



GUANGDONG INVESTMENT LIMITED
(粵 海 投 資 有 限 公 司)

Stock Code : 00270

2025

Environmental, Social and
Governance Report

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About the Report

Guangdong Investment Limited (hereinafter referred to as “GDI” or “the Company”, together with the Company’s subsidiaries, hereinafter referred to as “the Group” or “we”) is pleased to present the 2025 Environmental, Social and Governance Report (hereinafter referred to as “the Report”) to the stakeholders. In the Report, we disclose our Environmental, Social and Governance (hereinafter referred to as “ESG”) concepts, actions and performance.

Reporting Period

Unless otherwise stated, the time period covered by the Report is from 1 January 2025 to 31 December 2025 (hereinafter referred to as the “Reporting Period”).

Reporting Scope

The Report sets out the ESG performance of the Group’s six core business segments, namely Water Resources, Property Investment, Department Store Operation, Hotel Ownership, Operation and Management, Energy Projects and Road and Bridge.

Reporting Standards

The Report is prepared in accordance with Appendix C2 Environmental, Social and Governance Reporting Code (hereinafter referred to as the “ESG Reporting Code”) set out in the Rules Governing the Listing of Securities on the Main Board (hereinafter referred to as the “Listing Rules”) of the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “HKEX”). In addition, the Report refers to the Global Reporting Initiative (GRI) Sustainability Reporting Standards (hereinafter referred to as “GRI Standards”) issued by the Global Sustainability Standards Board and Guidelines on Sustainable Development Reporting for Chinese Enterprises (CASS-ESG 6.0) by the China Enterprise Reform and Development Society and the Responsibility Cloud Research Institute.

The Report is prepared in accordance with the reporting principles of the ESG Reporting Code, including materiality, quantitative, balance and consistency. The detailed responses are as follows:

Reporting Principles

Response from the Group

Materiality

Through continuous engagement with stakeholders and materiality assessment, the Group focuses on the disclosure of ESG issues that are crucial to investors and other stakeholders. The steps of materiality assessment include identifying key stakeholders, inviting the Board of Directors and various stakeholders to rank the materiality of ESG issues, and conducting an analysis of material issues.

Quantitative

The Group discloses quantitative data in the Report whenever possible, sets out the criteria, methods, assumptions reference basis and source of conversion factors used for the calculation of key performance indicators, and source of conversion factors used to enable stakeholders’ clear understanding of the Group’s ESG performance.

Balance

The Group fully discloses the ESG performance of its business segments based on objective facts to avoid statements that may inappropriately influence readers’ decisions or judgement.

Consistency

The Group ensures that the scope and methodologies of reporting are largely consistent every year to ensure reasonable comparison and analysis of ESG performance between the years. If any changes are made, the Group will provide detailed information and explanations in the corresponding sections.

Completeness

The Report strives to cover all material areas whenever possible with targeted disclosure made to material issues.

Sources of Information

The information and data contained in the Report are derived from the Group's official documents and statistical reports. The Board of Directors of the Company (hereinafter referred to as the "Board") undertakes that there are no false records, misleading statements or major omissions in the Report, and assumes full responsibility for the authenticity, accuracy and completeness of the Report.

Contact Information

If you have any questions or suggestions about the contents of the Report, please contact us at:

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02

About GDI

Company Profile

The Company, formerly known as Union Globe Development Limited (hereinafter referred to as “Union Globe”), was incorporated in 1973 and listed on the Stock Exchange of Hong Kong Limited (stock code: 00270). Union Globe was acquired by an enterprise owned by the Guangdong provincial government in January 1987 and was renamed Guangdong Investment Limited in July 1988. The Company is a constituent stock of the Hang Seng China (Hong Kong-listed) 100 Index, Hang Seng China-Affiliated Corporations Index, the Hang Seng Composite Index and Hang Seng Composite Industry Index – Utilities.

As at the publication date of the Report, the Company’s ultimate controlling shareholder, Guangdong Holdings Limited (廣東粵海控股集團有限公司, hereinafter referred to as “Guangdong Holdings”), holds 58.26% shareholding interest in the Company through its wholly-owned subsidiary, GDH Limited (粵海控股集團有限公司). Guangdong Holdings is a state-owned provincial investment holding company under the supervision of the State-owned Assets Supervision and Administration Commission of the People’s Government of Guangdong Province.

Annual ESG Awards

Guangdong Investment Limited actively strengthened its participation in domestic ESG ratings and rankings in 2025, achieving outstanding results.

Award	Awarding Organisation
Selected in the “Greater Bay Area State-owned Enterprise ESG Development Index” for three consecutive years, rising to 5th place in 2025	Research Group for the ESG Blue Book (2025) of State-owned Listed Companies in the Guangdong-Hong Kong-Macao Greater Bay Area
Selected as one of the “2025 Top 100 Pioneers among China’s ESG Listed Companies”	China Media Group
Ranked 12th in the “2025 Top 100 Pioneers among China’s ESG Listed State-owned Companies”	China Media Group
“Annual Social Responsible Award” in “Jinge Award”	Gelonghui

Chairman's Statement



Dear Shareholders and Stakeholders:

In 2025, the global economy moved forward amidst a combination of slow recovery and high uncertainty, with ongoing challenges such as geopolitical conflicts and supply chain restructuring. Meanwhile, technological innovation and green transformation injected new momentum into development. The Chinese economy has withstood internal and external pressures, focusing on the improvement of domestic demand and industrial upgrading. Overall growth remained in line with expectations, laying a solid foundation for corporate development. Facing a complex environment, the Group has consistently adhered to the development strategy of “seeking progress while maintaining stability, and improving quality and efficiency”, leading high-quality development with ESG principles, and has achieved remarkable results in business operations, sustainable development and value creation. During the Reporting Period, we focused on “organisational leanness, management refinement and operational efficiency” to continuously enhance our corporate governance and risk management systems. Our 2024 ESG Report, for the first time received a “Five-star” rating from the Chinese Expert Committee on CSR Report Rating.

In terms of the environment, we have been committed to the “dual carbon” goals, integrating green development throughout the entire chain of production and operations and deepening the coordinated advancement of cutting carbon emissions, reducing pollution, expanding green development and pursuing economic growth. We have set a benchmark model for “carbon-neutral water plants” and drove green transformation with our core water business, contributing to the ecological protection of the Guangdong-Hong Kong-Macao Greater Bay Area. In terms of social responsibility, we have been deeply involved in rural revitalisation and industrial assistance, advanced the “High-quality Development Project for Rural Vitalisation” to support the high-quality development of Maoming City. We have continuously improved customer service, ensuring a safe and stable water supply to Hong Kong via the Dongshen Water Supply Project, and deepening the integration of people’s livelihoods and culture in the Guangdong-Hong Kong-Macao Greater Bay Area, fulfilling our social responsibility through practical actions. In 2025, the Group’s total donations amounted to RMB11.36 million, representing a tangible contribution back to society. In terms of governance, we strengthened the Board’s strategic leadership in ESG, enhanced the ESG governance structure, maintained high standards of corporate governance and business ethics, and promoted technological innovation and digital transformation to consolidate the foundation of sustainable development through innovation.

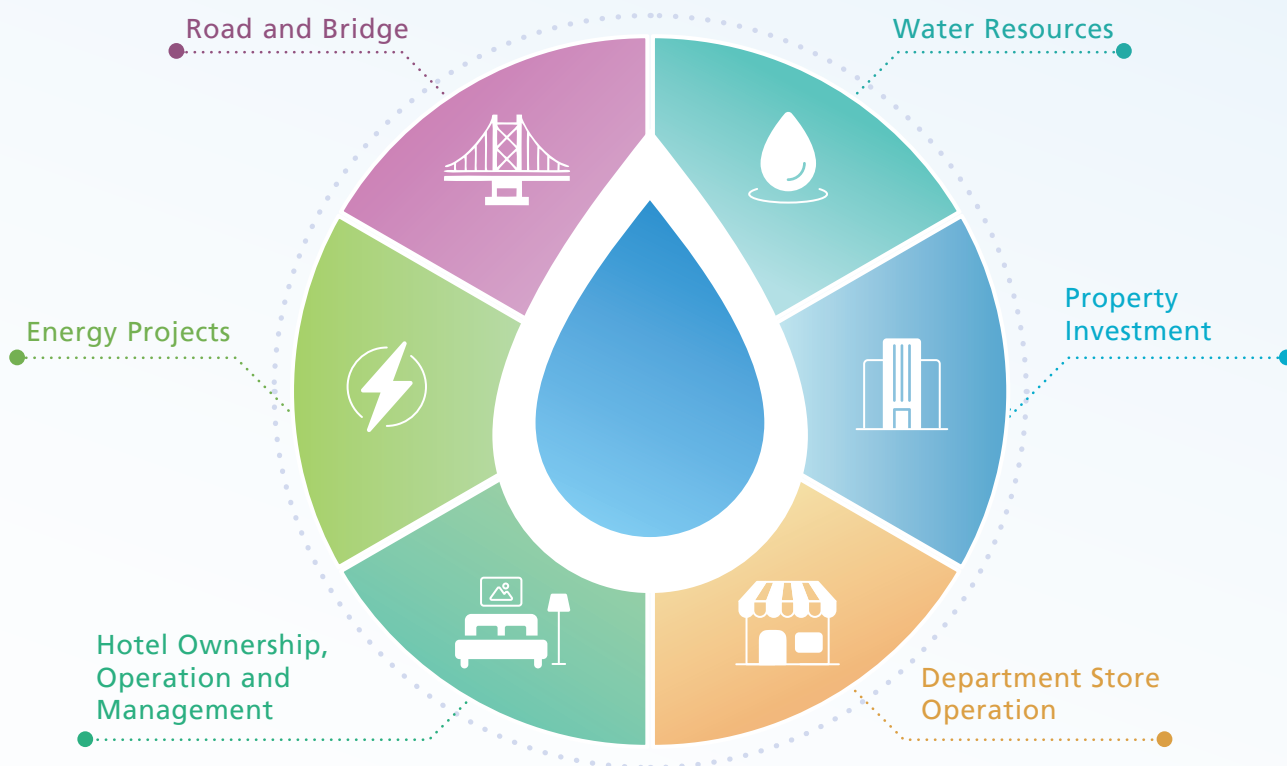
Looking ahead to 2026, the global economy is expected to recover moderately. With the commencement of China’s “15th Five-Year Plan”, the economic structure is accelerating its transformation towards being consumption-led, service supported, and empowered by new quality productive forces, the Guangdong-Hong Kong-Macao Greater Bay Areas embracing new opportunities for development. Guided by the corporate culture of “Knowledge and Action Across Mountains and Seas” and adhering to the development strategy of “seeking progress while maintaining stability, and improving quality and efficiency”, the Group will continue to focus on its core businesses, seize regional development opportunities, expand its water business into high value-added sectors. The Group will also deepen ESG management throughout the process and, while keeping risks under control, continue to create long-term value for our shareholders, employees, customers, and society, striving to write our chapter in the pursuit of Chinese modernisation.

Last but not the least, on behalf of the Board, I would like to extend my heartfelt gratitude to our stakeholders, including our investors and partners for their long-standing support of the Group’s development, as well as our employees for their hard work and dedication.

Guangdong Investment Limited
Acting Chairman
WANG Min
30 March 2026

Introduction to Business Segments

The Group upholds the corporate culture of “Knowledge and Action Across Mountains and Seas”. With the core philosophy of “Knowledge Renewal and Aspiration, Reverence for Excellence and Dedicated Action, Collaborative Creation and Shared Success, Gratitude and Benevolence”, the Group focuses on its core business, undertakes its mission, and strives to become an industry-leading enterprise. The Group comprises six core business segments, with operations covering Chinese Mainland and Hong Kong.





Water Resources

Guangdong Yue Gang Water Supply Company Ltd. (廣東粵港供水有限公司, hereinafter referred to as “Yue Gang Water Supply”) and Guangdong Water Holdings Limited (粵海水務控股有限公司, hereinafter referred to as “Water Holdings”) are engaged in water resources business, accounting for 75% of the Group’s revenue in 2025 and 54.5% of the total assets in 2025.

Dongshen Water Supply Project is one of the core businesses. During the Reporting Period, the total volume of water supply to Hong Kong, Shenzhen and Dongguan by this project was 2.078 billion tonnes. Apart from Dongshen Water Supply Project, the total designed water supply capacity of the water supply plants and the total designed wastewater processing capacity of the sewage treatment plants of the Group’s other water resources projects were 16,595,200 tonnes and 3,094,900 tonnes per day.



Property Investment



The property investment business, operating in Hong Kong, Guangzhou, Shenzhen, Tianjin, and Panyu, accounted for 8.93% of the Group’s revenue in 2025 and 16.8% of the total assets in 2025.

In addition to the Group’s headquarters, other commercial properties held by the Group mainly include Guangzhou Teem Plaza, Panyu Teemall, Guangzhou Comic City, Tianjin Teemall, and Shenzhen Teemall.



Department Store Operation

GDH Teem Commercial Co., Ltd. (廣東粵海天河城商業有限公司) and GDH Teem Department Commercial Co., Ltd. (廣州市粵海天河城百貨商業有限公司) (collectively referred to as "Teemall Department Store"), are engaged in the business of department store operation, accounting for 2.38% of the Group's revenue in 2025 and 0.5% of the total assets in 2025.

As at 31 December 2025, the Teemall Department Store operated five department stores, including Teemall Store, Wan Bo Store, Dong Pu Store, Ao Ti Store and TeemLife.



Hotel Ownership, Operation and Management



The hotel segment is responsible for hotel ownership, operation and management. As at 31 December 2025, a total of 17 hotels were managed by the segment, of which 4 were located in Hong Kong and 13 in Chinese mainland collectively generating 3.74% of the Group's revenue in 2025 and 2.0% of the total assets in 2025.

Among the seven hotels operated by the Group, five were managed by our hotel management team whereas Holiday Inn Zhuhai City Centre located in Zhuhai was operated under franchise management, and Sheraton Guangzhou Hotel located in Guangzhou was managed by other hotel management group.



Energy Projects

Zhongshan GDH Energy Co., Ltd. (hereinafter referred to as “GDH Energy”) is engaged in energy business, accounting for 6.57% of the Group’s revenue in 2025 and 2.7% of the total assets in 2025.

GDH Energy has two power generator units with a total installed capacity of 600 MW. The electricity supply during the Reporting Period amounted to 3.263 billion kWh.



Road and Bridge



Guangxi GDH Highway Co., Ltd. (廣西粵海高速公路有限公司, hereinafter referred to as “GDH Highway”) held the Xingliu Expressway, which contributed 3.27% of the Group’s revenue in 2025 and 4.8% of the total assets in 2025.

The Xingliu Expressway is located in Guangxi Zhuang Autonomous Region, and comprises a main line which is approximately 100 km in length and three connection lines (to Xingye, Guigang and Hengzhou) with an aggregate length of approximately 53 km.

Dongguan Yuehai Yinping Development and Construction Limited (Yuehai Yinping), a wholly-owned subsidiary of the Company, is responsible for the development of certain A-grade highways, connecting roads and municipal roads and the related ancillary support services such as drainage, greening and lighting in Yinping Innovation Zone (銀瓶創新區) in Dongguan, Guangdong Province, the PRC.

Corporate Governance

In order to meet the requirements of business operation and serve the best interests of all stakeholders, the Group consistently implements the highest standard of corporate governance. We have applied the relevant provisions of the Corporate Governance Code set out in Appendix C1 of the Listing Rules for stable and efficient corporate operations and strictly complied with the provisions of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the Directors' independence.

The Board

The overall function of the Board is directed and supervised by the Chairman, who is also required to act in the best interests of the Group. The Chairman is responsible for leading development, setting strategic goals, and developing the overall strategies and policies to ensure that the Group can acquire necessary financial support and other resources to achieve the relevant goals. Meanwhile, the Chairman also monitors the behaviour of the management and reviews business performance of the Group.

Functional Committees

Multiple functional committees are formed under the supervision of the Board, which provide suggestions on the Group's policies from various perspectives, aiming to ensure the robustness and effectiveness of the Group's operations.

Specifically, the Nomination Committee identifies suitable management candidates and plans appointments and succession. The Remuneration Committee helps to determine the compensation of Directors and Senior Management. The Audit Committee assists the Board in monitoring the risk assessment, control and management procedures to achieve the effectiveness of the internal control system by carrying out a detailed annual review. The ESG Committee assists the Board in the Group's work on ESG-related matters.

Independence

The Group requires high-level independence of all members of GDI's Board. No financial, business, family, or other significant/related relationships shall exist among members of the Board. As of the Report's publication date, the Board consisted of three Executive Directors, three Non-Executive Directors, and four Independent Non-Executive Directors, among which one is female director.

The Group has received confirmation letter of independence from the Independent Non-Executive Directors. All Independent Non-Executive Directors have been verified in accordance with Rule 3.13 of the Listing Rules by the Group. In addition, based on the Directors' extensive experience in different fields and their reliable character, they are considered capable of providing constructive independent advice and valuable contributions to the Board and GDI.

The Group recognises and embraces the benefits brought by a diverse Board and considers their diversity as the key element for achieving the Group's strategic objectives and sustainable development. We have formulated and strictly implemented the Board Member Diversity Policy and review the policy regularly to ensure its effectiveness.

Diversity

Besides, the Group continues reflecting on its business model and actual demands and analyses the benefits of a diverse Board with sufficient and objective criteria. The Nomination Committee focuses on five key elements, namely gender, age, length of service, professional experience and skills and knowledge, in order to actualise the Board's diversity.



03

Sustainable Development Management

GDI holds the faith that corporations should actively contribute to the sustainable development of the entire society while creating benefits for shareholders. We have incorporated ESG management philosophy into the daily processes of corporate operation in response to our commitment to society. In order to fulfil such commitment, all business segments unite and take targeted action to deliver ESG management, thereby strengthening the Group's efforts in sustainable development.

ESG Governance

GDI constantly improves its ESG Governance by optimising the ESG governance structure and ESG management policies, so as to promote the integration of ESG-related matters into the Group's business decisions.

Statement of the Board

The Board of GDI places paramount importance on corporate sustainability and commits to ongoing oversight of ESG strategy implementation, performance outcomes and progress toward objectives. In March 2025, the Board approved the 2024 ESG Report, tracked ESG development trends, and reviewed the progress of annual ESG work.

To ensure effective ESG strategies, the Board continuously monitors capital market demands, relevant laws and standards, and industry trends in ESG development, and prudently assesses the potential ESG risks and related impacts that the Group may face. The Board also identifies and prioritises ESG issues considering the opinions of internal and external stakeholders. Further details can be found in the Stakeholder Engagement section.


To achieve ESG goals step by step, the ESG Committee under the Board continuously monitors the ESG performance and progress of each business segment and reports to the Board in a timely manner on the progress of ESG-related goals. Moreover, under the authorisation of the Board, business segments have set ESG goals based on their own business characteristics, including greenhouse gas emissions, energy usage, water consumption, waste management, and pollutant emission management.



The Report, which discloses the progress and effectiveness of GDI's ESG efforts in 2025, was considered and approved by the Board in March 2026.

ESG Committee Architecture

We have established an efficient and stable ESG governance structure with roles and responsibilities clearly defined at all levels. The Board, as the highest authority, assumes responsibility for all ESG-related issues and relevant strategies of the Group. Under the Board's authorisation and supervision, the ESG Committee is responsible for identifying, evaluating and managing ESG issues and risks, and setting ESG goals of the Group while monitoring their progress. The ESG Committee coordinates and directs the ESG Working Group in carrying out specific implementation tasks, such as the preparation of ESG reports. Besides, to ensure the accuracy and reliability of all information reported, all members of the ESG Working Group of business segments are required to sign the Letter of Undertaking of ESG Information Disclosure.

ESG Governance Structure and Duties

Governance level	Roles	Component	Functions
 <p>The Board</p>	Leadership, supervision and decision-making	Board of GDI	<ul style="list-style-type: none"> Formulate the Group's ESG management policy and strategy Review the potential impacts of ESG issues on the Group's strategy and related risks, to ensure that a valid and effective system of ESG risk management and internal supervision is in place Supervise ESG performance and related work progress Examine and approve the Group's ESG report

Governance level	Roles	Component	Functions
 <p>ESG Committee</p>	Management and supervision	<ul style="list-style-type: none"> GDI's Managing Director (Committee Chairman) Executive Director in charge of ESG (Committee Vice Chairman) General Counsel, Chief Compliance Officer and Company Secretary Chairman of Yue Gang Water Supply Chairman of GDH Teem (Holdings) Limited Chairman of Guangxi GDH Highway Chairman of GDH Energy 	<p>Under the authorisation of the Board:</p> <ul style="list-style-type: none"> Identify, assess, and manage significant ESG issues and related risks Determine ESG goals applicable to the Group and review progress based on the established ESG-related goals Determine significant issues for investors and other stakeholders Monitor the performance of ESG policies and initiatives, and report to the Board Coordinate the compilation of ESG report, review the Group's disclosures, news, and publications related to ESG performance, and make recommendations to the Board Coordinate, guide and supervise the implementation of the ESG Working Group
 <p>ESG Working Group</p>	Implementation	<ul style="list-style-type: none"> Members of the Headquarters' ESG Working Group Members of Subsidiaries' ESG Working Group 	<ul style="list-style-type: none"> Implement the Group's ESG strategies and achieve ESG goals Assist departments in collecting and reviewing ESG-related materials, summarise the progress of ESG work, and report to the ESG Committee on a regular basis

Stakeholder Engagement

We firmly believe that establishing mutual trust with stakeholders in the long term is essential for the implementation of our ESG initiatives. We listen to and respond to opinions and expectations of stakeholders through the diverse and regular communication mechanisms established.

Stakeholders	Expectations	Communication Channels	Our Responses
 <p>Investors/ Shareholders/ Analysts</p>	<ul style="list-style-type: none"> Stable and sustained investment return Clear strategic planning Legally compliant operations Efficient corporate governance Sound risk management system Timely and truthful information disclosure 	<ul style="list-style-type: none"> General meetings Regular reports News and announcements Investor communication conferences Company website Questionnaires and surveys 	<ul style="list-style-type: none"> Compliance with applicable laws and regulations Performance review and analysis Continuous improvements of ESG strategies and corporate governance structure Regular reviews and risk management systems Regular release of reports and announcements
 <p>Government and regulators</p>	<ul style="list-style-type: none"> Legally compliant operations Contribution to economic development and response to national strategies Providing employment opportunities Energy saving and emission reduction 	<ul style="list-style-type: none"> Information disclosure Daily communication (including emails, phone calls) Site visits Supervision and inspection 	<ul style="list-style-type: none"> Compliance with applicable laws and regulations Continuous improvements of integrity systems Conducting business activities in line with regional economic development strategies Implementation of targeted poverty alleviation
 <p>Employees</p>	<ul style="list-style-type: none"> An equal and inclusive working environment A comprehensive welfare and remuneration system A comprehensive development and training programme Labour rights protection Occupational health and safety A smooth career advancement path 	<ul style="list-style-type: none"> Telephone hotline WeCom Employee opinion box Questionnaires and surveys 	<ul style="list-style-type: none"> Creating an open, fair and diversified working atmosphere Revision and improvement of remuneration and welfare system Hiring internal trainers and establishing internal training system Establishment of Labour Union to safeguard the rights and interests of employees Smooth professional path and managerial path promotion channels

Stakeholders	Expectations	Communication Channels	Our Responses
 Consumers	<ul style="list-style-type: none"> • Product quality and safety • Consumer information and privacy protection 	<ul style="list-style-type: none"> • Consumer satisfaction surveys • Customer follow-up • 24-hour consumer complaint hotline • Business open day • Questionnaires and surveys 	<ul style="list-style-type: none"> • Launching product and service-related quality training for employees • Revisions of the service guidelines from time to time • Stringent consumer information protection policies and procedures
 Suppliers/ Contractors/ Service contractors	<ul style="list-style-type: none"> • Honest cooperation • Mutual benefits through win-win cooperation • Open tendering • Supplier empowerment 	<ul style="list-style-type: none"> • Supplier on-site assessment • Supplier training • Conferences for engineering and construction • Site visits • Questionnaires and surveys 	<ul style="list-style-type: none"> • Establishing transparent procurement procedures and sound supply chain evaluation and management policies • Long-term and trustworthy relationships with qualified suppliers
 Media partners	<ul style="list-style-type: none"> • Transparent information • Corporate ESG values 	<ul style="list-style-type: none"> • News and announcements • Company website • Questionnaires and surveys 	<ul style="list-style-type: none"> • Regular release of reports and announcements • Timely update of corporate information
 Local communities	<ul style="list-style-type: none"> • Contribution to community development • Creating job opportunities and facilitating local economic development 	<ul style="list-style-type: none"> • Community support • Volunteer activities • Clarity events 	<ul style="list-style-type: none"> • Participation in community volunteer activities and charitable events • Implementation of targeted poverty alleviation • Fostering exchanges and communication between Guangdong and Hong Kong

Double Materiality Assessment

To fully understand the concerns of stakeholders and effectively respond to their actual demands, we have established a normalised materiality assessment mechanism and conducted a “double materiality” analysis assessing both the impact materiality and financial materiality of the issues, to clarify the direction and key focus of our ESG work.

