategies on water resources management in each business segment;
- actively explore alternative water sources and improve recycling efficiency of wastewater;
- improve the disclosure standards of water consumption, wastewater discharge, raw water distribution and other data related to water resources utilization on an annual basis in the annual ESG report; and
- actively explore and work on topical studies and solutions to address emerging risks such as climate change and water scarcity.