01

Step 1 Identification of ESG Issues

Based on the Company’s current ESG management status and performance, we referenced the disclosure requirements of the ESG Reporting Code and the GRI Standards, benchmarked industry ESG trends, and reviewed key issues focused on by mainstream ESG rating agencies to comprehensively identify ESG issues relevant to the Group and build an ESG issue library.

In 2025, we identified a total of 18 ESG issues.

02

Step 2 Assessment of Issue Materiality

For the identified issues, we comprehensively analysed the impacts, risks, and opportunities of each issue to further assess their impact materiality and financial materiality.

Impact Materiality

We conducted internal and external stakeholder surveys, assessed and analysed the “positive impacts” and “negative impacts” of each issue, and comprehensively referenced the opinions of internal and external experts to form the impact materiality assessment results for all issues.

Financial Materiality

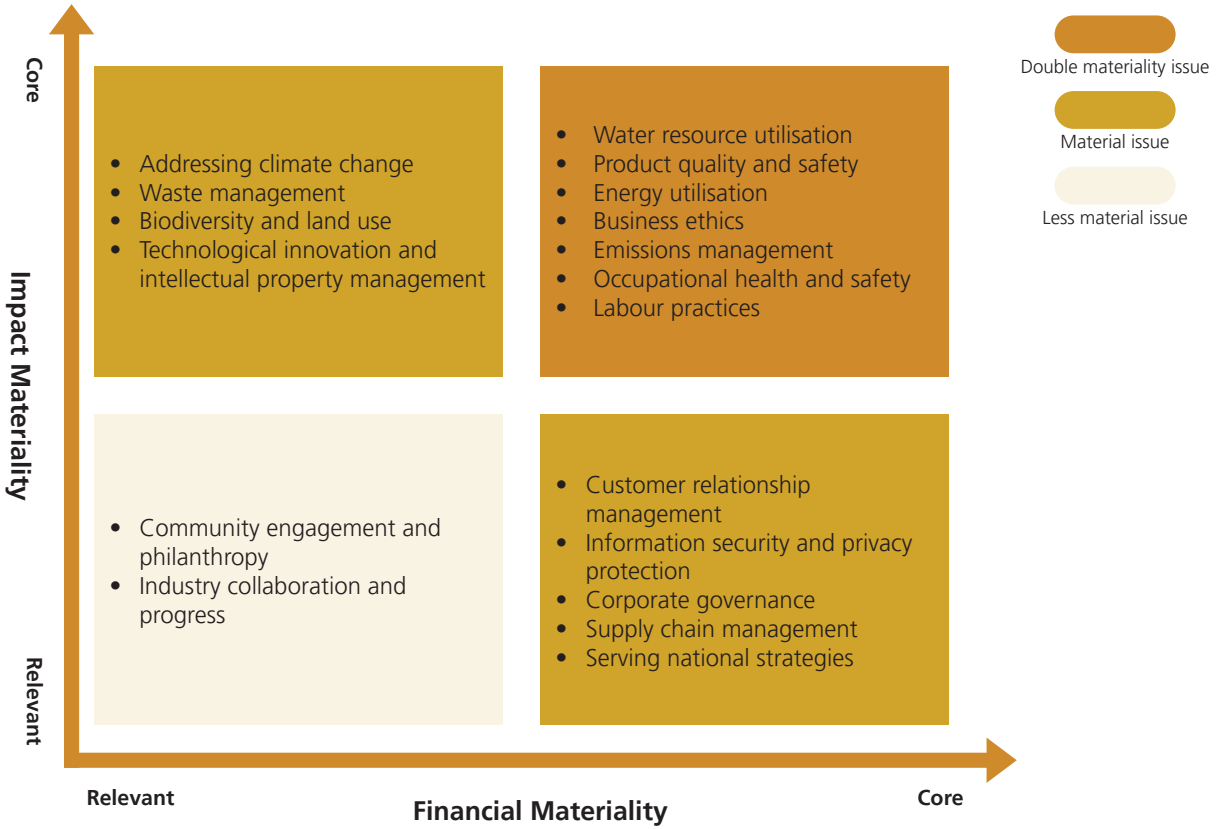
Combining peer practices and feedback from internal and external stakeholders such as the management, we focused on assessing the potential impact of the issues on the Company’s financial performance from two dimensions: “likelihood of financial impact” and “magnitude of financial impact”, to form the financial materiality assessment results for all issues.

03





Step 3 Response and Disclosure of Assessment Results

Based on the results of the double materiality assessment, a list of material issues was formed, and a matrix was plotted. The Board confirmed the materiality ranking of the ESG issues. We provide responses and disclosures to varying degrees based on this ranking. Furthermore, we clarify future ESG work priorities based on issue materiality to continuously improve GDI’s policies, systems, and related management measures.

Double Materiality Matrix of ESG Issues



Assessment of Impacts, Risks, and Opportunities for Core Material Issues



Core Material Issues	Impact Analysis	Risk Analysis	Opportunity Analysis	Value Chain Impact	Time Horizons ¹	Chapters for Management Measures
 <p>Product quality and safety</p>	<ul style="list-style-type: none"> Provide high-quality products and services, and effectively guarantee product safety and reliability. For example, stably supplying high-quality water sources that meet standards to ensure residential water use and urban operations; providing high-standard property management and department store operations to enhance the residential and commercial experience of the community. 	<ul style="list-style-type: none"> GDI's business scope is broad and covers multiple fields. If the quality management mechanism is imperfect, it may lead to large-scale product quality defects (e.g., water supply quality failing to meet standards), which will trigger a public trust crisis and huge compensation lawsuits, severely damaging brand reputation, leading to a loss of market share, and a decline in revenue. 	<ul style="list-style-type: none"> Providing high-quality products and services that exceed national standards can enhance the trust of the government and customers, potentially becoming a key bonus point in winning large-scale project bids, improving product pricing power and the Company's revenue level. 	<p>Corporate operations</p> <p>Downstream value chain</p>	● ● ●	Social — Quality Assurance — Responsible Operation; Social — Work Safety
 <p>Customer relationship management</p>	<ul style="list-style-type: none"> Through a strict quality management system, an efficient communication mechanism, and a high regard for customer needs, customer satisfaction and loyalty can be effectively improved. When facing potential risks, taking swift action (such as coordinating with local governments to build backup water sources) can further enhance customer trust, improve brand image, and establish harmonious enterprise-local relationships and business environment. 	<ul style="list-style-type: none"> If customer service response is untimely or technical support is insufficient, it may lead to customer loss and damage to brand image, thereby causing a decline in operating revenue. For example, in the property investment and department store operation segment such as Teemall, if a decline in service quality leads to a rising customer complaint rate, it may lead to anchor tenants terminating their leases, rising vacancy rates, and a decline in rental income. 	<ul style="list-style-type: none"> Utilising digital tools (such as CRM systems) to achieve precise insights into customer needs and improve customer service response speed can enhance customer stickiness, helping to maintain stable market share and cash flow. 	<p>Corporate operations</p> <p>Downstream value chain</p>	● ●	Social — Quality Assurance — Customer Services
 <p>Business ethics</p>	<ul style="list-style-type: none"> By strictly complying with laws and regulations and adhering to high standards of business ethics, legal risks can be avoided, a good corporate image can be established, and market order can be maintained, helping to create a fairer, more transparent, and more trustworthy market environment. 	<ul style="list-style-type: none"> If compliance management is inadequate or business ethics are violated, it may lead to illegal acts or ethical controversies, triggering legal sanctions and reputation loss, as well as fines and market loss, leading to increased operating costs and decreased revenue. 	<ul style="list-style-type: none"> By strictly complying with laws and regulations and adhering to high standards of business ethics, GDI can avoid legal risks and reduce compliance costs, while establishing a good corporate image, attracting more high-quality customers, partners, and investors, promoting business expansion, and improving capital market performance. 	<p>Upstream value chain</p> <p>Corporate operations</p> <p>Downstream value chain</p>	● ● ●	Governance — Business Ethics
 <p>Water resource utilisation</p>	<ul style="list-style-type: none"> Through scientific water resource management, such as optimising water resource allocation and promoting wastewater recycling technologies, water can be conserved and water resource utilisation efficiency can be improved, thereby protecting the ecological environment. At the same time, all of GDI's businesses may exert certain pressure on water resources. With the continuous expansion of business scale, GDI's demand for water resources will also increase. Failure to take effective water-saving and environmental protection measures may cause water shortages or water pollution, threatening the health of ecosystems. 	<ul style="list-style-type: none"> Extreme weather or policy tightening may lead to water source shortages and rising water prices, forcing the company to restrict production capacity or pay high water withdrawal fees in core businesses such as water supply and power generation, directly leading to increased operating costs and reduced operating revenue. 	<ul style="list-style-type: none"> Optimising water resource management (such as strengthening pipeline network leakage control and promoting reclaimed water reuse) can not only reduce the pipeline network leakage rate to save water supply costs but also bring new sales revenue growth to the company by further expanding reclaimed water supply services. 	<p>Upstream value chain</p> <p>Corporate operations</p> <p>Downstream value chain</p>	● ●	Environmental — Resource Management — Water Conservation





● Short-term ● Medium-term ● Long-term

¹ Except for climate change issues, short-term refers to 0-1 year, medium-term refers to 1-5 years, and long-term refers to over 5 years.





Supporting the United Nations Sustainable Development Goals (SDGs)

GDI embraces the values of peace, inclusiveness, and environmental safety. While creating value for all stakeholders, we actively fulfil our corporate social responsibilities. Recognising the leading value of SDGs for our strategic development and business operations, we seek to integrate the SDGs into our core strategy and business operations and strive to provide strong guarantee for the long-term and steady development of the Group. Below are the SDGs that are closely related to and more guiding to the Group and our key contributions.

SDGs	Description	Our Key Contributions
 <p>SDG 1 No poverty</p>	End poverty in all its forms everywhere	GDI actively organises and promotes various special public welfare activities in various business segments, donating materials to groups in need, and helping to promote people's well-being with concrete actions.
 <p>SDG 3 Good health and well-being</p>	Ensure healthy lives and promote well-being for all at all ages	GDI purchases supplementary medical insurance and other employer liability insurance for employees. The Company regularly organises employee medical examination every year to take care of the physical and mental health of employees. Besides, GDI is committed to providing safe and clean drinking water to reduce the risk of water-borne diseases, thereby improving public health.
 <p>SDG 4 Quality education</p>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	GDI organises diversified training courses tailored to the vocational skill requirements of employees in different positions, supporting employees to enhance their knowledge and improve their vocational skills.

SDGs	Description	Our Key Contributions
 SDG 5 Gender equality	Achieve gender equality and empower all women and girls	GDI treats all employees equally and eliminates any discriminatory behaviours, including gender and race-based discrimination. As at the Report's publication date, the Board consisted of 10 Directors, among which one is female director.
 SDG 6 Clean water and sanitation	Ensure availability and sustainable management of water and sanitation for all	In addition to ensuring the public's access to sustainable water resources and utilities, GDI develops the integrated water supply equipment for rural areas, pertinently addressing water supply problems in rural areas, so as to guarantee the health of drinking water for the general public, including rural users.
 SDG 7 Affordable and clean energy	Ensuring access to affordable, reliable, sustainable and modern energy for all	GDI installs photovoltaic power generation facilities in various water companies of its subsidiaries across China. At the same time, we generate green electricity, optimise energy structure, accelerating the green and low carbon transformation.
 SDG 8 Decent work and economic growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	GDI adheres to the market-based principles, implements a differentiated distribution mechanism for remuneration, and actively explores equity-based medium- and long-term incentive plans such as equity incentives, so as to fully motivate employees.

SDGs	Description	Our Key Contributions
 <p>SDG 9 Industry, innovation and infrastructure</p>	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	Guided by the concept of green and clean production and circular economy, GDI has designed and built the “carbon neutral” water plant. The Company also continuously deepens the transformation and upgrading of infrastructure in various business segments.
 <p>SDG 10 Reduced inequalities</p>	Reduce inequality within and among countries	GDI has taken the initiative to fulfil its corporate social responsibilities. The Company led various business segments to reach out to alleviate rural poverty through consumption support and donations for people’s livelihood projects. In this way, the Group can help rural revitalisation and bridge the urban-rural development gap.
 <p>SDG 11 Sustainable cities and communities</p>	Make cities and human settlements inclusive, safe, resilient and sustainable	GDI makes full use of information technology to provide better quality and smarter hydroelectric power supply services for people. We are also intensifying our efforts to improve online service systems, aiming to deliver more convenient and efficient travel services to our customers.
 <p>SDG 12 Responsible consumption and production</p>	Ensure sustainable consumption and production patterns	GDI has established an open and transparent supplier management system and gives priority to suppliers whose products and services are environmentally and socially beneficial. By integrating sustainable development requirements into the procurement process, the Group fosters collaboration with suppliers to jointly build sustainable value chains.

SDGs	Description	Our Key Contributions
 <p>SDG 13 Climate action</p>	<p>Take urgent action to combat climate change and its impacts</p>	<p>GDI incorporates climate change into the Group’s strategic planning and management practices, and establishes a response mechanism for material risks and opportunities. In this way, GDI aims to continuously optimise operational resilience.</p>
 <p>SDG 14 Life below water</p>	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>	<p>GDI attaches great importance to marine resource management and biodiversity conservation in marine and coastal areas. The Group strictly complies with national laws and regulations to conduct environmental impact assessments for all projects, ensuring that project operations do not adversely affect or damage the habitats of coastal species. Additionally, during the project operation process, GDI continuously strengthens the protection and sustainable utilisation of the ocean and its resources.</p>
 <p>SDG 15 Life on land</p>	<p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss</p>	<p>GDI attaches great importance to ecological protection, strictly adheres to the requirements for ecological protection, and integrates the conservation of biodiversity into the construction and operation of business segments in order to promote the development of people and nature harmoniously.</p>
 <p>SDG 16 Peace, justice and strong institutions</p>	<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>GDI adopts a zero-tolerance attitude towards corruption and bribery in all forms. We have established a complete anti-corruption mechanism by setting up a reporting channel and a whistleblower protection mechanism. We also comprehensively reinforce the cultivation of a clean culture through various awareness campaigns.</p>

ESG Management Policies and Culture Building

In order to implement sustainable development strategies and enhance the Group's ESG performance and management standards, GDI has formulated and publicly disclosed several ESG policies, in accordance with the overall requirements of the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) for accelerating ESG development and listing rules such as the ESG Reporting Code published by HKEX. These management policies provide guiding principles for ESG activities and demonstrate the Group's management principles and commitments in the field of sustainable development.

GDI's ESG-related Policies		
Sustainable Development Policy	Biodiversity Protection Policy	Policy on Water Quality Management
Policy on Water Supply Management	Sustainable Supply Chain Policy	Anti-corruption Policy
Policy on Quality, Environmental Health and Safety Management	Code of Business Ethics for Employees	Policy in Relation to Employees and Third Parties Raising Concerns over Possible Improprieties
Climate Change Policy	Employees Diversity and Employment Protection Policy	Charity Activity Management Policy

Meanwhile, to enhance the ESG awareness of all employees within the Group and enhance ESG performance, this year GDI provided training for core ESG personnel at the headquarters and each business segments, covering various aspects including ESG trends, the latest compliance requirements, best ESG practices in the industry, and ESG future work plans. In the future, we will continue to strengthen the ESG cultural development and effectively integrate sustainable development principles into the Group's strategic planning and daily operations.



04

Governance

Sound corporate governance systems and effective risk control processes are the foundation of a company's long-term stability. GDI is focused on consolidating its risk management framework. We make continuous efforts to optimise the risk management process, foster a risk management culture and cultivate a comprehensive risk management awareness. In this way, we aim to support the Group's high-quality development.

Our Response to SDGs



Key Performance in 2025

- All employees signed the Commitment Letter of Integrity.
- GDI and its subsidiaries such as Yue Gang Water Supply, Guangdong Water and GDH Teem, have all obtained ISO 37301:2021 and GB/T 35770-2022 Compliance Management Systems certifications, and these certifications remain valid.
- Zero legal cases regarding corruption.

Compliance Management

GDI has always regarded compliance management as the cornerstone of corporate governance. We have established a “Trinity+” Compliance Management Framework, comprising a cross-jurisdictional regulatory management system, a comprehensive organisational support structure and a sustainable culture-building system, and constantly enhancing compliance management through digital empowerment initiatives.

Guided by GDI’s headquarters, all business subsidiaries have systematically implemented compliance certifications. Following the one-time successful certification in 2023 of the GB/T 35770-2022/ISO 37301:2021 Compliance Management System Standard, GDI and its subsidiaries, such as Yue Gang Water Supply, Guangdong Water and GDH Teem, have all passed their annual audits, ensuring that their certifications remain valid.



To enhance awareness and promotion of internal compliance management, the General Counsel, Chief Compliance Officer and Company Secretary of GDI has conducted compliance training for all employees of the Group for consecutive years, covering compliance knowledge stipulated in Hong Kong laws and regulations such as the Securities and Futures Ordinance, the Listing Rules, and the Companies Ordinance.

Risk Management

The Group adheres to the management philosophy of being “systematic, orderly, standardised and results-oriented”, and makes continuous efforts to improve its internal control and risk management frameworks. The Board oversees the risk management and internal control systems, and regularly reviews their effectiveness. The Audit Committee under the Board is responsible for the overall oversight of the Group’s risk assessment, monitoring and management processes to ensure that effective risk management and internal control mechanisms are in place.

We have formulated our risk management policies, including the Measures for Comprehensive Risk Management of Guangdong Investment Limited and the Internal Control Manual of Guangdong Investment Limited. We prevented risks in advance while controlling risks throughout the process. We also assigned responsibility for risk management, internal control and compliance to those in charge of businesses. At the same time, we have established “three concrete lines of defence”: functional departments and subsidiaries, risk management coordination departments, and internal audit and supervision departments. These efforts have further improved our risk control system and internal control efficiency.

Three Lines of Defence Framework in Comprehensive Risk Management



In order to enhance the effectiveness of the Group's risk management, we continuously improve the core processes, including risk identification and assessment, early warning mechanism, risk reporting, risk audit, risk response and other measures. The aim is to achieve comprehensive and multi-level risk monitoring, and to continuously improve our ability to prevent and respond to potential risks.

Risk Management Process



Cultivating a Compliance and Risk Management Culture

Guided by the idea that “risk is everywhere, and risk management is a collective responsibility”, the Group promotes the risk management culture throughout our corporate governance process. Our business segments provide their employees with tailored risk management training and strengthen risk management defences as appropriate to their own circumstances. Steady progress has been made in risk and internal control training, which covers all employees at all levels and in all areas. The training also includes case studies of serious business risks. These efforts not only consolidate our risk management “hardware”, but also strengthen our “soft power” of risk management culture. We also effectively utilise the all-round, multi-level and wide-ranging monitoring function of the risk management platform, which enables visualised risk data and quantifiable correction measures.

GDI headquarters has consistently strengthened its compliance training system, adhering to a mechanism defined by “normalized training cycles, cross-jurisdictional training content, multi-tiered training audiences, and diversified training methods.” Through a combination of initiatives, it delivers targeted legal compliance training that focuses on “broad themes from specific angles,” continuously deepening the development of a law-based corporate governance framework. In 2025, the headquarters coordinated and organized five specialised legal compliance training sessions, both domestic and international, covering key areas such as civil code practice, cross-border investment, M&A of listed companies, and Hong Kong listing compliance. These sessions included inviting in-house and external legal counsels to deliver training on topics such as Civil Code Special Training: Key Risks and Mitigation Strategies in Equity, Asset Acquisition and Capital Increase Contracts and Cross-border and Overseas Investment: Common Legal Risks and Key Regulatory Points in M&A of Hong Kong Listed Companies. In addition, the General Counsel & Chief Compliance Officer and Company Secretary led training sessions on Hong Kong listing compliance requirements and practices for the headquarters and its subsidiaries. The team also conducted on-site compliance training for the water resources segment, further enhancing cross-jurisdictional and cross-business compliance management capabilities and risk prevention levels.



Water Resources

In 2025, under the leadership of the Company’s Board of Directors and the Comprehensive Risk Management Leading Group, Water Holdings’ risk management systems and mechanisms operated effectively. By conducting field visits to subordinate water companies and carrying out hierarchical risk control training, Water Holdings strengthened the risk responsibility awareness of subordinate companies. Looking ahead, Water Holdings will continue to build a strong line of defence against risks, focus on improving its ability to prevent and control major risks, strengthen risk prevention in key areas such as investment, procurement, and engineering, and commit to achieving more robust and sustainable development under the ESG framework.



Energy Projects

GDH Energy specifies culture promotion and training in its compliance and risk control policies and includes comprehensive risk control training in its annual training plan. Throughout the year, a total of 6 special compliance and risk control training sessions were organised. There was “Co-Construction of Compliance, Risk Control, and Internal Control Systems” course for members of risk control working groups in various departments, and special risk control training for new employees. In addition, GDH Energy holds quarterly risk management and control meetings, convening members of risk control working groups from all departments to conduct awareness training on relevant policy documents.

Case



Risk Identification Special Campaign for All Employees

In 2025, GDH Energy launched its first risk identification special campaign for all employees. The Company organised employees to proactively investigate potential risks in their job positions based on their job responsibilities, business processes, and operational scenarios. Participants can report risk by scanning a QR code. This campaign collected 37 pieces of risk identification information submitted by employees across various departments. Participants covered key job categories such as production operations, equipment management, bidding management, and power sales transactions. Evaluated by the campaign panel, this campaign awarded 3 second prizes and 5 third prizes for high-quality risk identification outcomes. Eight of these identified risks have been incorporated into the Company’s 2026 risk list for key management and control.

Emerging Risks

GDI attaches great importance to emerging risks arising from multiple factors such as climate change, social transformation, and policy changes, and has systematically identified and analysed these risks by referring to the Global Risks Report 2025 published by the World Economic Forum (WEF) with closely integrating its own business characteristics. Following a comprehensive assessment of the Group's strategic plans, the development trends of its various business segments, the macro-level guidance from national policies, and the close attention of external stakeholders, GDI has identified two of the most pressing emerging risks it currently faces: biodiversity loss and ecosystem collapse, as well as lack of public infrastructure and services. To effectively address these issues, GDI has formulated a series of targeted risk mitigation measures to ensure effective risk control and mitigation, thereby minimising the adverse impacts of these risks on its business operations.

Risk	Biodiversity loss and ecosystem collapse	Lack of public infrastructure and services
Description	With the continuous development of industrialisation and urbanisation, the impact exerted by human beings on the ecological environment becomes increasingly prominent. Ecosystems and biodiversity are adversely affected by factors such as excessive exploitation of natural resources and environmental pollution, resulting in varying degrees of degradation or loss.	In recent years, as the population continues to grow, the lack of public infrastructure has become increasingly severe. This has led to delays in developing public facilities such as urban networks for water, electricity, and gas supply.
Impact	<ol style="list-style-type: none"> 1) Disruption of aquatic ecosystems caused by biodiversity loss and ecosystem collapse potentially causes such problems as black-odorous waterbodies, greatly affecting the quality of untreated water supply. 2) With the increasing severity of biodiversity risks, regulatory policies and actions by government and public sectors are becoming more stringent, leading to an increase in compliance costs and risks. 	<ol style="list-style-type: none"> 1) The lag of water conservancy related public infrastructure, such as urban water supply and drainage systems and underground pipeline networks, has led to frequent pipeline leakage incidents. These incidents may increase our operating costs in untreated water supply, water treatment and other businesses. 2) The lack of infrastructure has led to low levels of interconnectivity among traditional infrastructure, which in turn has reduced the operational efficiency of existing facilities and our business.

Risk	Biodiversity loss and ecosystem collapse	Lack of public infrastructure and services
<p>Response</p>	<p>1) We fully leverage the strengths of our water resources business and continue to carry out comprehensive water environment management. We continuously innovate water ecological management concepts and implement comprehensive management projects in various regions or basins. Our efforts aim to achieve the overall restoration of water ecological systems, promote biodiversity recovery, and curb the severe loss of biological resources.</p> <p>2) We actively implement the Law of the People’s Republic of China on Environmental Impact Assessment. Under the guidance of the China Biodiversity Conservation Strategy and Action Plan (2011-2030), we have formulated the Biodiversity Protection Policy of Water Holdings. With this Policy, we strive to protect the habitats of flora and fauna and carry out biodiversity conservation and ecological restoration activities.</p>	<p>1) We have independently developed a “three-level zoning system for pipeline networks”, which adopts technologies such as dynamic pressure regulation and leakage evaluation and positioning. This forms a “smart leakage control” digital platform that integrates pipeline GIS, zoning, monitoring, modelling, and pressure management systems. This platform aims to minimise the impact of pipeline leakage risks.</p> <p>2) We have developed a smart water management system, based on technologies such as the Internet of Things, artificial intelligence, and digital twins. The system utilises digital technologies to effectively improve the operational efficiency of our water resources business.</p>

Business Ethics

We continuously explore the supervision of business ethics in state-owned enterprises stationed in Hong Kong, focusing on political supervision, integrity supervision, and compliance supervision, building a trinity overseas supervision system, strengthening anti-corruption education, and strengthening employees' awareness of integrity and self-discipline.

Anti-Corruption

The Group complies with the Supervision Law of the People's Republic of China, the Company Law of the People's Republic of China, the Prevention of Bribery Ordinance of Hong Kong and other laws and regulations. We have formulated and continued to improve related policies, such as the Anti-corruption Policy of Guangdong Investment Limited, the Code of Integrity of Guangdong Investment Limited, and the Code of Business Ethics for Employees of Guangdong Investment Limited. These policies explicitly require all our employees to abide by rules relating to hospitality, conflict of interest, bribery, extortion, fraud and money laundering, prohibiting employees from abusing their position to seek improper benefits and eliminating commercial bribery and other forms of unfair competition. All employees are required to sign the Commitment Letter of Integrity. To mitigate business ethics risks and regulate the behavior of employees and business partners, the Company incorporates business ethics reviews into its annual audit program and has formulated an audit plan covering all business segments. In 2025, no legal cases regarding corrupt practices or incidents of improper conduct occurred in the Group.

During the Reporting Period, we took our anti-corruption and integrity activities to a new level. We provided anti-corruption and integrity training for the Board and various business segments, promoted case studies of violations, organised reading sharing sessions on integrity and held integrity talks with management personnel. We also organised our employees to visit integrity education bases, shared stories about integrity-oriented family values, and hosted parent-child integrity activities. All of these aim to foster an integrity culture throughout the Group. Regarding anti-corruption and anti-fraud training, the Group organises annual training for all employees at all levels on relevant content such as the Group's Anti-Corruption Policy, so as to enhance employees' awareness of integrity in the workplace and improve their ability to resist corruption and change.

We have formulated the Policy in Relation to Employees and Third Parties Raising Concerns over Possible Improprieties of Guangdong Investment Limited, which specifies procedures for whistle-blowing, investigation and confidentiality to ensure that all reports are handled in a fair, effective and timely manner. We set up a 24/7 whistle-blowing hotline and email to encourage employees or third parties to report instances of misconducts, malpractices, and non-compliance. All reports are handled based on their nature, complexity, and special circumstances. Additionally, a register is maintained to record, report, and manage the reported incidents in a timely manner. We strictly implement confidentiality measures, so that personal information and details of the whistle-blower's reports will be kept strictly confidential. In addition, retaliation against whistle-blowers or witnesses is strictly prohibited and will be seriously dealt with upon discovery.

The Group complies with relevant laws and regulations, such as the Anti-Monopoly Law of the People's Republic of China and the Anti-Unfair Competition Law of the People's Republic of China, strictly reviews all merger and acquisition transactions, and discloses information in accordance with applicable stipulations. We have established a comprehensive monitoring and enforcement system to ensure that each business segment of the Group strictly complies with relevant laws, regulations, and standards during the course of operations. In 2025, the Group had no lawsuits arising from monopolistic conduct, unfair competition, or violations of fair trading practices.

Case

Integrity in Practice Education and Training

On the afternoon of 24 June 2025, in order to further strengthen the integrity culture of the listed company, advocate business ethics on honest operations, and continuously improve corporate governance, GDI invited professionals from the Independent Commission Against Corruption (ICAC) of Hong Kong to conduct a specialised session titled "Integrity in Practice Education and Training" for the directors, management and all employees. The training focused on core elements including the provisions of the Prevention of Bribery Ordinance (POBO), analysis of typical cases, and the code of conduct for professional integrity, helping all personnel build a strong ideological defence for ethical practice.



Integrity in Practice Education and Training



Property Investment and Department Store Operation

GDH Teem upholds the core philosophy of “Integrity Creates Value, Supervision Safeguards Development”, deeply integrating the construction of an integrity risk prevention and control system into governance practices. The Company has built a full-chain supervision system covering “pre-event prevention, in-process control, and post-event accountability” to enhance the enterprise’s high-quality development with solid and effective integrity control. Taking the deep integration of integrity into corporate culture as a starting point, the Company has established a multi-dimensional integrity education system, promoting the integration of integrity concepts into all aspects of business management.

Case

Integrity Culture Education and Promotion

In 2025, GDH Teem carried out a series of integrity culture education campaigns. The Company launched promotional journals such as the “Breeze of Integrity Mini-Class” and “Breeze of Integrity: Protecting the City”, releasing 21 special issues. It also released 3 integrity reminders and published 2 integrity micro-videos during key holidays such as New Year’s Day, Spring Festival, May Day, and Dragon Boat Festival. GDH Teem aims to create a clean and upright festive atmosphere. In addition, GDH Teem compiled the Compilation of Disciplinary Education and Learning Materials for Honest Practice of State-owned Enterprise Employees to be included in new employee training. Additionally, we focused on conducting integrity education for “Four New” personnel (newly adjusted, newly promoted, newly recruited, newly introduced).



Integrity Culture Education and Promotion Campaign

Promoting Integrity Culture in Shopping Malls

GDH Teem has carried out activities to promote an integrity culture in shopping malls for several consecutive years. This year, Tianjin Teemall set up an integrity signature wall at the shop renovation and construction site, organising tenant renovation representatives and staff from the engineering department to sign. This demonstrated the requirements of integrity during the renovation and construction process, promoting the integration of integrity culture with the mall management.



- Integrity Signature Wall



Energy Projects

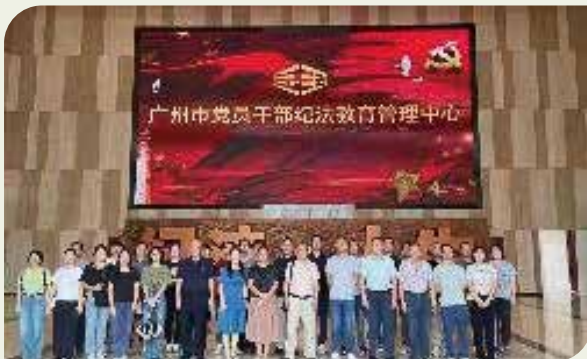
GDH Energy actively carries out anti-corruption and integrity management. Key focus areas in 2025 included major engineering projects, “Triple Major and One Large” matters (major decision-making, appointment and dismissal, arrangements for major projects, and use of large sums of money), critical business processes, daily integrity risk control, and the implementation of rectifications for identified issues. GDH Energy conducted routine integrity management talks with employees in key positions, carried out integrity verifications prior to the appointment of key management leaders. At the same time, GDH Energy organised surveys on awareness of integrity in practice. By analysing the survey results, GDH Energy optimised integrity management and supervision work.

Case



Building an “Immersive + Normalised” Warning Education System

In 2025, GDH Energy committed to building an “immersive + normalised” anti-corruption and integrity education system through diverse forms. GDH Energy organised 30 leading cadres to visit the Guangzhou Discipline and Law Education Base. Members underwent immersive learning, strengthening their understanding of discipline and law through on-site displays and in-depth interpretation of typical cases. GDH Energy conducted 2 training sessions on discipline education. GDH Energy released integrity reminder posters 4 times before major holidays, played integrity educational videos for 2 weeks in the company cafeteria, organised viewings of anti-corruption films, and pushed 16 warning cases of rules and discipline violations to key cadres throughout the year. This effectively solidifies the employees’ ideological defence line for integrity and self-discipline.



■ Visit Guangzhou Discipline and Law Education Base



■ Discipline Education Training



“Integrity Culture in Daily Life” Activities

Our road and bridge business continued to deepen style building, implementing the spirit of the central leadership’s eight-point decision on improving work conduct with the spirit of “driving a nail”. Conducting improvement was incorporated into the “4+N” supervision focus. Keeping a close eye on key nodes such as major holidays, our road and bridge business issued 3 integrity reminders and conducted “one-on-one” and collective integrity talks covering 128 person-times, including 19 person-times covering external partners such as constructors and bidding agents, making it a regular practice to offer gentle reminders and conduct mutual criticism. Our road and bridge business organised 3 viewings of warning educational films such as Investigating Both Bribery and Bribe-Taking, using real cases to build a strong ideological defence line. We organised cadres to visit the Guigang City Integrity Education Base and other places for on-site learning twice, the learning about integrity stories, integrity traditions and instructions, and anti-corruption cases, which further strengthened their awareness of discipline and rules, and firmed their belief in honest practice.

05

Environmental



Adhering to the development concept that “lucid waters and lush mountains are invaluable assets”, we actively fulfil our environmental protection responsibilities and place great priority on the protection of the natural environment. To this end, we have refined our environmental management system, and have formulated and implemented a range of measures to save energy, reduce consumption, and protect the environment. Through these efforts, we continuously improve the efficiency of energy and water resource utilisation and enhance waste disposal practices, contributing to the Chinese modernisation goal of achieving “harmonious coexistence between man and nature”.



Our Response to SDGs



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



Key Performance in 2025

- Yue Gang Water Supply has completed modification of 6 units at Taiyuan Pumping Station of the Dongshen Water Supply Project, upgrading the efficiency of units to 70.5% from 68.5%, with annual electricity savings of over 2.2 million kWh, achieving an annual carbon dioxide emission reduction of approximately 1,313 tonnes.
- The electricity consumption rate of GDH Energy’s integrated plants was 5.62%, successfully reaching the annual target ($\leq 5.75\%$); while the coal consumption of power supply was 308.75 g/kWh.
- GDH Highway achieved a 100% recycling rate for pavement crushed boards, reducing solid waste by 674 m³.

Resource Management

Actively responding to the national sustainable development strategy, GDI deeply implements the concept of sustainability and comprehensively integrates it into every aspect of corporate production and operation. We strictly comply with relevant laws and regulations, such as the Energy Conservation Law of the PRC and the Circular Economy Promotion Law of the PRC. Adhering to the principle of balancing development with conservation, we continuously optimise resource allocation, reinforce management systems, and actively advance technological innovation. These efforts effectively boost resource utilisation efficiency and contribute to the establishment of a green, low-carbon, and sustainable business operating model.

Energy Conservation

As the national “dual carbon” (carbon peak and carbon neutrality) targets advance and green development gains increasing prominence across the society, energy conservation has emerged as a non-negotiable social duty for companies. It is also a pivotal element in bolstering competitiveness and catalysing high-quality growth. Capitalising on the opportunities presented by the “dual carbon” strategy, we steadfastly intensify practices of green and low-carbon transformation, striving to achieve new breakthroughs in energy conservation and consumption reduction.

Management System

Throughout the project lifecycle, GDI implements energy consumption control measures in all stages of project planning, design, construction, and operation through regular supervision and rectification, as well as the establishment of an evaluation system, in order to promote the scientific, standardised, and procedural construction of an energy-saving and consumption-reducing management system. At the same time, we regularly organise internal training sessions for all employees on improving water resource utilisation efficiency, waste recycling, and operational energy efficiency. These sessions are designed to enhance their awareness of green and environment protection, ensuring that the Group’s measures for saving energy and reducing consumption can be effectively implemented.

Furthermore, GDI strengthens its capability for managing the statistics and monitoring of energy conservation indicators, continuously promoting the development and application of online energy consumption monitoring system for its key energy-consuming business segments. This initiative enables GDI to gain a better understanding of energy consumption, and promptly identify and reduce unnecessary energy waste through real-time and accurate data. All business segments of GDI have established robust energy conservation management platforms according to their operation, including a plant-level Supervisory Information System (SIS) and other energy consumption management platforms. Designated personnel are assigned to closely monitor energy consumption indicators, and conduct in-depth analysis on various data on a regular basis, including electricity consumption in production and the electrical power system balance. This provides comprehensive reference data for the operation and management personnel to evaluate the Group’s energy consumption performance.



Water Resources

Water Holdings actively promotes energy conservation efforts by continuously increasing investment in the upgrading energy-saving technologies during operations, adopting multiple measures to drive energy conservation. In 2025, Water Holdings uses standardisation as a key lever and the selection of “Star Water-planes” and “Star Water Companies” as a driver to thoroughly advance special initiatives for energy conservation and consumption reduction. Customised solutions for each unit were developed based on the actual conditions of different water plants. Water Holdings sets annual energy consumption control targets and implements monthly tracking management to accurately and timely grasp the energy consumption status; for abnormal energy consumption data, special meetings are organised for in-depth analysis, with corresponding reduction measures being taken.

Case

Digital and Intelligent Empowerment for Transformation, Deepening the Co-Construction of “Star Water Plants”

Nansha Huangge Water Plant – Full-process intelligent control integrated with digital intelligence

As Water Holdings’ first “Six-Star Water Plant”, Phase II of the Huangge Water Plant has established a “dual water source” guarantee pattern from the West and North Rivers. By integrating precise carbon dioxide dosing and a ceramic membrane treatment system, it ensures the factory water turbidity reaches 0.1 NTU with a pass rate of no less than 95%. Deepening the application of the equipment management system, the equipment intact rate exceeds 99%. Relying on the “digital twin” cloud platform and AI technology, it uses remote inspections, intelligent dosing and zoned leakage control. The intelligent dosing reduces chemical consumption by about 15% while the zoned leakage control saves about 3.6 million tonnes of water annually. In addition, through the extended services of “5G + Smart Water Supply”, it has built the “Smart Water Steward” brand, enabling “zero-errand” online processing for 32 business items.



■ Huangge Water Plant’s “Smart Brain” – Central Control Room

Meizhou Xincheng Water Treatment Plant – Ecological prioritisation with refined management

With a designed capacity of 200,000 tonnes/day, this plant integrates Hakka garden styles to build an ecological space, achieving “city-water symbiosis” and stormwater storage functions. The Company adheres to refined management, promoting a continuous year-on-year decrease in energy efficiency and chemical consumption through the renewal and transformation of energy-consuming equipment and the optimisation of dosing methods. At the same time, it strengthens the investigation and rectification of hidden dangers and regular equipment maintenance, ensuring an equipment intact rate of 99.7% and creating a safe and green industry benchmark.



■ The Garden-Style Design of Water Holdings’s Meizhou Xincheng Five-star Water Plant

Shanwei Eastern Water Purification Plant – Technology-empowered “fully buried” garden-style sewage plant

As the first fully buried sewage treatment plant in eastern Guangdong, this plant adopts the model of an “above-ground ecological park + buried full-process pollution treatment”. Its smart management system relies on over 260 sensors and 180 sets of monitoring equipment throughout the plant to build a “digital neural network”, achieving precise process control. Empowered by digitalisation, the water plant has achieved significant results in energy conservation and consumption reduction, with unit energy consumption dropping by about 6% and chemical consumption decreasing by over 30%, setting a new paradigm for environmentally friendly facilities.

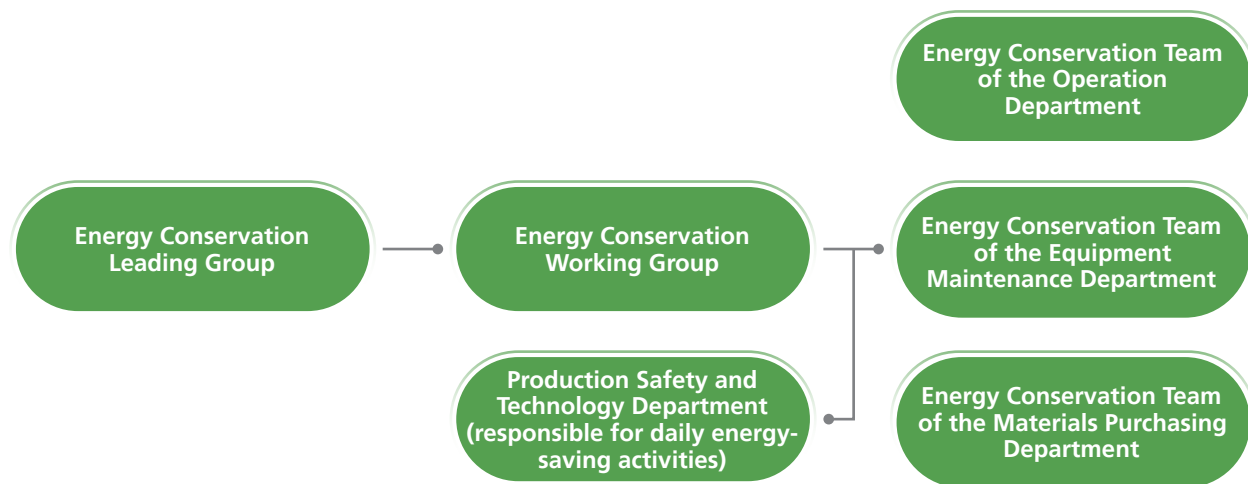


■ The Park-Style Design of Water Holdings’s Shanwei Eastern Water Purification Plant

 **Energy Projects**

GDH Energy has established a three-tier management structure consisting of the company, functional departments, and working teams, and continues to improve its internal evaluation and appraisal mechanism. By doing so, a more scientific and effective internal supervision and management system has been established to further enhance energy management.

GDH Energy's Three-tier Management Structure



To better implement energy conservation and incentivise business departments, GDH Energy conducts monthly performance indicator competitions. The results of the competitions are linked with the monthly appraisal of departments and relevant individuals to motivate the operation team to reduce energy consumption during production and operation. GDH Energy conducts monthly professional energy-saving supervision and analysis, analysing the energy-saving effects of the units from multiple dimensions such as operational adjustments, equipment maintenance, and technical supervision, correcting deviations in a timely manner, and continuously improving the economic performance of the units.

Meanwhile, GDH Energy's plant-level SIS integrates modules including a real-time production system, a performance computing system, an equipment status monitoring system, an energy consumption deviation analysis system, operational reporting system, and indicator assessment system. With these systems, GDH Energy can monitor energy use and production data of plants at all points in real time, providing data support for subsequent energy conservation measures such as indicator assessment, technological renovation, and operation optimisation.

Plant-level Supervisory Information System (SIS)			
System module	<ul style="list-style-type: none"> Real-time production system 	<ul style="list-style-type: none"> Performance computing system 	<ul style="list-style-type: none"> Equipment status monitoring system
	<ul style="list-style-type: none"> Energy consumption deviation analysis system 	<ul style="list-style-type: none"> Operational reporting system 	<ul style="list-style-type: none"> Indicator assessment system
Monitoring indicators	<ul style="list-style-type: none"> Electricity consumption rate of integrated plants 	<ul style="list-style-type: none"> Power consumption rate of air compressor 	<ul style="list-style-type: none"> Exhaust gas temperature of boiler
	<ul style="list-style-type: none"> Turbine vacuum 	<ul style="list-style-type: none"> Water make-up rate of power generation 	<ul style="list-style-type: none"> Main steam temperature
	<ul style="list-style-type: none"> Power consumption of pulverising system 	<ul style="list-style-type: none"> Water consumption for power generation (quantity of water intake for unit power generation) 	<ul style="list-style-type: none"> Reheat steam temperature
	<ul style="list-style-type: none"> Boiler efficiency 	<ul style="list-style-type: none"> Standard coal consumption of power supply 	

Technology Application

GDI continues to enhance the application of energy conservation technologies tailored to the unique technological profiles of each business segment, actively exploring new technologies, processes, and models to drive energy-efficient and high-performance production. In 2025, the Group fully grasped new opportunities for green and low-carbon transitional development by standardising energy management systems, improving production technologies, carrying out equipment renovations, and applying green technologies.

Water Resources

Water Holdings is committed to technology empowerment and strives for technological leadership. To this end, the Company leverages R&D capabilities and “smart water services” initiatives to innovatively explore “low-carbon + smart” water projects. These efforts drive its own green and low-carbon transformation while contributing to the broader goals of building a beautiful China, a better Bay Area, and a greener Guangdong.

Carbon Neutral Water Plant

To promote the green and low-carbon transformation and upgrades, Water Holdings continued to drive technological innovation and management optimisation at three certified “carbon neutral water plants”: Daluo Carbon Neutral Water Plant in Fengshun, Meizhou, Jiangjunshan Carbon Neutral Water Plant, and Gutang Carbon Neutral Water Plant in Zhaoqing.

In 2025, as the country’s first “zero-carbon” water treatment plant within the Company’s scope, the Daluo Carbon Neutral Water Plant in Fengshun, Meizhou, innovatively adopted a comprehensive model of “gravity free-flow + photovoltaic power generation + sludge water reuse + smart control”.

- Energy consumption refined management: The water plant utilises an elevation difference of about 40 metres to achieve gravity water supply to reduce energy consumption.
- Full coverage of green electricity: Using the plant’s space to build photovoltaic facilities, generating over 560,000 kWh annually, fully covering the approximately 430,000 kWh of electricity used in the plant’s production area, and exporting about 130,000 kWh of green electricity.
- Recycling and reuse of water resources: Through a sludge water reuse system to recycle and treat backwash wastewater and sludge water, it successfully reduced the self-use water rate to 2%, significantly improve water resource utilisation efficiency.
- Integrated operation with digital intelligence: Through high-tech network communication technology and remote digital-intelligent overall management of equipment, a combination of low-carbon environmental protection and efficient operation has been achieved.



■ Daluo Carbon Neutral Water Plant



■ “Smart Water” Centralised Control Centre of Daluo Carbon Neutral Water Plant

In addition to building carbon-neutral water plants, Water Holdings has established a standardised management framework centred on the energy management system. Guided by precise transformation, dynamic control, and long-term optimisation, it carries out refined management and control of power consumption around key equipment such as water pumps, motors, transformers, blowers, and sludge dehydrators, as well as key process control links. In 2025, Water Holdings completed the optimisation and transformation of main energy-consuming equipment in 9 water pump houses and 10 sewage plants, achieving a continuous decrease in power consumption per thousand tonnes of water, which is equivalent to reducing carbon dioxide emissions by approximately 3,347 tonnes throughout the year.

Case

Unit Upgrade at Taiyuan Pump Station

In 2025, Yue Gang Water Supply upgraded 6 core units at the Taiyuan Pump Station, the source pump station of the Dongshen Water Supply Project. By increasing single-unit capacity, selecting high-strength anti-corrosion materials, and repairing water flow channels with specific types of epoxy mortar, the operation mode was optimised and upgraded from “5 in use, 1 on standby” to “4 in use, 2 on standby”. At the same time, to adapt to hydrological characteristics such as riverbed downcutting and water level changes, the upgraded units further broadened their operational adjustment range, ensuring that the operating conditions of the units always remain in the high-efficiency zone. This has not only effectively enhanced the stability of equipment operation but also reduced unit wear and extended equipment lifespan. After the upgrade, the overall efficiency of the units increased to 70.5%, saving over 2.2 million kWh of electricity annually, achieving an annual carbon dioxide emission reduction of approximately 1,313 tonnes, and effectively achieving the dual goals of economic benefits and green, low-carbon development.



■ Trial Operation for Retrofitted Core Units at Taiyuan Pumping Station

 **Energy Projects**

In 2025, GDH Energy took multiple measures to improve resource utilisation efficiency. GDH Energy carried out a series of technical transformations such as energy saving in the air compressor system and optimising system operation methods. Combined with its numerous refined management strategies, GDH Energy solidly advanced the achievement of various energy-saving and consumption-reduction targets. In 2025, the electricity consumption rate of GDH Energy’s integrated plants was 5.62%, successfully reaching the annual target ($\leq 5.75\%$). The annual coal consumption for power supply was 308.75 g/kWh.

Energy Conservation Indicators	Management Measures
<p>Coal consumption for power supply</p>	<ul style="list-style-type: none"> • Establish QC project teams to address challenging production difficulties and issues and resolve energy consumption bottlenecks through technological and management innovations; • Enhance technical training to improve the precision operating skills of operating personnel, ensuring the efficient and stable equipment operation and reducing energy losses.
<p>Refined management</p>	<ul style="list-style-type: none"> • Completed 4 QC projects such as “Optimisation of Heat Dissipation Loss of High-Temperature Pipelines in Turbine Room”. The extra heat loss caused by poor insulation quality of high-temperature pipelines in the turbine room was restored to industry standards, bringing annual economic benefits greater than the losses; • After carrying out “Optimisation of Desulfurisation Wastewater Treatment”, laboratory small-scale tests and on-site pilot tests demonstrated that a single composite chemical is suitable for our desulphurisation wastewater treatment. The original “three-box four-chemical” system (4 sets of dosing systems, 10 metring pumps) was simplified into a single composite chemical solid feeder, reducing equipment maintenance by more than 60%. The estimated annual procurement cost of desulfurisation wastewater chemicals is expected to decrease from RMB170,000 to RMB120,000, and the estimated annual electricity saving will be 40,000 kWh.

Energy Conservation Indicators	Management Measures
<p>Urea consumption per unit</p>	<ul style="list-style-type: none"> Carried out upgrade of the ammonia injection system. Manually adjusted the denitrification ammonia injection grid according to the nitrogen oxide concentration in the flue gas, reducing the phenomenon of excessive local ammonia injection. After adjustment, the unit's denitrification urea consumption dropped by 10% year-on-year; Strictly procured high-quality urea, controlling biuret and metal ion content to improve reaction efficiency from the source and reduce damage to catalysts and equipment from impurities; Optimised the operation of the hydrolyser, changing from regular blowdown to a precise on-demand blowdown, while appropriately increasing operating pressure to reduce the waste of urea and heat.
<p>Plant electricity consumption rate</p>	<ul style="list-style-type: none"> Carried out energy-saving renovation of air compressors, optimising the operation methods and control logic of air compressors to reduce no-load running time; Carried out water-saving optimisation of industrial water systems, scientifically recovering industrial return water, saving industrial water usage by about 80t/h, and also reducing the number of operating industrial water pumps, saving plant electricity consumption.

Case 

Air Compressor Energy-Saving Renovation

GDH Energy carried out the renewal and transformation of air compressors and post-processing equipment. 3 air compressors and 3 post-processing equipment facilities were replaced. The Company selected high-efficiency equipment with an energy efficiency of no less than Level 2, reducing the rated power of the electric motor from the original 250kW to 200kW, achieving energy-saving effects.





Property Investment and Department Store Operation

GDH Teem committed to green and low-carbon development. By formulating the Implementation Plan for Carbon Peaking and Carbon Neutrality, the Company continuously promotes efficient energy utilisation and energy-saving carbon reduction. In 2025, the Company focused on the energy-saving renovation of key energy-consuming systems, including aging elevators, lighting, advertising screens, and cooling systems. These efforts have comprehensively enhanced energy use efficiency, while lowering unit area energy consumption and operating costs, achieving green and high-quality development.

Case

Measures for Energy-saving Renovation

In 2025, GDH Teem carried out various energy-saving renovation projects. In terms of lighting systems and advertising screens, Shenzhen Teemall, Panyu Teemall, and Comic City renovated LED advertising screens, basement parking lots, and basement lighting fixtures, replacing them with energy-saving fixtures and intelligent light control systems, saving approximately 755,800 kWh of electricity year-on-year. In terms of cooling systems, Comic City replaced and changed old air-conditioning fan cabinets to improve air-conditioning efficiency. Panyu Teemall adopted an integrated “centralised cooling + self-cooling” model, selecting cooling methods based on the month and actual conditions. These renovations collectively saving over 2 million kWh of electricity year-on-year. In addition, GDH Teem carried out the elevator renewal and renovation project in Panyu Riverside Garden, reducing operating energy consumption while replacing aging equipment, promoting low-carbon travel.



- Sensor Lighting for Shenzhen Teemall Parking Lot

Water Conservation

GDI takes the impact of water resource consumption on the environment seriously. In response to the national regulations and policies on water resource management, the Company requires business segments to strengthen water management in their production and operating activities, and manage and maintain water facilities properly to improve the utilisation of water resources. Moreover, we actively explore water recycling and regeneration technologies and have set up a reclaimed water reuse system to improve water recycling efficiency. The Group has no issues in sourcing water that is fit for purpose.

GDI has established the Policy on Water Supply Management of Guangdong Investment Limited. We require each business segment to manage water resources effectively by reviewing the water resource management strategy, monitoring the efficiency of water resource consumption in operation, and optimising relevant water conservation measures. Following the concept of “increasing water supply and saving water”, all the business segments under the Group have been engaged in water-saving technology innovation and facilities updates based on their production process, the assistance of equipment and their domestic water consumption.

Developing alternative water sources

- Fully utilise pipeline cooling water, municipal reclaimed water, rainwater, and other alternative water sources to replace fresh water used in production, and reuse reclaimed water for enterprise production, green space irrigation, road cleaning, and other purposes, vigorously promoting the recycling of water resources;
- Install rainwater recovery and reuse system in projects and using high-quality rainwater recycled through rainwater filtration devices for replenishing and conserving urban groundwater resources, supplementing landscape water bodies and supporting landscaping and industrial water use.

Improving process facilities

- Promote clean and water-saving production processes and using advanced water-saving equipment and devices to increase water efficiency;
- Implement technical upgrades to processes and facilities, and establishing wastewater recovery and treatment systems to enhance water reuse rates.

Meanwhile, each business segment has established regular statistics and inspection systems accordingly. Management and maintenance personnel are required to periodically inspect water supply facilities, including water pipe networks, taps, and valves, to detect and repair seepage and leakage in a timely manner, thereby reducing water waste.



Water Resources

Water Holdings continues to improve existing technologies, conduct the R&D for new technologies, and optimise production processes. It also steps up efforts to provide guidance and evaluation of the self-use water rates of the water companies in accordance with the Evaluation and Management Scheme for “Star Water Plants”, with the goal of improving water resource utilisation efficiency. In 2025, Water Holdings has fully met the target and requirement of maintaining a cumulative self-use water rate of no more than 4% ($\leq 4\%$) as specified in the Performance Assessment Standard for Urban Water Supply and Water Use.

To effectively reduce the self-use water rates of water plant, Water Holdings vigorously promotes the application and innovative use of water-saving technologies. The Company continuously strengthens refined management by comprehensively reviewing and optimising water use processes within the plant. By implementing measures such as establishing water management policies and operating procedures, and enhancing daily inspections and monitoring, water resource waste is effectively minimised.

Technological application

- Technical upgrades to key processes, such as filtration and sedimentation, to significantly extend the backflush cycle of filters, and enhance water treatment efficiency and reduce water consumption during water treatment;
- Actively promoting the technology of recycling of backflush water to reuse backflush water after treatment and effectively reduce water consumption.

Refined management

- Establishing a comprehensive leak detection system, utilising advanced leak detection equipment and technologies to conduct regular inspections of critical areas within the plant, such as pipes and valves, to prevent water leakage;
- Strengthening daily inspections, monitoring and other operational management of the process pools in the plants, reinforcing and upgrading anti-overflow and anti-seepage facilities to eliminate overflow and seepage at the process pools;
- Conducting regular calibration and verification of flow metres to ensure they meet national standards and regulations.

R&D and Application of Proprietary Membrane Technology for Reclaimed Water

In the field of reclaimed water development and utilisation, Water Holdings continues to promote the R&D and application of proprietary membrane technology. Partnering with Academician Ma Jun's team, Water Holdings built a demonstration pilot in Tandi Village, Sishui Town, Gaozhou, breaking the traditional extensive model to construct a "front-end sorting – mid-end treatment – terminal reuse" closed-loop system. The project constructed a granular sludge-ceramic membrane integrated equipment with a processing capacity of 10 tonnes/day. The effluent meets the Class 1A standard², achieving cascaded utilisation of wastewater resources, which was highly praised by leaders of the State-owned Assets Supervision and Administration Commission of Guangdong and used as a promotional case. In October 2025, the "100,000-tonne flat ceramic membrane process" of Water Holdings' Guangzhou Nansha Huangge Water Plant officially went into operation, marking the official application of "ceramic membrane" products independently developed by Water Holdings on the frontlines of water treatment production, providing a replicable and promotable "GDI Solution" for advanced drinking water treatment centred on flat ceramic membranes.

² COD 30mg/L, Ammonia Nitrogen 1mg/L, Total Phosphorus < 1mg/L

Successful Creation of a Reclaimed Water Reuse Demonstration Project at the Xinwu Industrial Park in Wuxi, Jiangsu

By combining systemic circulation, refined processes, and smart control, the Company successfully created a reclaimed water reuse demonstration project at the Xinwu Industrial Park in Wuxi, Jiangsu, and its innovative practice was featured in the China Water Resources News.

Through key steps such as quality-based treatment and proprietary membrane processes, the project controls the effluent conductivity below $200\mu\text{s}/\text{cm}$, achieving stable production of high-standard reclaimed water. The project can convert 34,000 tonnes of wastewater into high-quality reclaimed water daily, directly supplying it to key industrial enterprises in the park. This assists enterprises in green production and helps to achieve near “zero discharge” of regional wastewater, significantly improving the efficiency of water resource recycling.

In operation and management, the project implements the goal of “cherishing every drop of water” through a membrane system water-saving regeneration rate of over 65%, 100% reuse of filter backwash water, and rainwater collection to supplement capacity. Meanwhile, it fully implements the concept of smart empowerment; through a centralised smart production monitoring platform, it achieves the real-time monitoring and intelligent optimisation of water quality data and process operations. The combination of “intelligent inspection” and manual patrols ensures the intact rate of critical equipment exceeds 99%.



- Successful Creation of a Reclaimed Water Reuse Demonstration Project at the Xinwu Industrial Park in Wuxi, Jiangsu

Leveraging its business strengths as a raw water supplier and water treatment company, Water Holdings fully utilises platforms such as water supply plants and water education bases to conduct water conservation and protection campaigns through various forms and channels. These continuous efforts aim to foster a strong societal commitment to valuing and conserving water resources, thereby enhancing the public awareness of water conservation and water resource protection.

Case

“Water Nourishing Thousands of Miles, Moving Forward with Water Holdings” Series of Activities

During important milestones such as “World Water Day” and “Water Week of China”, Water Holdings mobilised about 50 subordinate companies covering 38 cities across 17 provinces and regions nationwide to carry out themed activities. In 2025, over 180 “Water Plant Open Day” sessions were held, inviting more than 20,000 residents and enterprise representatives to the frontlines of water production to experience the “journey of a drop of water”, allowing them to intuitively feel the complex processes and water-saving achievements of tap water production and sewage treatment. Simultaneously, through formats such as “Services into Communities”, Water Holdings brought water-saving science classes, convenient business processing guides, and high-quality direct drinking water experiences directly to residents, bridging the “last mile” of service and science popularisation, and effectively enhancing the public’s sense of participation and gain.



Water Plant Open Day at Shanwei East Water Purification Plant

Energy Projects

In 2025, GDH Energy optimised the recycling and utilisation of production water and continued to strengthen water management within the plant area to achieve efficient use of water resources.

Case

Re-Laying Pipelines to Recover and Utilise Cooling Return Water

GDH Energy laid approximately 350 metres of industrial water pipelines within the production area. The pipelines direct cooling return water from various systems to flow through the pipes. GDH Energy added electric gate valves, check valves, and flow metres in the pipelines, connecting the return water to the process water tank in the desulphurisation system. After on-site commissioning and operation, this modification can supplement the process water tank with about 80 tonnes of water per hour, efficiently saving industrial makeup water.



Case

Water-Saving Inspections in Office Areas

In 2025, GDH Energy included water facilities in office areas in the scope of key inspections. Plumbers were assigned to conduct weekly special inspections of water facilities, and the 24-hour closed-loop inspection routes were updated for security patrol posts. Throughout the year, more than 100 issues were discovered and tackled. At the same time, GDH Energy performed well in the daily screening and maintenance of facilities in office and living areas, establishing a closed-loop mechanism for the rapid disposal of problems. This mechanism strictly prevented running, bubbling, dripping, and leaking to ensure the stable operation of facilities. The annual water consumption decreased by approximately 51% compared to the same period in 2024, showing outstanding water-saving results.



Property Investment and Department Store Operation

GDH Teem and its subsidiaries actively advocate water conservation, controlling water waste through groundwater recovery and strengthening inspections of water facilities to achieve efficient water resource utilisation.

Case

Underground Seepage Recovery System

Comic City is a fully underground shopping mall and faces challenges with underground water seepage. The project has implemented an underground seepage recovery system on the B3 level of the East Zone. This system centrally collects seepage water into a storage tank on the equipment floor. After pressure regulation and stabilisation by variable-frequency water supply equipment, the collected water is reused for non-potable purposes, such as toilet flushing, achieving the circular utilisation of water resources. In 2025, this project is expected to save approximately 1,460 m³ of water.



Underground Seepage Recovery System

Case

Regular Inspection of Water Facilities

Panyu Teemall has established a routine inspection mechanism for water facilities to ensure the swift rectification of any “running, emitting, dripping, or leaking” issues, thereby eliminating water resource waste. In December 2025, engineering personnel identified a leakage in the structural joints of the underground loop during a routine inspection. The team immediately coordinated with the municipal water company for intervention. The leakage was plugged and the ground surface was repaired without impacting mall operations, effectively mitigating the risks of land subsidence and water loss.



Coordinating Repairs with the Municipal Water Company

Green Office

GDI pays special attention to the conservation and efficient use of resources, and is committed to integrating environmental protection concepts into every aspect of its corporate operations. Starting with efforts to conserve electricity, water, energy, and office supplies, GDI actively promotes green initiatives such as green office practices, green travel, and energy conservation measures among its employees. These efforts are aimed at cultivating a corporate culture that embraces green, low-carbon, and frugal practices.

Green actions	Paperless office	Green travel
Encouraging employees to save water and electricity and reduce energy consumption in offices by switching to energy-efficient lighting, optimising air conditioning controls, and using water-saving devices.	Advocating paperless office, such as utilising technologies to initiate online approval and registration, streamlining administrative approval process and reducing the use of paper, thereby creating an eco-friendly office environment.	Optimising vehicle management and arranging company vehicles based on business needs to minimise vehicle use, and encouraging employees to choose subway, bus, bicycle for commuting on the premise of not affecting work and life.

Environmental Protection

GDI strictly follows environmental laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution caused by Solid Wastes, the Land Administration Law of the People's Republic of China, the Wildlife Protection Law of the People's Republic of China, and the Regulations of the People's Republic of China on Nature Reserves. Focusing on environmental management, emission management, and ecological protection, the Company actively engages in pollution prevention and ecological restoration efforts, strengthens environmental risk management and minimises impacts on the environment. It continuously contributes to the process of national ecological civilisation construction with the strength of GDI, helping to build a "Beautiful China".

Environmental Management

GDI has formulated an internal environmental management system based on the ISO management system that integrates the aspects of environment, quality, and safety (hereinafter referred to as the "three systems"). This system specifies the workflow and division of responsibility for environmental management, implements a management system where each business segment is accountable for its own operations, while each functional department exercises oversight over its designated fields. Under this system, GDI's headquarters, business segments, and branches monitor and manage environmental impacts throughout their business lifecycles according to their authorities.

In strict compliance with laws and regulations and various local requirements, GDI has developed management procedures for project design, construction, and operation to manage environmental impacts throughout the entire project cycles. These procedures include environmental risk identification, environmental impact assessment, and environmental management during construction.

Project Lifecycle Process of Environmental Management

Project design phase	Project construction phase	Project operation phase
<ul style="list-style-type: none"> Carry out environmental impact assessment of project sites and obtain approval for the soil and water conservation plans Avoid eco-environmentally sensitive areas when determining project sites Integrate environmental protection concept into project design to minimise the environmental impact of project construction and operation 	<ul style="list-style-type: none"> Promote information systems, implement intelligent construction site applications, and improve overall efficiency and management of construction projects Closely monitor water, electricity and noise indicators during the construction Reuse the construction by-products (e.g., solid waste and other construction wastes) 	<ul style="list-style-type: none"> Focus on the monitoring and control of environmental pollution, such as noise, wastewater and solid waste, within the scope of project operation Take appropriate environmental control measures to prevent and manage environmental pollution arising from the production and operation Disseminate environmental protection knowledge to employees and the public, and communicate with surrounding communities on environmental impact

In keeping with the concept of sustainable development, namely “lucid waters and lush mountains are invaluable assets”, GDI is dedicated to reducing the discharge of solid wastes, exhaust gases, and wastewater to minimise the impact of the Group’s business operation on the environment. GDI and its business segments had no major pollution incidents or violations against relevant laws and regulations in 2025, nor were they subject to complaints, penalties or sanctions for major environmental pollution or violations against environmental regulations.

Solid Waste Management

GDI is constantly improving solid waste management based on the targets of “reduction, recycling, and safe disposal” (referred to as the “three initiatives”). By creating practical recycling systems and innovating the disposal process via technological advancement, GDI has further increased waste recycling rates and enhanced its economic and environmental performance.

GDI goes all out to minimise the discharge of various solid waste during project construction and operation. Waste is subject to rigorous identification, classification, monitoring, control, and treatment. After undergoing these processes, sludge, scrap metal, plastic foam material, and other wastes can be reused to the largest extent.



Water Resources

The primary solid waste discharged by GDI's water resources business includes sludge generated during the operation phase, waste generated during the laboratory testing phase, and domestic garbage.

For general waste such as sludge, Water Holdings actively pursues initiatives to achieve reduction, recycling, and safe disposal. Starting from project construction, it requires all new water plants to be strictly designed according to conditioning, concentration, and dehydration sludge disposal processes, and applies innovative technologies such as advanced sludge dehydration to promote sludge resource utilisation, reducing negative environmental impacts. In 2025, the Company generated approximately 280,000 tonnes of sludge, all of which achieved compliant disposal through entrusting professional units, via various pathways including building materials, fertiliser production, aerobic fermentation, earthworm breeding, and the production of biomass fuel.

For hazardous or dangerous waste generated by laboratories, the Company strictly complies with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution caused by Solid Wastes, issuing policies such as the Laboratory Safety Management Regulations and placed them under key controls. Various experimental waste liquids and expired chemicals are classified according to their organic, inorganic, or heavy metal properties, stored in dedicated sealed containers, and clearly labelled. In 2025, the Company generated about 147 tonnes of hazardous waste, all of which was entrusted to professional third party with legal qualifications for standardised disposal. The two parties signed agreements and implemented the transfer manifest system to ensure the treatment process is safe, compliant, and traceable.

For domestic garbage, the Company implements classified management, collecting and recycling recyclable materials such as waste paper and packaging materials to reduce the final disposal volume, practicing the concept of a circular economy.



Roads and Bridges

The primary solid waste generated by GDH Highway is construction waste produced during operations, mainly including excavated soil, waste concrete, waste bricks and stones, and other building debris from road construction and maintenance. During the replacement of pavement crushed boards, GDH Highway recycles the waste boards and reuses them in the backfilling of farm roads, rural roads and housing foundations for local residents and the construction of simple retaining structures such as highway drains. These efforts actively promote the reuse of construction waste. As of 2025, GDH Highway had achieved a 100% recycling rate for pavement crushed boards, and reduced solid waste by approximately 674 m³. In 2025, GDH Highway strengthened the recovery and use of safety equipment, reducing the purchase of new traffic cones by recycling old cones and replacing the reflective film. A total of 92 cones were recovered and had their reflective film replaced, of which 54 were put into the emergency warehouse for standby, and 38 were used for daily emergency traffic maintenance after replacing the film, effectively reducing material consumption and saving about RMB3,000 in procurement costs.

Exhaust Gas Management

GDI adheres to a green development philosophy, taking comprehensive and various measures to control exhaust gas emissions at major emission sources. On one hand, the Group prioritises source control by continuously optimising production processes and selecting low-pollution raw materials. These measures significantly reduce the generation of exhaust gas pollution at the source, thereby fundamentally enhancing its environmental protection levels. On the other hand, the Group actively carries out actions to prevent and control dust pollution, strengthens on-site operation management, and implements regular and random special monitoring as well as risk management measures, to achieve the emission compliance target.



Energy Projects

In 2025, while efficiently completing production and operation goals, GDH Energy continued to deepen environmental governance and green, low-carbon transformation. The Company actively promoted ultra-low emission retrofits for coal-fired units, deep treatment of conventional pollutants, and optimisation of denitration processes, further reducing the intensity of atmospheric pollutant emissions. By implementing refined spray dust suppression and coal yard management, it significantly controlled fugitive dust emissions during coal-burning processes. In addition, the Company continues to improve the online monitoring system for pollution sources, achieving real-time dynamic monitoring and intelligent early warning of atmospheric pollutant emissions. This ensured that emission concentrations consistently remained superior to ultra-low emission limit standards, making positive contributions to the improvement of regional environmental quality.

Case



Negative-Pressure Water Film to Reduce Dust in Coal Conveying Corridors

GDH Energy renovated the dust removal system in the coal conveying corridors, such as by installing water film dust collectors at transfer stations and raw coal bunkers to conduct negative-pressure dust extraction and atomised water spray collection and treatment. This has effectively reduced the risk of dust escaping and accumulating from Indonesian coal, etc. By installing fog cannons and dust-proof nets in the circular coal yard, GDH Energy effectively prevented dust caused by the impact of high-drop coal flows during the unloading of Indonesian coal. The renovation has significantly improved the operational safety of the coal conveying system while blending Indonesian coal. After the dust-suppression flushing renovation, the corridor flushing and wastewater collection and treatment functions were further perfected, improving the working environment of the coal conveying corridor. This effectively prevents fire hazards caused by coal dust accumulation, while reducing manual cleaning labour intensity and costs.

Wastewater Management

We strictly control wastewater discharges and treat wastewater using appropriate technologies. By doing so, we ensure the discharged wastewater meets national regulatory standards. Some business segments regularly engage qualified third parties to test wastewater discharges and install monitoring devices at the discharge outlets to monitor and record changes in water quality and quantity in a real time manner, thereby enabling themselves to respond promptly to any abnormal changes.

Biodiversity Protection

GDI attaches great importance to ecological environmental protection and strictly complies with local environmental protection laws and regulations in business operations. The Group carefully identifies and analyses environmental risks in operations and tries its best to avoid affecting natural reserves, ecological conservation areas, and other fragile ecosystems during the business operation and construction. The Group also monitors and assesses biodiversity, water and soil conservation. In all these efforts, the Group protects biodiversity and the ecological environment in the surrounding areas, contributing to ecological balance and the harmonious coexistence between nature and human beings.

GDI recognises that protecting biodiversity is key to achieving business sustainability. We have developed the Biodiversity Protection Policy of Guangdong Investment Limited, which clarifies the leadership’s responsibility for biodiversity management and the management and control requirements within relevant business segments. Also, the policy incorporates biodiversity protection into the construction and operation of all projects to avoid operating in areas of high biodiversity value.

We never cross the ecological red line in the construction and operation and avoid engineering and construction in government-designated ecological reserves. During project design, we develop and implement different impact mitigation plans based on the local biodiversity conditions and the environmental impact assessment results and encourage all business segments to conduct biodiversity assessments for their operations.

Basic Requirements for Biodiversity Protection		
The locations of all construction and operational projects must undergo rigorous evaluation and pass third-party environmental impact assessments. There can be no instances of occupying or damaging ecological reserves, protected areas for rare and endangered flora and fauna, or natural heritage sites.	Integrate ecological restoration and biodiversity conservation into day-to-day operations. Monitor local ecological conditions and implement necessary protective measures during project construction and operations.	Organise and carry out specialised conservation efforts, and actively coordinate with relevant local government departments to jointly develop ecological policies and action plans.

Water Resources

The health of the aquatic ecosystem is of great significance for maintaining ecological balance, protecting biodiversity and promoting sustainable development. Water Holdings responds to the goals regarding the water ecological environment protection of key river basins in China’s “14th Five-Year Plan”, relying on its professional advantages in water pollution treatment and comprehensive environmental management, takes the work of water ecological protection and the solution of prominent water ecological environment problems as one of its important tasks. Through comprehensive management and protection work for the aquatic ecosystem, such as strengthening pollutant treatment, restoring wetlands and lakes, and optimising urban and rural drainage systems, it effectively maintains the integrity and natural purification function of the aquatic ecosystem, provides a favourable living environment for organisms, and safeguards the stability and balance of the ecosystem.

Biodiversity Protection in Water Source Areas

Water Holdings comprehensively upgrades the protection level of water source areas by establishing a dual mechanism of water quality and aquatic ecology monitoring and evaluation combined with R&D investment:

Digital monitoring and evaluation mechanism: Relying on the Water Environment Testing Centre, the monitoring plan not only covers national surface water standards but also incorporates new pollutants and algae indicators, carrying out normalised aquatic ecology evaluations. Normalised aquatic ecological health monitoring and evaluations are conducted for reservoirs. The Shenzhen Reservoir is equipped with 4 sets of online water quality monitoring equipment and two unmanned sampling and monitoring boats, achieving tracking and monitoring of raw water from entering to leaving the reservoir.

Innovative R&D and proprietary achievements: Long-term R&D projects have been carried out addressing key issues in water source management, forming multiple core technologies:

- Ecological fish farming technology: The fish population structure and fish stock in the reservoir. Combined with the results of aquatic ecological health monitoring and evaluation, is regularly investigated ecological fish farming plans are formulated, adopting the “human release, natural growth” approach to improve the reservoir’s ecological structure.
- Emergency algae removal technology: A set of emergency algae removal combined technical solutions suitable for reservoirs are reserved which are, including an emergency algae removal boat capable of spraying modified red soil, a mobile water-lifting aeration device for localised prevention and control, and an unmanned algae removal and drifting garbage clearing boat that integrates clearing and cleaning.
- Through the implementation of algae control measures—including water conservancy dispatching at water sources and ecological fish farming—the water quality of Shenzhen Reservoir and Yantian Reservoir has remained consistently high and stable. Both reservoirs meet the Grade II of Environmental Quality Standards for Surface Water, generating significant ecological benefits while fulfilling their primary water supply functions.

Majiang River Water Environment Comprehensive Treatment Project

To improve the water quality of the Majiang River in Pubei County, Qinzhou City, Guangxi Zhuang Autonomous Region, and to restore the river ecology, Water Holdings adopted a two-pronged strategy of “river dredging” and “sewage and clean water diversion”. It completed the critical dredging work in slightly more than 2 months and applied “Closed-Circuit Television (CCTV) pipeline inspection” technology to inspect the construction and operation quality of the sewage pipe network, ensuring the collection effectiveness of the newly built network. Through comprehensive measures such as dredging the river channel and transforming the ecological wetlands and embankment environments, the surface water quality of the Majiang River’s county section was steadily upgraded from Class IV to Class III, significantly improving water transparency and habitat conditions, and restoring a healthier living space for aquatic organisms. In addition, supporting facilities such as the Dalang Academy Square and Water Culture Science Park combine aquatic ecological restoration with public education, effectively enhancing local residents’ water-friendly experience and environmental awareness, achieving a win-win situation for both ecological and social benefits.



■ Majiang River Dredging Site



■ Dalang Academy Square

Efforts to Address Climate Change

In 2025, the global climate system’s warming trend did not slow down. Facing severe challenges brought by climate change, the Group deeply understands the urgency of mitigating and adapting to climate change. We actively respond to the “dual-carbon” strategy by integrating climate-related factors into the Group’s long-term development plan and daily management. Starting from four key areas, namely governance, strategy, risk management, and metrics and targets, we optimise our climate management system, enhance the capabilities of identifying, assessing, and addressing climate-related risks and opportunities, improve corporate climate resilience, and comprehensively plan the low-carbon development blueprint.

Governance

The Group has integrated climate change issues into its enterprise risk management and operational strategies, established a scientific and professional climate governance structure, formulated the Climate Change Policy of Guangdong Investment Limited (hereinafter referred to as “Climate Change Policy”), and continuously optimised climate-related management measures. Our business segments all formulated an Implementation Plan for Carbon Peaking and Carbon Neutrality to perfect route planning towards the “dual carbon” goals.

Climate Governance Structure of Guangdong Investment Limited

Board of Directors	<ul style="list-style-type: none"> Supervises and decides on the Group’s ESG related issues and targets, considers climate-related risks in developing group-wide strategies, reviews the results of climate-related risk identification, assessment, and management, and takes responsibility for climate governance.
ESG Committee	<ul style="list-style-type: none"> Oversees and reviews the Group’s performance in managing climate-related risks and opportunities, and reports the results to the Board annually. Provides practical guidance and supports to the Group in addressing climate-related risks and ensures appropriate implementation of our policies and management measures on climate change.
ESG Working Groups	<ul style="list-style-type: none"> Under the guidance of the ESG Committee, identify, assess, and manage climate-related risks and opportunities from the perspective of actual business and operations, and develop and implement appropriate response measures. Also, they assist the Board and the ESG Committee in formulating future climate change strategies. Chairmen of the five business segments are responsible for overseeing the performance of their segments in managing sustainability issues and climate-related risks and opportunities, and leading functional departments in taking specific measures to address climate-related risks.
Project Specialists	<ul style="list-style-type: none"> Specialist in charge of safety and environmental management is appointed for each of the Group’s projects under construction and in operation. They are responsible for carrying out the sustainable development plans and overseeing the performance of the project in managing sustainability issues and climate-related risks and opportunities.

Strategy

To build far-reaching capacities of climate change response, the Group continues to improve and implement the Climate Change Policy, which defines the management guidelines on climate change at the group level and for each of the business segments. This policy, which sets out our strategies and commitments to respond to climate change, is designed to guide our subsidiaries, associates, joint ventures, and suppliers to consider environmental protection, energy conservation, emission reduction and other relevant factors in their business operations, to strengthen climate governance. Meanwhile, it encourages employees, customers, and other internal and external stakeholders to reduce carbon emissions in business activities and daily lives to mitigate the negative impacts on environment.

The Group recognises that climate change brings about a series of short-term (next 2 years), medium-term (by 2030), and long-term (by 2060) risks and opportunities, which may impact our business model, value chain, business strategy, and decision-making. Therefore, we are actively exploring various ways to mitigate and adapt to climate change. We collaborate with business segments to conduct in-depth identification and assessment of climate-related risks and opportunities. Additionally, we use scenario analysis tools to evaluate the Group's climate resilience, comprehensively review our climate change management and response capabilities, and continuously improve the Group's sustainable development management performance.

Climate Risk

The Group fully considers the potential impacts of climate change on the macro market environment and its key stakeholders, physical facilities, and business development. Based on policy and regulatory research, background investigations, peer benchmarking, and the Group's business characteristics, we systematically identify and assess the climate-related risks we face. We factored in the potential short-term, medium-term, or long-term impacts of climate risks on the Group's cash flows, access to finance and cost of capital, and reviewed the 13 climate risks identified in the previous year and their corresponding risk levels. The results are presented as follows:

Types of Risk		Risks	Level of Risk ³				
			Water Resources	Property Investment and Department Store Operation	Hotel Ownership, Operation and Management	Energy Projects	Road and Bridge
Physical Risks	Acute risks	Typhoons	High	High	High	High	High
		Floods and waterlogging	High	Medium	Medium	High	High
		Cold waves	Low	Low	Low	Medium	Low
		Extreme-high temperatures	Medium	Medium	Low	Medium	Medium
	Chronic risks	Rising mean temperature	Low	Low	Medium	Medium	High
		Rising sea level	Low	Low	Low	Low	Low
Transition Risks	Policy and Legal Risks	Energy mix and utilisation	High	High	High	High	Low
		Climate and environmental policies	High	Medium	Medium	High	Medium
		Carbon trading	Low	Low	Low	High	Low
		Information disclosure	Medium	Low	Low	Low	Low
	Technology risks	Low-carbon technological transformation	Medium	Low	Medium	Medium	Low
	Market risks	Change in market demands	Medium	Medium	Medium	Medium	High
	Reputation risks	Stakeholders' concerns	Low	Medium	Medium	Low	Low

³ Level of risk: high: $\geq 67\%$; medium: $< 67\%$ and $\geq 33\%$; low: $< 33\%$.

Based on the above climate risk assessment results, for each high risk, we identify the business segments where the risks are concentrated, analyse the current and anticipated impacts of the risks on their business models, value chains, business strategies, and decision-making, as well as the potential financial impacts the risks may bring. We also develop corresponding measures to adapt to or mitigate the climate risks. The details are presented as follows:

Physical Risks – Acute Risks

Risks	Risk Factors	Time Horizons
Typhoons	Frequent high intensity typhoons	Short/medium/long term
Floods and waterlogging	More days of rainstorms and heavier rainfalls	Short/medium/long term
Business Segments	Potential Impacts	Response Measures
Water Resources	<ul style="list-style-type: none"> • Rising water surface and intrusion of seawater into river mouths may result in changes in the water level and quality of raw water; • Pipeline networks and facilities in operation may be destroyed, affecting the stability of water supply; • Regional floods and waterlogging may overload drainage systems; • The risk of flooding water supply facilities in low-lying areas may rise. 	<ul style="list-style-type: none"> • Setting up specialised body in charge of flood, drought and storm control (“Three-Control”) to make emergency response plans and standardised emergency response process; • Analysing and identifying water source risks and arranging water quality management personnel for 24/7 monitoring; • Going all out to ensure that breaks in water supply pipeline network are repaired immediately and mobilising nearby fire engines and hydrants for water supply during the repair; • Adjusting reservoir levels dynamically according to weather conditions to prepare for flood emergency response and water dispatching; • Applying intelligent control of the pipeline networks to achieve the maximum capacity of water discharge and improve the forced drainage capacity of temporary pumps.

Business Segments	Potential Impacts	Response Measures
Property Investment and Department Store Operation	<ul style="list-style-type: none"> Shopping malls and other businesses may need to shut down and lead to breach of contracts and compensation liabilities; The risk of falling and maintenance cost of outdoor facilities (such as outdoor billboards) may rise. 	<ul style="list-style-type: none"> Better checking, unblocking, regularly maintaining and repairing indoor and outdoor drainage facilities to maintain smooth water discharge; Adding vibration sensors to advertising trusses to effectively monitor truss vibration frequency and amplitudes to provide early warning; Timely noticing and assisting tenants in taking remedial measures in the event of business suspension of shopping malls during high-intensity typhoons.
Hotel Ownership, Operation and Management	<ul style="list-style-type: none"> Passengers may cancel their reservation due to traffic shutdown induced by typhoons, raising the risk of room vacancy of hotels. The maintenance cost of outdoor facilities (such as outdoor billboards) may rise. 	<ul style="list-style-type: none"> Initiating crisis emergency plans for wind and flood prevention and forming crisis emergency teams; Inventorying material reserves and developing backup plans for shortages of materials; Removing or securing furniture, equipment, and plants on balconies and perimeters, ensuring hotel facilities are working properly and fully charged.
Energy Projects	<ul style="list-style-type: none"> Sustained strong winds and rainstorms can damage facilities and equipment, affecting the stability of power supply and may leading to production suspension. The rising waters may leave facilities in some places inundated, disrupt production and operation of plants, and increase maintenance costs. 	<ul style="list-style-type: none"> Developing and improving emergency response mechanisms, making and implementing special emergency plans and various on-site disposal schemes; Making an annual rolling plan on emergency drills and organising typhoon- and flood-prevention drills for large mechanical equipment at wharfs to enhance employees' safety and crisis awareness, and strengthen their abilities of dealing with emergency situations.

Business Segments	Potential Impacts	Response Measures
Road and Bridge	<ul style="list-style-type: none"> Continued strong winds and heavy rains may affect the safety of operations and lead to construction interruption, causing traffic restriction, and road closure; Sustained rainstorms may result in waterlogging on expressways, giving rise to traffic jams or disruptions; Flash floods, mudslides, landslides and other disasters may damage roads and lead to additional repair costs. 	<ul style="list-style-type: none"> Formulating flood and typhoon prevention plans and emergency response plans and holding meetings on the deployment of the plans; Carrying out inspection prior to, during and after rainstorms with the focus on the operation of highway drainage systems, the stability of slopes, retaining walls and roadbeds, and the flood discharge capacity of bridges and culverts; Developing emergency plans and processes for infrastructure damages, traffic disruptions, and other emergencies induced by severe weather. Promptly organising on-site investigation and repair, and supporting traffic police to set up traffic signs when an emergency occurs.

Physical Risks – Chronic Risk

Risks	Risk Factors	Time Horizons
Rising mean temperature	Higher daily maximum and minimum temperatures	Medium/long term
Business Segments	Potential Impacts	Response Measures
Road and Bridge	<ul style="list-style-type: none"> The risk of spontaneous combustion and tyre blow-out of automobile may rise; Drivers are easier to lose temper in hot days, threatening their driving safety. 	<ul style="list-style-type: none"> Collaborating with local fire departments and calling the police immediately in the event of vehicle fire accidents; Preventing fatigue driving by reminding drivers to have mandatory work-rest intervals and ensuring adequate rest before driving.

Transition Risks – Policy and Legal Risks

Risks	Risk Factors	Time Horizons
Energy mix and utilisation	Accelerated low-carbon transformation of the energy mix and rising proportion of clean energy	Medium/long term
Business Segments	Potential Impacts	Response Measures
Water Resources	<ul style="list-style-type: none"> The introduction of low-carbon transformation policies may lead to the early scrapping of existing energy-intensive equipment; The fluctuation or increase in energy prices (such as the rise of coal power price) may cause additional expenses. 	<ul style="list-style-type: none"> Carrying out energy-saving renovations on high energy-consuming equipment and introducing advanced low-carbon technologies and equipment to reduce operational energy consumption; Conducting carbon-neutral renovations on Jiangjunshan Water Plant and Gutang Water Plant. These two plants have obtained carbon-neutral certification issued by the Guangzhou Emissions Exchange.
Property Investment and Department Store Operation	<ul style="list-style-type: none"> The introduction of low-carbon transformation policies may lead to the early scrapping of existing energy-intensive equipment; The fluctuation or increase in energy prices (such as the rise of coal power price) may cause additional expenses. 	<ul style="list-style-type: none"> Using energy-saving elevators equipped with energy-feedback devices to convert gravitational potential energy generated into electricity for reutilisation; Installing solar power generation facilities on roofs to provide power for outdoor billboards, outdoor water features, and green areas; Using intelligent control systems and energy-saving lamps, electrical equipment, and air conditioning equipment to reduce electricity consumption.

Business Segments	Potential Impacts	Response Measures
Hotel Ownership, Operation and Management	<ul style="list-style-type: none"> • The introduction of low-carbon transformation policies may lead to the early scrapping of existing energy-intensive equipment; • The fluctuation or increase in energy prices (such as the rise of coal power price) may cause additional expenses. 	<ul style="list-style-type: none"> • Setting up a hotel energy conservation management team to conduct energy conservation management, analyse energy consumption, and upgrade facilities; • Adopting renewable energy by installing photovoltaic equipment on the roof of Oasis Avenue – A GDH Hotel; Implementing measures for sponge city construction in Holiday Inn Zhuhai City Centre.
Energy Projects	<ul style="list-style-type: none"> • The decarbonisation of the power system and phasing out of coal power may lead to a decline in power plant's revenue; • Rising coal prices may increase the cost of electricity generation. 	<ul style="list-style-type: none"> • Ramping up the development of technologies for energy conservation and consumption reduction, and strengthening carbon assets management, to raise energy efficiency and speed up the transition towards clean energy.

Risks	Risk Factors	Time Horizons
Climate and environmental policies	With the gradual implementation of the “1+N” policy framework, the environmental supervision is increasingly stringent	Short/medium/long term
Business Segments	Potential Impacts	Response Measures
Water Resources	<ul style="list-style-type: none"> • Input more human resources and time in managing and controlling changes in water quality and ecosystems due to climate change; • Step up efforts to reduce pipeline leakage rates and upgrade existing equipment. 	<ul style="list-style-type: none"> • Constructing an online water quality monitoring platform for intelligent water quality management to further enhance the water quality management capacity; • Developing an online lab information management system to build Water Holdings’ monitoring network for real time water quality data monitoring; • Devoting continuous efforts to control leakage in water supply pipeline networks, achieving the leakage control target set in the “14th Five-Year Plan” ahead of schedule.
Energy Projects	<ul style="list-style-type: none"> • Further raise the energy efficiency and flexibility standard of coal power, which may require additional costs for generator upgrading; • Phase out outdated coal power generation facilities. 	<ul style="list-style-type: none"> • Strictly controlling the concentration of air pollutants emitted from coal-fired units to meet the emission limits through upgrading coal-fired units to achieve ultra-low emission, using denitrification and other technologies; • Making full use of the advantages of coal power in supporting and regulating power supply, and continuously seeking to improve coal power generation and to replace coal power with renewable energy.

Risks	Risk Factors	Time Horizons
Carbon trading	Higher carbon pricing and less emission quotas	Medium/long term
Business Segments	Potential Impacts	Response Measures
Energy Projects	<ul style="list-style-type: none"> • Buying quotas will increase the cost of coal-fired units and LCOE; • Given the increasing climate-related risks, governments are likely to adopt higher carbon pricing, reduce emission quotas, or levy carbon taxes ahead of schedule, causing additional costs to enterprises. 	<ul style="list-style-type: none"> • Paying close attention to the development of the carbon trading market, taking part in carbon trading and assuming environmental protection responsibilities; • Promoting clean and efficient use of coal and decreasing energy consumption in production and operation by strictly managing relevant metrics.

Transition Risks – Market Risks

Risks	Risk Factors	Time Horizons
Change in market demands	The popularisation of green consumption and green living	Medium/long term
Business Segments	Potential Impacts	Response Measures
Road and Bridge	<ul style="list-style-type: none"> • More consumers embracing green travel will reduce expressway traffic flow; • More consumers choosing EVs will lead to higher demands for charging piles and other supporting facilities. 	<ul style="list-style-type: none"> • Proactively seeking cooperation with suppliers of new energy charging facilities and promoting the construction of charging stations; • Founding the “Yi Xian Tong Lu” alliance (alliance of companies and organisations along the same expressway) marketing system and organising upstream and downstream members for joint marketing campaigns.

Climate-related Opportunities

Combining the current development situation and future plans of each business segment, we fully identify the climate-related opportunities that are expected to potentially impact the Group's cash flows, access to finance, and cost of capital in the short-term, medium-term, or long-term. By innovating green technologies, strengthening resource recycling, developing low-carbon products and services, and other means, we actively seize the development opportunities to enhance the core competitiveness of the enterprise.

Opportunities	Description	Business Segments Concerned	Time Horizons
Emergence of green financial products	Presently, green finance is experiencing booming development. Enterprises can issue green financial products to promote business growth and to alleviate financing difficulties and other problems through increasing the amount of financing. Meanwhile, innovative green financial products will help issuers diversify their fundraising channels and raise more funds to improve their environmental management capabilities and performance.	The Group	Medium/long term
More new market demands	It is a priority of ecological environment protection in the "14th Five-Year Plan" Period to make overall plans for improving the quality and capacity of rural ecological and environmental protection and promote coordinated urban-rural development in ecological and environmental protection. Water companies can deploy dispersed and small-sized sewage treatment facilities in rural areas step by step and help to build and operate those facilities in a standardised manner, extending coverage of their businesses.	Water Resources	Short/medium/long term

Opportunities	Description	Business Segments Concerned	Time Horizons
Expansion of smart water business	As the process of building smart water systems in urban areas accelerates, water companies may further establish smart water management systems based on market demands. They can strengthen the development of new products and solutions relying on their technical advantages in smart water management, to raise water treatment efficiency and water resource utilisation rate, cut operation costs, and sharpen their competitive edge.	Water Resources	Short/medium/long term
Utilisation of unconventional water resources	The National Action Plan for Water Conservation released by the PRC government seeks to heighten public awareness of water conservation and ensure national water security. Against this backdrop, water companies may increase the use of unconventional water such as reclaimed water, seawater, rainwater, mine water and brackish water to seize the opportunity to expand business and reduce reliance on individual water sources and the costs resulting from unstable operations.	Water Resources	Medium/long term
Popularisation of green consumption	With progress made in publicity and popularisation in the green consumption recently, consumers are gradually developing green consumption behaviours and have higher demands and expectations for low-carbon and energy-saving properties and hotels. Enterprises may add more green design elements to their buildings and advance the energy-conservation transformation of existing equipment, to better cater to market demands and attract more potential consumers.	Property Investment, Department Store Operation, Hotel Ownership, Operation and Management	Short/medium/long term

Opportunities	Description	Business Segments Concerned	Time Horizons
Higher proportion of renewable energy	With the promotion of electrification in final energy consumption, the use of multi-energy complementary distributed clean energy will become more common. The overall pattern and market development trend of China's regional development and energy enterprises will see significant changes. Energy enterprises can assist corporate customers in emissions reduction by providing them with renewable energy generation, carbon offset and other solutions, so as to invest in and develop new markets.	Energy Projects	Medium/long term
Resource recycling	The "14th Five-Year Plan" on Highway Development takes conserving resources and using them efficiently as one of the key tasks to promote the green development of highways. Enterprises can reduce operational costs and improve business and environmental management performances while responding to national strategies by upgrading and reusing old equipment, promoting comprehensive utilisation of wastes and scraps, and advocating sewage recycling in service zones.	Road and Bridge	Short/medium/long term

Climate Scenario Analysis

Climate scenario analysis is a useful method for assessing and managing climate-related risks. It helps to better predict potential impacts of climate-related risks, improve climate resilience, and determine emission reduction pathways. The Group carried out a quantitative scenario analysis for the water resources business and, based on the results of the scenario analysis, comprehensively evaluated the resilience of the water resources business's business model and strategy to climate change.

Scenarios and Scope

Given China's "dual carbon" goals and the year by which the Group committed to meet its emission targets, we use publicly available climate scenario datasets and define the time horizons of the scenario as 2030 and 2060. We developed and compared two climate scenarios following the principle of high comparability, balance, and science-based.

Scenarios	Low-Emission Scenario (1.5°C – 2°C)	High-Emission Scenario (above 4°C)
Reasons for Selection	The emission reduction pathway in this scenario is consistent with the goal of keeping a global temperature rise well below 2°C above pre-industrial levels as set in the Paris Agreement and with China's dual carbon goals.	The highly comparative scenario depicts a future where climate change deteriorates due to a lack of practical climate action.
Scenario Narratives and Assumptions	The scenario pictures a sustainable society mainly consuming clean energy. It assumes that the whole world has realised the severity of climate change and that countries have ramped up climate actions and taken immediate and stringent policies and measures to reduce emissions. Technological progress and increased environmental awareness speed up the transition towards a low-carbon and low-energy consumption society. Markets adapt to climate-friendly changes in production and consumption. Meanwhile, external stakeholders have growing demands for enterprises' climate actions. Global CO2 emissions are cut severely, but not so fast, reaching net-zero after 2050. By 2100, global temperature rise is limited within 2°C.	The scenario follows the "business as usual" emission pathway, i.e., enterprises operate as usual without devoting additional resources in climate change response. It assumes that the global economic development still relies on fossil fuels, and countries stop announcing new climate policies and emission reduction goals, leading to increasing emissions and rising Greenhouse Gas concentrations. Over time, physical risks from climate change intensify sharply, the global climate-related risk index rises, weather patterns shift drastically, and extreme weather events are also more frequent and severe. By 2100, the global mean temperature rises by over 4°C.
References	The physical risk analysis and the transition risk analysis will be based on the SSP 1-2.6 scenario proposed by IPCC ⁴ and the Below 2°C scenario proposed by NGFS ⁵ , respectively.	The physical risk analysis and the transition risk analysis will be based on the SSP5-8.5 scenario proposed by IPCC and the Current Policies scenario proposed by NGFS, respectively.

⁴ The Intergovernmental Panel on Climate Change (IPCC).

⁵ The Network of Central Banks and Supervisors for Greening the Financial System (NGFS).

Scenario Analysis Results

The Group selected appropriate parameters and analysed the two “high” risks facing by the water resources business, namely typhoons as well as energy mix and utilisation in the low-emission and high-emission scenarios, respectively. Data used in the analysis was mainly from publicly available datasets of IPCC and NGFS⁶.

Physical Risks

The increased frequency and severity of typhoons and heavy rains may cause damage to the company’s fixed assets such as hydraulic structures and buildings, which in turn may lead to a decrease in the recoverable amount of assets or a shortening of the useful life of assets. To assess the potential impact scope and degree of typhoons, we analysed the fixed assets of buildings and structures of 26 branches of the water resources business, and obtained the percentage of assets vulnerable to typhoons under different scenarios. Details can be found below. Limited by the availability and rationality of data, we did not take into account the future changes in the business scale of the water resources business in this analysis, that is, it is assumed that the value of the above-mentioned fixed assets remains constant.

Year	2030	2060
Low-Emission Scenario	3.60%	6.69%
High-Emission Scenario	4.78%	15.57%

The results show that, under the high-emission scenario, a larger percentage of the company’s buildings and structures will be threatened by typhoons. To this end, we continuously improve the emergency management for wind prevention and flood control, and strictly implement the prevention and handling of emergencies caused by typhoon and rainstorm disasters. We constantly enhance the level of safe operation of projects, and conduct follow-up management on the operation status of facilities and equipment along the project line. Moreover, we purchase All Risks Insurance for property every year to provide comprehensive protection for the company’s properties. Through these measures, we take precautions in advance to avoid and mitigate the impacts of typhoons on the water resources business to the greatest extent possible.

⁶ Given the accessibility of state-level data, the physical risk parameters were selected from the climate simulation and estimation data in the Coupled Model Intercomparison Project Phase 5 (CMIP5) of IPCC, and the transition risk parameters were selected from the estimation data in REMIND-MAgPIE 3.3-4.8 model of NGFS.

Transition Risks

As the energy structure transformation is continuously being advanced, the power energy structure is gradually shifting from fossil fuels to renewable energy. This is expected to lead to certain fluctuations in electricity prices, which in turn will trigger fluctuations in the company's electricity-related production costs and operating expenses. Based on the trends of China's average electricity prices and electricity consumption fluctuations under different scenarios, we forecast the electricity procurement expenditures of the water resources business and obtain the percentage fluctuations of its electricity procurement expenditures at different time points compared with those in 2024. Details can be found below. In the electricity consumption forecasting of this analysis, we only considered the changes in electricity consumption caused by macroeconomic factors, and did not take into account the changes in the business scale of the water resources business.

Year	2030	2060
Low-Emission Scenario	14.41%	-5.55%
High-Emission Scenario	6.62%	-10.19%

The results reveals that, under the low-emission scenario, in the initial stage, stricter emission reduction measures need to be adopted to achieve the temperature control target. These measures include substantial investments in renewable energy and the rapid phase-out of traditional energy sources. In the later stage, due to technological advancements, the effects of economies of scale, and the reduction in the costs of renewable energy, the cost of power generation gradually decreases. Therefore, enterprises may face greater cost pressure in the initial stage, and the green and low-carbon transformation is imperative. We closely monitor climate-related policies and requirements at home and abroad, such as those in the fields of energy and environmental protection. We promptly adjust the enterprise's strategies and operational tactics, explore the use of renewable energy sources, and turn the risks of transformation into new development opportunities.

Resilience Assessment

Since it faces physical risks and transition risks to varying degrees under the low-emission scenario and the high-emission scenario, we assess the climate resilience of our water resources business in terms of resistance, recovery and robustness.

The Group is aware of the potential impacts of climate change on the operation of our water resources business and has put in place adequate systems, plans and measures to address the challenges. In terms of resistance, we have integrated climate change into our operational strategy, formulated the Climate Change Policy and defined our climate-related risk management guidelines and processes. In terms of recovery, the water resources business has formulated risk contingency plans in response to typhoons, floods and waterlogging and other climate-related disasters. In the plan, we have clarified procedures for risk warning, emergency response and post-event disposal to resume production in the shortest possible time. Therefore, the Group believes that our water resources business is highly resilient to climate change at present. We will continue to enforce a series of climate actions to further enhance the resilience of the water resources business.

Risk Management

The Group has established a comprehensive climate-related risks and opportunities management process, clearly clarifying the management requirements and specifications of each critical step. This has formed a closed-loop and highly efficient management mechanism covering the identification, assessment, prioritisation, and monitoring of climate risks and opportunities. In this way, the Group's climate-related risks and opportunities management capabilities and performance can be comprehensively enhanced.

GDJ Climate-related Risks and Opportunities Management Process

Governance	<ul style="list-style-type: none"> • Develop and review climate change policies • Establish a sound governance structure
Identification	<ul style="list-style-type: none"> • Identify climate risks and opportunities affecting the Group and their importance to business operations
Assessment	<ul style="list-style-type: none"> • Work with management to assess and priorities climate risks and opportunities • Incorporate climate risk factors into business strategies and risk management procedures
Management	<ul style="list-style-type: none"> • Establish management goals • Formulate and implement measures to control climate risks and opportunities • Set monitoring indicators
Supervision	<ul style="list-style-type: none"> • Set up an internal monitoring mechanism to review the management of climate change issues and the achievement of targets
Information Disclosure	<ul style="list-style-type: none"> • In line with climate change strategies, regularly disclose climate-related information to create long-term value
Continuous Improvement	<ul style="list-style-type: none"> • Review, improve and refine to achieve closed-loop management

Metrics and Targets

The Group fully assesses the carbon emissions of each business segment through regular interviews and data collection, integrating the current industry development trends. Meanwhile, to better mitigate climate change, the Group has set the following climate-related targets for the water resources, property investment and department store operation, and energy projects, including greenhouse gas emission targets, renewable energy targets, etc. In 2025, Guangdong Holdings formulated its “Carbon Peaking and Carbon Neutrality Action Plan”. We have reviewed the climate change target-setting scheme with reference to this plan, and optimised and adjusted the relevant targets in conjunction with the progress and key execution challenge of the above business segments to ensure that the targets are scientific, feasible and manageable, so as to effectively guarantee the achievement of various climate-related targets as scheduled.



Water Resources

- Strive for a 36% reduction in the carbon intensity (tonnes of CO₂e/Million HKD income) of the water resources business by 2030, against the FY2020 baseline.
- The annual system energy consumption per unit for Yue Gang Water Supply achieved 3.66 kWh/kTm, lower than the company’s target of 3.9 kWh/kTm and the industry standard of 4.53 kWh/kTm.
- Maintain power consumption per tonne of water below 0.225 kWh/t.



Property Investment and Department Store Operation

- Strive for a 36% reduction in the greenhouse gas emissions intensity (tonnes of CO₂e/m²) of the property investment and department store operation business by 2030, against the FY2019 baseline.
- Strive for a 27% reduction in the overall energy consumption intensity (tonnes of standard coal/m²) of the property investment and department store operation business, department store operation by 2030, against the FY2019 baseline.
- Strive for a 5% reduction in the water consumption intensity (tonnes/m²) of the property investment and department store operation business by 2030, against the FY2020 baseline.
- Maintain a non-hazardous waste recycling rate of 95% or above.
- Maintain a hazardous waste recycling rate of 60% or above.



Energy Projects

- Strive to increase the proportion of renewable energy consumption in non-production areas of the GDH Energy to 60% by 2030.
- Strive for a 36% reduction in scope 1 carbon emissions intensity (tonnes of CO₂e/Million HKD income) of the energy project by 2030, against the FY2020 baseline.
- GDH Energy’s environmental targets for 2025 were to achieve an ultra-low emission compliance rate, and the quarterly ultra-low emission compliance rate of both units reached 99%, meeting expectations.
- Strive for an 11% reduction in the water withdrawal for power generation (tonnes/Thousand kwh) of the energy projects by 2030, against the FY2020 baseline. In 2025, the total volume of water withdrawal of GDH Energy was 8.298 million m³, achieving the annual target of 8.53 million m³.
- Strive to ensure the average standard coal consumption for power supply of the energy projects business from 2026 to 2030 is not higher than 307 g/kWh.

Environmental Key Performance Indicators

Environmental Scope ⁷		
Greenhouse gas emissions ⁸ and intensity data		
Indicators	Unit	2025
The Group		
Total greenhouse gas emission	Tonnes CO ₂ e	4,400,806.74
Total greenhouse gas emission intensity	Tonnes CO ₂ e/Ten thousand HKD income	2.34
GDI Headquarters		
Greenhouse gas emissions (Scope 1)	Tonnes CO ₂ e	15.72
Greenhouse gas emissions (Scope 2)	Tonnes CO ₂ e	56.47
Greenhouse gas emissions (Scope 3 – Fuel- and energy-related activities)	Tonnes CO ₂ e	16.59
Water Resources		
Greenhouse gas emissions (Scope 1)	Tonnes CO ₂ e	2,100.61
Greenhouse gas emissions (Scope 2)	Tonnes CO ₂ e	388,575.30
Greenhouse gas emissions (Scope 3 – Fuel- and energy-related activities)	Tonnes CO ₂ e	5,450.26
Greenhouse gas emission intensity	Tonnes CO ₂ e/Ten thousand HKD income	0.28
GDH Energy		
Greenhouse gas emissions (Scope 1)	Tonnes CO ₂ e	3,236,256.35
Greenhouse gas emissions (Scope 2)	Tonnes CO ₂ e	200.08
Greenhouse gas emissions (Scope 3 – Fuel- and energy-related activities)	Tonnes CO ₂ e	693,545.22
Greenhouse gas emission intensity	Tonnes CO ₂ e/Ten thousand HKD income	25.25

⁷ The scope of environmental data in 2025 is consistent with that in 2024, including: headquarters of GDI, water resources segment, GDH Energy, GDH Teem, hotel business, and GDH Highway.

⁸ The data conversion methods and coefficients for emissions mainly refer to the Appendix 2: Reporting Guidance on Environmental KPIs of the HKEX's How to Prepare an ESG Report. The greenhouse gas emissions (Scope 1) are generated from the use of gasoline, diesel, piped natural gas, coal and liquefied petroleum gas. Besides, the conversion factors for operation sites in Chinese Mainland are derived from the Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (Trial) issued by the National Development and Reform Commission in 2011, and the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020). The greenhouse gas emissions (Scope 2) are generated from internal consumption of purchased electricity. The greenhouse gas emission factors for purchased electricity are based on the Announcement on the Publication of 2023 Carbon Dioxide Emission Factors for Electricity issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

Environmental Scope⁷

GDH Teem

Greenhouse gas emissions (Scope 1)	Tonnes CO ₂ e	1,677.34
Greenhouse gas emissions (Scope 2)	Tonnes CO ₂ e	48,681.50
Greenhouse gas emissions (Scope 3 – Fuel- and energy-related activities)	Tonnes CO ₂ e	11,235.45
Greenhouse gas emission intensity	Tonnes CO ₂ e/Square metre operating area	0.09

Hotel Business

Greenhouse gas emissions (Scope 1)	Tonnes CO ₂ e	329.14
Greenhouse gas emissions (Scope 2)	Tonnes CO ₂ e	9,377.65
Greenhouse gas emissions (Scope 3 – Fuel- and energy-related activities)	Tonnes CO ₂ e	2,174.37
Greenhouse gas emission intensity	Tonnes CO ₂ e/Ten thousand HKD income	0.17

GDH Highway

Greenhouse gas emissions (Scope 1)	Tonnes CO ₂ e	92.57
Greenhouse gas emissions (Scope 2)	Tonnes CO ₂ e	818.42
Greenhouse gas emissions (Scope 3 – Fuel- and energy-related activities)	Tonnes CO ₂ e	203.73
Greenhouse gas emission intensity	Tonnes CO ₂ e/Ten thousand HKD income	0.01

Total energy consumption⁹ and intensity data

Indicators	Unit	2025
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The Group

Direct energy consumption	Thousand kWh	9,916,840.06
Direct energy intensity	Thousand kWh/Ten thousand HKD income	5.27
Indirect energy consumption	Thousand kWh	888,235.76
Indirect energy intensity	Thousand kWh/Ten thousand HKD income	0.47
Total energy consumption	Thousand kWh	10,805,075.82

⁹ The calorific value coefficient of non-renewable fuels (direct) refers to the Guidelines for Guidelines of the Greenhouse Gas Emissions Accounting and Reporting for enterprises in Other Industries and the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020). Calculations are performed using the conversion factors provided, including the energy-to-standard coal coefficients for gasoline, diesel, coal, liquefied petroleum gas (LPG), and natural gas, as well as the electricity-to-standard coal coefficient (reference value).

Environmental Scope⁷

GDH Headquarters

Total petrol consumption	Thousand kWh	58.18
Total electricity consumption	Thousand kWh	106.42

Water Resources

Total petrol consumption	Thousand kWh	4,432.75
Total diesel consumption	Thousand kWh	3,422.06
Natural gas consumption	Thousand kWh	21.30
Total electricity consumption	Thousand kWh	776,788.14

GDH Energy

Total petrol consumption	Thousand kWh	80.20
Total diesel consumption	Thousand kWh	390.84
Natural gas consumption	Thousand kWh	12.13
Total coal consumption	Thousand kWh	9,899,023.68
Total electricity consumption	Thousand kWh	377.08

GDH Teem

Total petrol consumption	Thousand kWh	144.44
Total diesel consumption	Thousand kWh	38.52
Natural gas consumption	Thousand kWh	7,440.25
Total electricity consumption	Thousand kWh	91,748.02

Hotel Business

Total petrol consumption	Thousand kWh	342.02
Total diesel consumption	Thousand kWh	77.98
Natural gas consumption	Thousand kWh	988.21
Total electricity consumption	Thousand kWh	17,673.66

GDH Highway

Total petrol consumption	Thousand kWh	198.14
Total diesel consumption	Thousand kWh	52.18
Liquefied petroleum gas consumption	Thousand kWh	117.17
Total electricity consumption	Thousand kWh	1,542.44

Environmental Scope ⁷		
Water consumption and intensity data		
Indicators	Unit	2025
The Group		
Total water consumption	Tonnes	47,590,025.82
Total water consumption intensity	Tonnes/Ten thousand HKD income	25.28
GDI Headquarters		
Total water consumption	Tonnes	1,060.69
Water Resources		
Total water consumption	Tonnes	37,758,212.25
Total water consumption intensity	Tonnes/Ten thousand HKD income	26.55
GDH Energy		
Total water consumption	Tonnes	8,347,082.00
Total water consumption intensity	Tonnes/Ten thousand HKD income	53.62
GDH Teem		
Total water consumption	Tonnes	1,247,256.28
Total water consumption intensity	Tonnes/Square metre operating area	1.72
Hotel Business		
Total water consumption	Tonnes	206,114.60
Total water consumption intensity	Tonnes/Ten thousand HKD income	2.92
GDH Highway		
Total water consumption	Tonnes	30,300.00
Total water consumption intensity	Tonnes/Ten thousand HKD income	0.40

Environmental Scope ⁷		
Emission types and related discharge data ¹⁰		
Indicators	Unit	2025
GDI Headquarters		
SO _x emission	Tonnes	0.0001
NO _x emission	Tonnes	0.0045
Water Resources		
SO _x emission	Tonnes	0.01
NO _x emission	Tonnes	0.40
COD emission	Tonnes	5,729.07
COD emission reductions	Tonnes	81,412.14
Total phosphorus emission	Tonnes	4,115.19
Total phosphorus emission reductions	Tonnes	1,917.89
NH3-N emission	Tonnes	355.12
NH3-N emission reductions	Tonnes	12,379.75
Sludge treatment	Tonnes	199,761.00
GDH Energy		
SO _x emission	Tonnes	119.78
NO _x emission	Tonnes	329.62
Smoke emission	Tonnes	29.84
GDH Teem		
SOx emission	Tonnes	0.0003
NOx emission	Tonnes	0.0092
Hotel Business		
SOx emission	Tonnes	0.0007
NOx emission	Tonnes	0.0180
GDH Highway		
SOx emission	Tonnes	0.0004
NOx emission	Tonnes	0.0451

¹⁰ Sulphur oxide emissions are generated from the fuel consumption of company vehicles and liquefied petroleum gas consumption. Nitrogen oxide emissions are generated from the fuel consumption of company vehicles and liquefied petroleum gas consumption. In addition, the statistics of sulphur oxides and nitrogen oxides of the GHD Energy are the annual cumulative data monitored by coal-fired units on the environmental protection platform in real-time, which are not directly related to the consumption of petrol and diesel.

Environmental Scope ⁷		
Waste data		
Indicators	Unit	2025
GDI Headquarters		
Hazardous waste generated	Tonnes	0.03
Hazardous waste recycled	Tonnes	0.02
Non-hazardous waste generated	Tonnes	0.45
Non-hazardous waste recycled	Tonnes	0.001
Water Resources		
Hazardous waste generated	Tonnes	147.64
Hazardous waste recycled	Tonnes	124.82
Non-hazardous waste generated	Tonnes	98,022.54
Non-hazardous waste recycled	Tonnes	72,299.60
GDH Energy		
Hazardous waste generated	Tonnes	193.87
Hazardous waste recycled	Tonnes	193.87
Non-hazardous waste generated	Tonnes	456,546.37
Non-hazardous waste recycled	Tonnes	399,855.90
Coal cinder generated	Tonnes	32,019.42
Coal ash generated	Tonnes	335,601.32
Gypsum generated	Tonnes	59,152.00
GDH Teem		
Hazardous waste generated	Tonnes	1.30
Hazardous waste recycled	Tonnes	0.37
Non-hazardous waste generated	Tonnes	15,254.88
Non-hazardous waste recycled	Tonnes	14,626.57

Environmental Scope⁷

Hotel Business

Hazardous waste generated	Tonnes	0.32
Hazardous waste recycled	Tonnes	0.29
Non-hazardous waste generated	Tonnes	84.20
Non-hazardous waste recycled	Tonnes	55.00

GDH Highway

Hazardous waste generated	Tonnes	0.64
Hazardous waste recycled	Tonnes	0.64
Non-hazardous waste generated	Tonnes	267.39
Non-hazardous waste recycled	Tonnes	267.39



06

Social

GDI consistently increases its operational management capabilities, enhances quality management, remains committed to responsible business practices, fosters technological innovation, and protects information security and intellectual property rights. We stick to the bottom line of work safety, improve our emergency response systems, and ensure the health and safety of both employees and suppliers. Our commitment to protecting employee rights and interests is unwavering, as we actively support their development and care for their well-being. By systematically establishing a sustainable supply chain, we take on our social responsibilities and share the benefits of our growth with all stakeholders.

Our Response to SDGs



Key Performance in 2025:

- Yue Gang Water Supply and its severalss subsidiaries, as well as GDH Teem, successfully attained ISO 9001 Quality Management System Certification.
- The overall pass rate of tap water of the water resources business reached 100%, and the overall leakage rate of the pipeline network of the water resources business has decreased to 8.30%, achieving a continuous decline for five consecutive years during the “14th Five-Year Plan” period.
- The Group’s signing rate of the Work Safety Responsibility Statement was 100%.
- 77 water companies have obtained ISO 45001 Occupational Health and Safety Management System Certification.
- The Group committed 33,363 hours to volunteer service activities in the community.

Quality Assurance

We attach great importance to quality management and strictly comply with relevant laws and regulations such as the Civil Code of the People's Republic of China, the Data Security Law of the People's Republic of China, and the Regulation on the Quality Management of Construction Projects, and persevere in improving the quality of our operations and services. As a state-owned enterprise, we are committed to responsible operations. We endeavour to provide customers with quality services by continuously strengthening information security and customer privacy protection, while closely monitoring customer satisfaction. We are also dedicated to independent innovation and rigorously protect both our intellectual property rights and those of our customers. Our goal is to become a model enterprise with compliant operations.

Responsible Operation

We strictly observe laws and regulations in the regions where we operate. We have formulated the Policy on Quality, Environmental Health and Safety Management of Guangdong Investment Limited to create a multi-dimensional quality assurance framework that ensures the delivery of premium products and services to customers. We are committed to driving the enhancement of quality management systems and the acquisition of relevant certifications across our business segments. During the Reporting Period, Yue Gang Water Supply and its several subsidiaries, as well as GDH Teem, successfully attained ISO 9001 Quality Management System Certification. We also encourage our business segments to set quality management targets and review the achievement on a regular basis. In 2025, the Group did not experience any major safety and quality liability incidents related to its products and services.



Water Resources

In the water resources business, internal policies and systems, including the Policy on Water Supply Management of Guangdong Investment Limited and the Policy on Water Quality Management of Guangdong Investment Limited, have been consistently refined. To ensure the fulfilment of management responsibilities across departments and subsidiaries, operational and water quality assurance targets such as pipeline leakage rates and comprehensive energy consumption for unit output value are linked to the performance evaluation of the head of each subsidiary.

The Company has established an internal water quality control standard system that is higher than national standards, strictly following and refining the implementation of national and industry norms such as Customer Service for Public of Urban Water Supply (GB/T 32063) and Water Quality Standards for Urban Water Supply (CJ/T 206). Our water resources business also formulated and implemented a series of internal special management systems such as the Guidelines for Urban Water Supply Services and the Guidelines for Water Quality Monitoring and Management of Urban Water Supply and Drainage, clarifying full-process water quality monitoring items, frequencies, and high standard pass rate requirements from raw water to the end of the pipeline network, while standardising requirements for tiered laboratory construction, three-level inspection processes, online monitoring system construction, and data management.

Our water resources business regards water supply as a vital foundation for safeguarding people’s livelihoods. A comprehensive assessment on water resources in the region where the business operates is conducted before initiating the water projects. The risk assessment involves water resource reliability analysis, water supply continuity assessment, water quality assessment and downstream water consumption forecast. In the event of regional water shortages, our water resources business collaborates with local governments to find alternative water sources to ensure public access to water. Our water resources business will also implement a series of measures to ensure the quality of water source areas and guarantee water quality safety.

In terms of water plant management, our water resources business requires all water plants to reserve emergency chemicals such as activated carbon according to standards; water plants with backup water sources must formulate an Emergency Plan for Water Source Switching and regularly maintain raw water pump stations and pipeline network facilities. In terms of pipeline network water quality assurance, our water resources business standardises the establishment of terminal monitoring points, encourages the installation of online monitors, and establishes a scientific flushing and disinfection system, paired with a strict emergency reporting mechanism to ensure smooth information flow and rapid response.

Simultaneously, our water resources business continuously upgrades the production monitoring system. New functions such as tiered and classified alarming and anomaly reporting were added, achieving tiered management of abnormal alarms such as data offline and water quality exceeding limits; supported anomaly reporting for uploaded data caused by power outages, network disconnections, and instrument cleaning; and conducted statistical assessments and evaluations of online data status to ensure timely processing of abnormal data and enhance the standardisation of operation management. Combined with independently developed terminals such as dosing boxes and IoT gateways, our water resources business utilises edge computing linked with PLCs to achieve intelligent control of water production units, creating a safe closed-loop management model for the “cloud-edge-terminal” production data link.



■ Production Monitoring System – Water Holdings General Dispatch Centre

This year, the Water Environment Monitoring Centre under the water resources business continued to enhance its testing capabilities, extending key testing qualifications such as China Metrology Accreditation (CMA) and laboratory accreditation by the China National Accreditation Service for Conformity Assessment (CNAS). Its CMA-accredited capabilities exceed 1,300 items, and CNAS accreditation exceeds 560 items, ensuring the safety of water supply.

The water resources business continuously, with high quality, advances the water quality assurance work of the Dongshen Water Supply Project. Strictly adhering to the annual monitoring plan, it regularly carries out daily, weekly, monthly, quarterly, and annual monitoring and analysis work, covering full analysis of the 109 items in the Environmental Quality Standards for Surface Water, the World Health Organisation standards, aquatic ecological risk indicators, and new pollutants of high concern outside the standards, reaching 40,000 testing data items throughout the year. Our water resources business also focused on aquatic ecological prevention and control monitoring, regularly conducting algae observation, and testing for algal toxins and odor indicators to provide data support for aquatic ecological risk early warning. Furthermore, the operation, maintenance, verification, and calibration of online water quality monitoring stations along the Dongshen Water Supply route were conducted, providing real-time data support for project water supply dispatch. Our water resources business also collaborated with universities to carry out scientific research on water protection, such as aquatic ecological prevention and control in water source areas and risk monitoring of new pollutants, continuously promoting the enhancement of the water quality safety assurance capability of the Dongshen Water Supply Project.

In 2025, the overall pass rate of tap water quality of the water resources business reached 100%.

Demonstration Construction of Fully Domestic Automated Control System at Gutang Water Plant

Gutang Water Plant adopted a fully domestic DCS controller and configuration software, encompassing independently controllable controllers, remote I/O stations, and communication networks. It covers core process units such as a backwash power distribution room, dosing room, flocculation tank, water delivery pump house, and dehydration room, achieving high-speed and reliable communication through industrial buses. This new system is fully compatible with original control equipment, successfully integrating the automated control systems of Gutang Water Plant and Jiangjunshan Water Plant, establishing a company-level unified dispatch centre, achieving collaborative monitoring and optimised dispatch of the production processes of both plants, and enhancing regional water supply assurance capabilities.



- Demonstration Construction of Fully Domestic Automated Control System at Gutang Water Plant – Process Flow Chart

To effectively enhance emergency management effectiveness, Yue Gang Water Supply continuously optimises emergency plans, regularly organises emergency drills, and constantly perfects routine communication and emergency reporting mechanisms with relevant government departments. In the event of abnormal water quality incidents, it reports at the first instance and actively assists in the aftermath disposal work, ensuring the systematic, holistic, and collaborative nature of water quality emergency management work.

Regarding water supply pipeline network operation management and leakage control, the water resources business strengthens smart pipeline network management. By integrating Geographic Information Systems (GIS), hydraulic models, and District Metred Area (DMA) management systems, it monitors and analyses pipeline network operation status in real time, proactively judging weak links in the pipeline network. Relying on the smart dispatch system, it conducts real-time monitoring and optimal regulation of pipeline network pressure, effectively controlling leakage while ensuring service pressure. This year, companies under the water resources business newly built 9 first-level pipeline network zones, 50 second-level zones, and 436 third-level zones, constructing a three-dimensional “macro-meso-micro” fully covered zoned measurement network. At the same time, our water resources business steadily advanced the renovation of old pipeline networks and old residential communities, strengthened pipeline network operation and maintenance monitoring and inspection, upgraded leak detection equipment, and enhanced personnel professional skills training. In 2025, the tap water pipeline network leakage rate of the water resources business dropped to 8.30% for the first time, achieving the national “14th Five-Year Plan” leakage rate control target ($\leq 9\%$) ahead of schedule, realising decline for 5 consecutive years during the “14th Five-Year Plan” period.



Property Investment and Department Store Operation

GDH Teem is committed to the ongoing improvement of the quality management system for commercial products and services. To better improve product and service quality, store employees follow the inspection items and acceptance standards of the Company's relevant documents to perform well in commodity spot checks. When necessary, they spot-check the quality inspection reports of brand commodities and reject commodities that do not meet requirements. Store supervisors must conduct weekly spot checks on counter commodities, covering all brands every month. The Operation Management Department strengthens monthly service inspections, operational inspections of all stores, and cross-inspections between stores in the first and second halves of the year. For unqualified products found during spot checks, feedback is immediately given to the manager on duty, requiring rectification within a specified time. Teem Commercial compiles an operation management inspection report every month based on inspection contents and organises relevant training every year. The GDH Teem quality management system has obtained ISO 9001 certification for consecutive years, and the 2025 certification remains valid.

Case

Construction of the "Five Senses Service System"

Panyu Teemall always takes high-quality service as its core, continuing to practice service system construction. In 2025, it completed the optimisation and revision of the Operational Standard Details of the Five Senses Service Improvement System and updated the 5 supporting job service manuals, making service standards more operational and practical.

Panyu Teemall routinely conducted 12 internal service inspections throughout the year, cumulatively identifying and sorting out 140 service issues. Issues have implemented closed-loop rectification in accordance with the plan, contributing to driving optimisation of service shortcomings. At the same time, Panyu Teemall actively implemented hardware facility upgrades, replacing outdoor trash cans, upgrading shopping guide systems and other service supporting facilities. It also comprehensively standardised employee service language and workflow, integrating high-quality service into all operational aspects as a core project competitiveness, allowing consumers to feel the brand's care and warmth through the details.



■ Five Senses Service Guide Training



■ Briefing External Vendors (Janitorial Staff) on Five Senses Standards



Hotel Ownership, Operation and Management

The service quality management system for our hotel business has been consistently improved as part of our dedication to a customer-centric service philosophy. Regular inspections are carried out and customer feedback is closely monitored at checkout to ensure prompt rectification of any issues that arise. For example, Guangdong Hotel Shenzhen has, since obtaining ISO 9001 Quality Management System Certification in 1996, consistently passed annual external audits by SGS. Oasis Avenue-A GDH Hotel (Hong Kong) obtains ISO 22000:2018 Certification for its food safety management system, and HACCP (Hazard Analysis and Critical Control Points) Certification for its key food safety control system. Sheraton Guangzhou Hotel precisely optimised its spatial layout by transforming the original SPA area into medium and small-sized meeting rooms, accurately meeting the needs of niche customer segments, enhancing service quality, and improving operational efficiency. Guangdong Hotel Zhuhai (Holiday Inn), based on its market positioning, underwent an optimised redesign of Floors 8-10, successfully completing a room expansion by the end of 2025, resulting in a 32.7% increase in the number of rooms.



- Quality Management System Certification for Oasis Avenue-A GDH Hotel (Hong Kong)



- Sheraton Guangzhou Hotel: Renovation of former SPA area into small and medium-sized meeting rooms



- Guangdong Hotel Zhuhai (Holiday Inn): Successful completion of guest room capacity expansion



Energy Projects

GDH Energy is committed to providing safe and stable steam supply services. In 2025, GDH Energy focused on two key dimensions: pipeline network operation and maintenance, and safety control, steadily advancing all related work.

Enhancing pipeline network operation and maintenance effectiveness

Compiled 12 technical documents, including the Renovation Plan for the Dongfeng Line Condensate Removal Group and the Pre-commissioning Compressed Air Test Plan for the Dongfeng Line after the Spring Festival. These effectively discharge pipeline condensate, reduce the burden of manual drainage, improve steam quality and pipe warming speed, reduce water hammer risk, and extend equipment life. GDH Energy continued to advance the construction of the intelligent heat network monitoring platform to achieve real-time monitoring and early warning of pipeline network operation status. Throughout the year, GDH Energy led the completion of 3 terminal pipeline network renovation projects.

Building a strong safety control defence line

We established a rapid response mechanism for heat network defects, conducted hazard investigations on 192 users' measurement metres, accumulated more than 900 door-to-door inspections, issued 57 rectification notices, and handled 207 heat network defects with a 100% completion rate, ensuring the safe and stable operation of the steam supply system. We strictly executed the "two tickets (work permits) and three systems" management specifications, with a 100% pass rate for work tickets and operation tickets. We completed the installation and maintenance of 400 underground pipeline identification signs and 26 buried warning posts in the Huangpu and Nantou areas, strengthening pipeline identification. No safety production liability accidents occurred throughout the year, and the safety production situation remained stable.

Case

Renovation of the Old Pipeline Network on the Huangpu Line

In 2025, to address problems on the Huangpu line such as long-term erosion by acidic wastewater, corrosion of the outer casing due to a lack of electrical protection, and multiple steam supply interruptions, GDH Energy carried out a systematic renovation project. First, GDH Energy completed the relocation and modification of the drainage and moisture exhaust system on the Huangpu East line, redesigning the pipeline layout to improve drainage and exhaust efficiency, reducing the risk of water accumulation and corrosion in pipelines from the source. Secondly, GDH Energy optimised the joint operation and dispatch logic between the Nantou line and the Huangpu line, increasing terminal steam pressure to effectively solve the problem of terminal pressure fluctuations. In addition, GDH Energy carried out outage renovation on 249 metres of severely corroded underground pipeline network, eliminating corrosion hazards. After the renovation, the incidence rate of pipeline defects on the Huangpu line decreased by 15% year-on-year, equipment reliability and operational economy significantly improved, and the impact scope of steam outages was substantially reduced, providing users along the line with more stable steam supply guarantees.

“Trinity” Safety Management Mechanism

This year, GDH Energy constructed a “trinity” safety management mechanism comprising “routine inspection + special drills + hazard investigation”:

- Intelligent inspection covering all areas: Introduced drone pipeline patrols and infrared thermal imaging technology to achieve precise positioning of hidden leak points in the heat network; conducted normalised hazard investigations on user measurement metres, accumulating 901 door-to-door inspections to ensure the safe and stable operation of measurement equipment.
- Emergency drills enhancing response capabilities: Organised and carried out emergency drills for thermal pipeline network leakage accidents to inspect and improve the team’s emergency response and on-site disposal capabilities; in unexpected situations such as the unplanned shutdown of the #1 unit, quickly activated the emergency mechanism, reporting the situation to users at the first instance, without causing secondary problems.
- Penetrating hazard investigation closed-loop management: Organised monthly special safety learning and “penetrating” hazard investigations, strengthening safety awareness through examinations; conducted safety technical clarifications and bystander supervision for municipal-related projects, effectively preventing construction damage risks; cumulatively investigated and eliminated 184 production hazards of various types throughout the year, such as steel structure anti-corrosion and flood and waterlogging prevention for condensate drainage groups, achieving closed-loop hazard management.



Emergency Drill for Steam Supply Pipeline Network



Road and Bridge

Focusing on the maintenance goal of “Stable Road Conditions and Safe, Smooth Traffic”, GDH Highway has implemented a series of initiatives, including routine and specialised maintenance, to keep highway infrastructure in optimal technical condition and ensure road safety. Simultaneously, the Company consistently optimises the intelligent operation and management platform for the Xingye-Liujing Expressway by applying video AI and big data technologies. This enables comprehensive video surveillance, automated inspections, and information acquirement and processing along the main highway. Additionally, regular inspections are conducted on infrastructure such as bridges, road surfaces, and side slopes along the highway, with a focus on monitoring critical areas like side slopes and accident-prone sections. In the event of traffic incidents or other anomalies, the system instantly triggers automatic alerts and notifies relevant authorities, including traffic police and related authorities to ensure swift response. This approach effectively mitigates potential road hazards, thereby ensuring the safe and efficient operation of the highway.



The Intelligent Operation and Management Platform of GDH Highway

Digital Operation

As part of our commitment to digital operations, we heavily invest in the research, development and application of cutting-edge technologies, and encourage subsidiaries to take a leading role in digital transformation. During the Reporting Period, we made substantial progress in digital transformation. The digital management system was further improved. Various business segments fully utilised the empowering and efficiency-enhancing role of data elements, significantly improving the level of refined management in areas such as precise control, energy conservation and consumption reduction, and safety assurance.



Water Resources

Our water resources business continuously optimises the smart water management system, utilising advanced technologies such as artificial intelligence, large models, and the Internet of Things to effectively enhance the refined management levels of precise control, energy conservation and consumption reduction, and safety assurance.

Case

Smart Water Intelligent Dosing Technology

In 2025, the Company continued to deepen smart water construction, promoting intelligent dosing technology in multiple key water plants, achieving a process upgrade from “experience-driven” to “data-intelligent”. By collecting key parameters such as raw water flow, turbidity, temperature, and pH value in real time, combined with historical dosing data, the system builds a dosing prediction model, automatically calculates and outputs the optimal dosage, and then achieves feedforward and feedback closed-loop control via edge computing equipment, thereby precisely adjusting the operation status of the dosing pump. Currently, this technology has been put into practical application in water plants in Nansha Huangge, Shantou, and other locations, achieving significant results. Taking the Nansha Huangge Water Plant as an example, since the system was put into operation, by precisely controlling coagulant dosing, the annual average chemical consumption decreased by about 15% compared to the traditional manual control stage, effectively saving operating costs while stably ensuring that the factory water quality meets standards. Concurrently, the intelligent dosing system also helped the water plant further optimise overall resource utilisation efficiency. In January 2025, the Nansha Huangge Water Plant and Lanhe Water Plant were awarded the title of “Guangzhou Water-Saving Enterprise”.



■ Shantou Water Plant



■ Nansha Huangge Water Plant



Property Investment and Department Store Operation

In 2025, GDH Teem formulated the Teemall Industrial Digitalisation Plan, launched the “Teemall Digital Member Operation System”, completing process streamlining, functional construction, and scenario optimisation related to membership business. It achieved functions such as integrating member data, establishing member profiles and tagging functions, and developing intelligent marketing, assisting in private domain traffic operations and providing members with better products and services.

Meanwhile, GDH Teem optimised and upgraded the functions of the “Teem+” Mini Program. For customer members, the system introduced an AI intelligent customer service based on AI large models, added OCR recognition functions to achieve automatic auditing of photo for member points, developed a member privileges section for issuing coupons, and opened functions like discounted parking and third-party coupons to enhance the member service experience. For tenants, the system upgraded the sales reporting function and optimised the tenant settlement process, reducing manual operations and improving overall work efficiency. In 2025, the merchant coverage rate for online activities on the “Teem+” Mini Program exceeded 82%, effectively increasing foot traffic through digital means.

Case

Shenzhen Teemall Intelligent Online Customer Service System

In 2025, the intelligent online customer service system was officially launched on the “Teem+” Mini Program for Shenzhen Teemall. After entering the Mini Program, customers can simply click “Online Customer Service” to conduct online consultations without needing to use WeChat or make a phone call. Before going online, the system completed auto-reply configurations and set up intelligent guidance functions to help customers quickly obtain the information they need, significantly improving response efficiency while alleviating the workload of the customer service team. In addition, the customer service team has received special operational training, enabling them to use the system proficiently and provide customers with better service.

Since its launch, the system has cumulatively handled 466 online consultations, covering various aspects such as basic mall information, store navigation, event promotions, and complaint suggestions, providing strong support for continuously improving customer satisfaction.



Shenzhen Teemall “Online Customer Service” Interface



Hotel Ownership, Operation and Management

Our hotel business actively promotes the application of unified operational management systems of the Group, such as financial, human resources, legal, and shared service platforms. Combined with business realities, our hotel business integrated the property management system (PMS), the point of sale (POS) system, and the customer relationship management (CRM) system to elevate the digital management level of hotels and boost service efficiency and quality.

Digital Operation Systems of Hotel Business

	CRS	CMS
H-WORLD system:	CRM	H-WORLD system
	Motrotech Mini Program system	
Shiji system:	Cambridge system	SEP system



Energy Projects

GDH Energy continues to optimise the plant-level supervisory information system (SIS). Regular monitoring is conducted for such digital systems under the SIS as real-time production system, performance computing system, equipment status monitoring system, consumption variance analysis system, operational reporting system, and indicator assessment system. These measures aim to enhance accurate collection and analysis of technical indicators including power utilisation rate of production factories, boiler efficiency, power consumption rate of air compressor, water replenishment rate for power generation, standard coal consumption per unit of power supply, and exhaust gas temperature of boiler. Ultimately, these efforts ensure a safe and stable power supply.

In 2025, GDH Energy implemented comprehensive localisation retrofits on the Report Centre System, effectively reducing external technical reliance and potential risks. Concurrently, specialised optimisations were carried out on the heat network system, focusing on upgrading user interface, adding personalised parameter setting functions for customers, and using HTTPS protocol to publish external services, which significantly improved the system's security, usability, and customer service.



Road and Bridge

During the Reporting Period, GDH Highway expanded and upgraded the automated toll collection system, achieving comprehensive deployment of self-service equipment at all toll stations. This enables passing vehicles to complete the self-payment process in as little as 6 seconds, greatly enhancing traffic efficiency at toll stations and effectively alleviating congestion during peak hours. Throughout system operation, GDH Highway has consistently strengthened daily monitoring, maintenance, and upkeep of the equipment, and cooperated with R&D units to optimise and perfect system functions and improve auxiliary facilities and equipment, aiming to achieve the operational service goals of lean operation, intelligent service, cost reduction, efficiency enhancement, and green environmental protection.



■ The Automated Toll Collection System of GDH Highway

Customer Services

The Group sticks to the philosophy of customer-oriented service, placing great emphasis on customer needs. Business segments conduct customer satisfaction surveys and have established a sound customer service system and complaint handling mechanism. The aim is to build smooth communication channels and improve the service quality with high standards and stringent requirements. Business segments are required to take service-related indicators, such as the customer satisfaction rating and timeliness of handling complaints, as key indicators for business operation and performance assessment according to their own business characteristics. Additionally, business segments regularly offer service-related training to employees to enhance their awareness and skills. We also have a strong commitment to responsible marketing. Business segments are required to rigorously review the marketing materials to ensure their legality, authenticity, and accuracy.



Water Resources

Our water resources business continuously upgrades the quality of customer service, deepening the customer service system centred on the 952525 hotline and the “Water Holdings Service” WeChat service account. Revolving around the goal of “institutionalised, standardised, and refined” services, the water resources business formulated the Call Centre Management Measures; perfected the “2+3” three-dimensional complaint channels, adding QR codes and headquarters supervision channels to enhance the convenience and transparency of customer feedback; and continued to leverage the role of the customer service training base. On top of normalised training and supervision, the water resources business innovatively implemented a “cross-regional inspection” mechanism, effectively resolving service risks in advance.

In 2025, Water Holdings cumulatively handled over 730,000 water supply service-related matters and conducted over 290,000 customer return visits. The return visit satisfaction rate reached 99.98%, reaching an industry-excellent level, and service effectiveness gained customer recognition.



Property Investment and Department Store Operation

GDH Teem makes continuous efforts to improve the customer relationship management system by establishing various service management mechanisms, such as property owner relationship management, tenant and customer communication and feedback mechanisms, enhancing the service competitiveness. When handling customer complaints, frontline staff on duty must communicate, mediate, provide solutions, and keep records in accordance with the Teemall Department Store Customer Service Commitment. The subordinate shopping malls of GDH Teem conduct annual consumer satisfaction and tenant satisfaction surveys, covering consumer preferences for promotional activities, experiences in various service areas, public equipment and facilities, functional supporting facilities, etc.

Property owner relationship management	<ul style="list-style-type: none"> • Conduct property owner satisfaction surveys, handle the feedback in a timely manner, and produce analysis reports and improvement plans through statistical analysis. • Make regular return visits to property owners to make sure that relevant problems have been resolved.
Tenant and customer communication and feedback mechanism	<ul style="list-style-type: none"> • Respond to customer complaints within 30 minutes upon receipt, either face-to-face or by telephone. Handle the problems that can be resolved within 24 hours by means of visits. For those that cannot be resolved within 24 hours, provide feedback to customers on the handling progress every two days prior to completion.
Annual customer satisfaction survey	<ul style="list-style-type: none"> • Shenzhen Teemall: The overall consumer satisfaction rate in 2025 was 91%, an increase of 2% over the previous year, with a significant increase in satisfaction regarding “brand richness”; the overall tenant satisfaction rate in 2025 was 96.67%. • Teem Commercial: the overall tenant satisfaction rate in 2025 was 96.17%, an increase of 0.11% over the previous year; the overall consumer satisfaction rate in 2025 was 96.56%, an increase of 0.5% over the previous year. • Panyu Teemall: The overall consumer satisfaction rate in 2025 was 92%, and targeted follow-ups will be conducted regarding consumer feedback related to points redemption; the 2025 tenant satisfaction rate was 99.55%, and relevant tenant feedback has been compiled to form a “Satisfaction Survey Problem Rectification Ledger”, requiring various functional departments to execute rectifications. • Comic City: Overall consumer satisfaction rate in 2025 was 99.71%; tenant satisfaction rate in 2025 was 98.75%.

Shenzhen Teemall Store Manager Conference

In 2025, Shenzhen Teemall held 12 Store Manager Conferences, awarding Sales Breakthrough Awards and Member Contribution Awards. The Sales Breakthrough Award examines the percentage increase in monthly sales year-on-year, while the Member Contribution Award evaluates the proportion of store member consumption and requires tenants to have a high degree of cooperation with various mall matters. A total of RMB46,100 in rewards was distributed at the Store Manager Conferences throughout the year. Through monthly Store Manager Conferences and a comprehensive incentive system based on cooperation, Shenzhen Teemall built an in-depth cooperative alliance with tenants, achieving win-win growth for the mall's overall foot traffic and sales, as well as individual tenant performance.



■ Store Manager Conference

Comprehensive Renovation of Teem Plaza Project

In 2025, GDH Teem implemented a series of comprehensive renovations to enhance service quality, creating superior experiences for consumers, tenants, and office users. Among them, the B1 level of Guangzhou Teemall was successfully transformed into a “Trendy and Fun Social Life Hub” for urban youth. By introducing emerging formats such as trendy retail, experiential entertainment, and social dining—while optimising spatial circulation and adding multiple connections between the metro and ground level—the project established a “Double Ground Floor” concept. This significantly improved the mall’s accessibility and vitality. Upon its grand reopening on October 1, the footfall increased by over 20% year-on-year and sales exceeded RMB43 million, achieving a dual boost in both social and economic value. Teem Tower embraced a design philosophy of “minimalist chic and attainable luxury” and upgraded its washroom facilities. By selecting premium building materials and sanitary ware, the project effectively optimised the office environment and user experience, reflecting a continuous pursuit of quality.



- Underground Commercial Area Successfully Transformed into a “Trendy and Fun Social Life Hub” for Urban Youth



- Teemall Strengthens Brand Matrix to Meet Diverse Consumer Demands



- Introducing Multiple Popular “First Stores” to Create a Cluster Effect



- Washroom Renovation at Teem Tower



Hotel Ownership, Operation and Management

Our hotel business takes guest satisfaction comments seriously. Our hotel business incorporates the satisfaction data from Jointwisdom, a customer satisfaction data platform, into the performance assessment indicators of the hotel business, conduct service quality process management, and follow up on rectification actions. During the Reporting Period, Jointwisdom's overall score was 93.28, with a positive rate of 85.5%. The hotel business will continue its vigorous efforts to address deficiencies identified in Jointwisdom by conducting regular quality inspections aimed at improving the service quality.



Energy Projects

In 2025, GDH Energy established a full-chain customer service system of "expansion + service + value-add" centred on the "customer first" principle. GDH Energy actively expanded the new customer base and continuously improved service response efficiency. Throughout the year, GDH Energy handled 8 user complaints, achieving a 100% completion rate. The energy projects business organised technical teams to conduct special research to solve difficult problems such as high costs and large pipeline losses in the relocation and modification of user branch pipes. Concurrently, GDH Energy provides value-added services for users, such as optimising energy consumption and pipeline layout, and expanding and integrating branch pipelines, to better serve our customers.

Case

Assisting Customer Factory in Production Process Optimisation and Upgrade

In 2025, GDH Energy leveraged its technical advantages to assist Nantou Hongji Pipe Pile Co., Ltd. (南頭鎮宏基管樁有限公司) in completing a production process optimisation and upgrade. Addressing the pain points of high energy consumption and poor stability in the enterprise's original production model, GDH Energy's technical team deeply collaborated with the enterprise's R&D department. They optimised the joint operation dispatch of the Nantou line and the Huangpu line to increase terminal steam pressure, providing the enterprise with stable steam support. Furthermore, GDH Energy cooperated with the enterprise's production process transformation, helping the enterprise switch to an all-steam production model, which improved product quality and production capacity while reducing energy consumption costs.



Road and Bridge

Upholding the philosophy of “establishing window image and servicing passing vehicles”, GDH Highway makes continuous efforts in “Five-Hearts Service” activity and “Service Star” rating. GDH Highway also shares typical cases of high-quality services and praises the advanced individuals. This motivates employees to strive to set an example and provide first-class services. During the Reporting Period, GDH Highway organised toll stations to conduct service satisfaction surveys quarterly through questionnaires. Throughout the year, the overall satisfaction rate for drivers and passengers reached 100%.

Information Security and Customer Privacy Protection

The Group strictly abides by the Cybersecurity Law of the People’s Republic of China, the Data Security Law of the People’s Republic of China, the Personal Information Protection Law of the People’s Republic of China and other laws and regulations on information security and privacy protection. Also, we have further improved internal policies such as the Management Measures for Information-based Work, the Provisions on Management of Computer Information System and the Guidelines for the Administration of Personal Information Protection to optimise management in this regard.

In order to ensure the stable operation of the network system, business segments are required to regularly carry out cybersecurity detection and promptly respond to system failures. We also organise regular cybersecurity drills. Business segments have formulated the pertinent emergency plans by simulating different scenarios of cybersecurity incidents according to the nature of their business. These practical exercises reinforce our management processes and continuously enhance our ability to respond effectively to cybersecurity emergencies. In addition, we urge business segments to provide employees with network information security training focused on the rules and regulations, management processes and professional knowledge on information security and customer privacy protection. Through these efforts, the awareness of this regard has become a fairly common practice within the Group.



Water Resources

Our water resources business formulated and continuously perfected the Personal Information Protection Work Guidelines, established an informatisation construction and cybersecurity leading group, and organised annual cybersecurity risk investigations and rectifications to effectively guarantee information security and customer privacy.

During the Reporting Period, the water resources business carried out annual cybersecurity self-inspection by means of security audit, vulnerability scanning, baseline scanning and penetration testing. The business evaluated risks arising from secure communication network, security zone boundary, secure computing environment, security management centre, with no security issues identified. The water resources business also tightly controls the access to all relevant servers, web applications, and databases by implementing two-factor authentication, which combines accounts credentials with dynamic passwords, through bastion hosts. This approach enables whitelist access control, effectively ensuring the security of core data. In addition, the business engages third-party cybersecurity agencies to conduct regular inspections, allowing for early warning of vulnerabilities. As such, the system security is ensured by mitigating risks in advance.

In 2025, our water resources business completed 8 special cybersecurity guarantees. During national cybersecurity offensive and defensive drills, two critical infrastructure units, Yue Gang Water Supply and Feilaixia, received “Double Excellence” evaluations, achieving excellent ratings among units across all industries nationwide and specifically within the water conservancy sector. Our water resources business also completed the Classified Protection of Cyber Security evaluation, filing, rectification, and certification work for 11 sets of information systems, as well as 7×24 hour cybersecurity operational guarantees during important periods, ensuring the compliance of information systems coming online and achieving “Zero” occurrences of cybersecurity incidents for the company throughout the year.

Case

Special Training on Cybersecurity Awareness

On June 6, 2025, over 240 IT personnel from the Company’s headquarters and subordinate companies participated in the annual special training on cybersecurity awareness. Combining the current rising risk of phishing attacks, strengthening of national anti-fraud measures, and the Group’s special cybersecurity investigation work, the training comprehensively covered information security awareness, phishing attack prevention, interpretation of national cybersecurity laws and regulations, endpoint antivirus software management, organisation of cybersecurity self-inspection materials, and software genuine licensing management. It provided a detailed explanation of self-inspection work, effectively enhancing employees’ cybersecurity skills and supporting the in-depth development of subsequent cybersecurity work.



2025 Annual Special Training on Cybersecurity Awareness



Property Investment and Department Store Operation

GDH Teem continues to pay attention to members’ personal privacy protection, revising the IT-YS-002 Digital Platform Construction and Product Operation Management Measures (2002 Version) in 2025. GDH Teem strengthens the information lifecycle management by overseeing the collection, use, protection and destruction of personal information. For instance, the scope of personal information collection is explicitly presented to the users when they log in to the “Teem+” Mini Program, and further actions are only permitted upon obtaining user consent. GDH Teem conducted information system vulnerability scanning 6 times in 2025 and information system penetration testing 4 times. In 2025, GDH Teem completed the Level 3 Classified Protection of Cyber Security of the “Teem+” Mini Program and the Internet security of member management system, and provided cybersecurity guarantees during key periods like the Asian Games. It partnered with external security agencies possessing security service qualifications for 24-hour on-duty guarding and cooperated with Guangdong Holdings to adjust the SDWAN network. During the Reporting Period, Teemall had no cybersecurity risk incidents. In addition, GDH Teem conducted special training on customer privacy and information security for frontline on-site employees and organised relevant internal training. Through case studies, the training helped employees better understand the phishing attacks, malware and other common network threats and effectively improved the knowledge and skills of all employees in this regard.

During the Reporting Period, subsidiaries of GDH Teem stepped up efforts in information security and customer privacy protection, engaging third-party information security service providers to provide information system security services such as monitoring and emergency response. In this way, malicious attackers are less likely to threaten the safe operation of the system through vulnerabilities, thus preventing service interruption and information leakage caused by improper system configuration.

Hotel Ownership, Operation and Management

GDH Hotels actively standardised information security inspection processes, improved information security management effectiveness, upgraded information security protection technologies and enhance guest database password complexity. Through methods such as training, GDH Hotels ensures databases are protected from hacker intrusions and eliminates the risk of guest information leaks. During the Reporting Period, no information security incidents occurred in the hotel business.

Energy Projects

GDH Energy successfully integrated its cybersecurity defence system comprehensively into the Group's "One Network" unified management and control framework, significantly improving collaborative defence and threat perception capabilities. By completing the 2025 annual cybersecurity classified protection assessment and normalised risk investigations, the core Distributed Control System (DCS) and other critical information infrastructure continued to maintain a high level of security compliance. Simultaneously, relying on Group standards, the Company dynamically optimised the Cybersecurity Control Node and Checklist of Information System, establishing a normalised closed-loop management mechanism and building a more proactive and reliable security barrier for the continuous and stable operation of the business.

In 2025, GDH Energy simplified and merged relevant standards, consolidating IT department technical specification documents and management standard documents from 10 to 2, optimising management processes and improving management efficiency.

Innovation and Intellectual Property Protection

The Group has made steady progress in innovation by enhancing the innovation system and capability and stimulating vitality. Business segments are encouraged to integrate innovation resources, increase the number of iterations of new technologies, and raise the innovation awareness. In this way, the innovation in technology and management is promoted. The Group values intellectual property protection, and is committed to fully respecting the intellectual property of peer companies and partners. We apply for patents in time to safeguard our intellectual properties. In doing so, we strive to maintain a dominant position in the fiercely competitive market.

Property Investment and Department Store Operation

GDH Teem completed the revision of the Management Measures for Innovation-based Work (2005 Version), achieving a 75% streamlining rate for policies related to the innovation work domain. This further optimised the management standard framework for innovation projects, providing effective support for the standardised and efficient full-process operation of projects. Meanwhile, GDH Teem continues to optimise the innovative approaches by prioritising key areas such as themes, categories, reviews, and incentives. Additionally, the incentive mechanism enables commercialisation of innovative achievements and implementation of projects.

Innovation Competition at GDH Teem

The 9th Innovation Competition of GDH Teem was launched in May 2025, themed “Embracing Change, Innovating to Adapt”, focusing on four core transformation directions: “Operational Power, Product Power, Brand Power, and Organisational Power”. The competition collected a total of 96 proposals, of which 45 high-quality proposals entered the review phase, and 15 teams advanced to the final roadshow.

The proposals deeply focused on improving business quality and efficiency, actively exploring technological empowerment and format integration. Tianjin Teemall and Beijing Road Teemall proposed about rooftop spaces revitalisation, shaping new scenarios for urban micro-vacations; Panyu Teemall proposed “Ao Fish Culture” as inspiration to create an immersive interactive marketing experience throughout the year; Yuehai Property Management proposed the introduction of AI algorithms, driving the security system to upgrade from “manual defence” to “smart defence”; Sheraton Guangzhou Hotel proposed special dining experiences “themed around tea”. After screenings and selections, the proposal Suggestions on the Application of VOCs to Enhance Operational Power from the GDH Teem Operation and Digital Intelligence Centre stood out as the best proposal due to its systematic construction of a Voice of Customer (VOC) analysis system and its forward-looking value in tangibly empowering operational improvements. GDH Teem will focus on promoting excellent results from the competition stage to the field, transforming innovative solutions into productive forces.



Projects Participating in the Innovation Competition



Innovation Competition Roadshow

Work Safety

The Group upholds the safety management philosophy that “life matters most and safety comes first”, adheres to the working principal of “safety first, prevention oriented, and comprehensive management” and strictly abides by the Labour Law of the People’s Republic of China, the Work Safety Law of the People’s Republic of China, and the Fire Protection Law of the People’s Republic of China. Furthermore, we have formulated management policies, such as the Policy on Work Safety Management of Guangdong Investment Limited, the Policy on Full-Staff Work Safety Responsibility System of Guangdong Investment Limited, the Measures for the Identification and Rectification of Potential Hazards of Production Safety Accidents of Guangdong Investment Limited, and the Measures for the Hierarchical Management and Control of Safety Risks of Guangdong Investment Limited. These policies are formulated to ensure the fulfilment of safety management accountability and standardise safety management practices. Additionally, we conduct regular emergency drills to continuously enhance employee awareness of safety risks.

To implement our safety management responsibilities and requirements, we have set up respective safety production committees at the Group level and in each business segment. The Managing Director serve as the Director of the Safety Production Committee at the Group level, responsible for leading, supervising and managing the safety issues within the scope of the Group. And the chairman of each business segment serves as the Director of the Safety Production Committee at the business segment level to supervise and manage work safety within the business scope. Additionally, the Group’s ESG Committee is responsible for overseeing and reviewing performance in quality, environment, health, and safety management, and regularly reports to the Board.

Main Responsibilities of the Safety Production Committee



In accordance with the requirement of “one position with dual responsibilities”, our business segments constantly optimise the work safety responsibility system and clarify the safety responsibilities for personnel at all levels and departments. We also organise employees at all levels to sign the Work Safety Responsibility Statement, which is bolstered by regular inspections, evaluations, and a structured reward and punishment system to guarantee organisation-wide fulfilment of safety responsibilities. In 2025, the Group’s signing rate of the Statement was 100%.

We constantly improve safety supervision network and strengthen the work safety appraisal mechanism. We carry out quarterly and annual work safety appraisals with appraisal results directly influencing departmental performance. This assessment is integrated into a penalty framework tied to annual contractual performance. We have implemented the dual prevention mechanism consisting of graded management and control of safety risks and examination and control of potential risks. We strengthen the identification and assessment of safety risks, conduct regular hazard mitigation activities, classify and grade safety risks for risk control and management, and develop preventive and corrective measures to ensure that all safety risks are managed in a closed-loop process.

In addition, we have enhanced our daily information management for work safety, by conducting routine safety inspections, including “daily patrols”, “weekly checks” and “quarterly investigations” using the “GDH Safety Management” platform. We also perform thorough risk assessments across all business segments by applying big data to identify and address potential safety risks. Risk data is analysed with inspection reports issued for identified safety hazards. This comprehensive online monitoring facilitates timely rectification of safety issues. We also deliver online work safety trainings via the “GDH Safety Management” platform, aiming to broaden training channels and enhance training accessibility.

In the past three years, we had no cases of work-related deaths. In 2025, we recorded a total of 25 work-related injuries and a loss of 498 working days in total.

In 2025, the Group’s work safety performance remained stable with all work safety targets for each business segment being achieved.

Work Safety Targets



Water Resources

- Zero work-related safety liability accidents involving serious injury or worse for employees;
- Zero occupational diseases among employees;
- Zero fire liability accidents;
- Zero major social responsibility incidents;
- Zero liability accidents causing major equipment losses of RMB100,000 or more;
- Zero environmental protection liability incidents;
- Zero public health liability incidents;
- Zero liability accidents resulting in 1 death or 3 or more serious injuries among relevant parties, for which the Company bears management responsibility or which cause significant negative impact;
- Zero incidents of delayed reporting, omitted reporting, false reporting, or concealed reporting of accidents.



Hotel Ownership, Operation and Management

- Zero work-related safety liability accidents involving serious injury or worse;
- Zero non-injury work-related safety accidents with direct economic losses exceeding RMB100,000 due to responsibility;
- Employee minor injury rate not exceeding 0.001;
- Zero occupational diseases among employees;
- The annual safety production assessment result for the Hotel Operation and Management Department reaching 90 points or above.



Property Investment

- Zero general or above work-related safety liability accidents.
- Incidence rate of occupational diseases among employees kept below 1%
- 100% rectification rate of potential accident hazards
- Zero casualties, zero dam failures of reservoirs, no breaches of key levees, and no major impact on critical infrastructure during the flood season.
- Zero major or emergency environmental pollution incidents.



Energy Projects

- Zero liability accidents involving personal injury or death;
- Zero equipment liability accidents of general severity and above;
- Zero fire liability accidents of general severity and above;
- Zero environmental incidents of general severity and above;
- Zero major traffic accidents for which equal or greater responsibility is borne;
- Zero occupational diseases.



Road and Bridge

- Zero serious and above production safety accidents;
- Zero minor injury rate and occupational disease incidence rate among employees;
- 100% rectification rate for potential safety hazards;
- Emergency response timely rate $\geq 98\%$.

Safety Management

We require all subordinate business segments to comprehensively implement the Group's various safety management policies and systems. Through continuously strengthening management measures and optimising management processes, we aim to achieve a comprehensive improvement in safety management effectiveness.

Water Resources

Robust operating procedures have been established in our water resources business by interpreting compliance requirements, refining internal policies, standardising operating procedures, and reviewing safety records. These procedures are specifically designed based on production processes, operation characteristics, and occupational safety and health requirements. As a result, frontline technicians are supported by detailed and standardised operating guidelines that are comprehensive and rigorous. Additionally, our water resources business conducts regular monthly inspections on occupational health and safety, linking the assessment of occupational health and safety with employee performance to ensure the quality and effectiveness of daily supervision. The Company established a safety management process evaluation system covering 4 dimensions (personnel, equipment, management, and supervision). Through dynamic evaluation, ranking, and notification via the "Hazard Exposure Platform", it precisely focuses on shortcomings and systematically rectifies existing problems. All water companies within the business strengthen equipment management by defining standards and processes for procurement, installation, acceptance, maintenance, repair and upkeep. They also step up efforts in standardising on-site operation to eliminate safety risks.

Our water resources business deepens smart safety management, building a multi-dimensional safety defence line through digital and intelligent means. Nansha Water Company relies on hardware equipment and AI recognition technology, integrating front-end video streams such as high-definition dome cameras, thermal imaging, and track cameras to achieve automated inspections and automatic summary of monitoring reports, significantly reducing the frequency of manual inspections. Currently, Huangge Water Plant and Lanhe Water Plant have deployed over 500 cameras, basically achieving full coverage of inspection points. Chaozhou Hub applies the intelligent "Five Preventions" system, eliminating misoperations through mandatory locking logic; operators must conduct simulated previews through the error-prevention host, and only operations complying with safety regulations are allowed to generate programmes and unlock equipment, safeguarding personal safety from the source. Furthermore, the Company continuously introduces outdoor intelligent inspection robots and drones to monitor environmental parameters and detect hazards in real time. Paired with the "AI-based Video Surveillance Intelligent Analysis" system, the AI behaviour analysis server promptly captures unsafe movements and triggers alarms in the central control room, ensuring personnel on duty can "acknowledge, address, and report at the first instance", gaining time for emergency response and reducing the occurrence of safety accidents.



Inspection Robots



Unmanned Boat



Drones



Property Investment and Department Store Operation

GDH Teem is dedicated to the full implementation of work safety responsibilities at all levels of positions and relevant parties, reinforcing lines of defence against work safety risks across all subsidiaries, and establishing a work safety accountability system involving all employees. Under this system, work safety responsibilities of each department and subsidiary are thoroughly supervised and evaluated, with evaluation results linked to employee performance. This system has fostered proactive employee engagement in work safety management and cultivated a culture where work safety is a shared responsibility of everyone. GDH Teem is equipped with the “GDH Safety Management” information system for work safety management, achieving data connectivity and sharing with all subordinate companies and visualisation of safety risk points. In addition, GDH Teem actively promoted safety standardisation work, and the certification of Teem Commercial as a Grade 2 work safety standardisation enterprise remains within the validity period.

In 2025, following the “Year of Hazard Investigation and Governance”, GDH Teem focused on key risk areas such as illegal charging of electric bicycles, elevator operation safety, confined space operations, and typhoon and flood prevention, systematically carrying out normalised, full-coverage, and penetrating hazard investigation and rectification. By perfecting the responsibility system, strengthening source prevention and control, advancing technical defence upgrades, and deepening education, training, and emergency capacity building, it effectively elevated the safety level. Throughout the year, there were no production safety liability accidents, environmental pollution incidents, or occupational disease cases. The work safety situation remained in order, providing a solid guarantee for the Company’s steady operation and sustainable development.

Case

Safety Hazard Investigation and Rectification

In 2025, according to the Measures for the Investigation and Governance of Production Safety Accidents and Hazards, combined with the “Three-Year Action Plan for Fundamental Improvement in Work Safety” and the “Year of Hazard Investigation and Governance” special rectification action, GDH Teem fully utilised work safety informatisation tools. By applying the “GDH Safety Management” information platform, it actively organised and carried out hazard investigation and rectification actions. Throughout the year, it conducted a total of 145 safety supervision inspections on subordinate companies, investigating 644 safety hazards, all of which were rectified as required.



■ Safety Hazard Investigation and Rectification



Hotel Ownership, Operation and Management

Our hotel business conducts supervision and inspection on work safety in various forms. In addition, our hotel business updated and renovated old equipment and facilities, including the monitoring system and the fire safety monitoring room, replaced the fire safety facilities and equipment, implemented fire-resistant seals in electrical cable conduits, corrected gas safety issues, and conducted thorough inspection on electrical and fire safety. With above mentioned measures, the hotel business can promptly mitigate all kinds of potential safety risks and minimise the occurrence of safety accidents. Consequently, these measures help ensure the safety and stability of our hotel business. At the same time, our hotel business actively encourages all hotels to obtain work safety standardisation certification.

Our hotel business strictly implements a working mechanism of “daily patrol, weekly check, monthly inspection, quarterly investigation” by establishing a three-tier safety management system spanning the “hotel, departments, and working teams”. This works as an example of advancing graded risk control and closed-loop hazard governance. Furthermore, GDH Hotels actively focuses on safety management priorities, continuously optimising and upgrading monitoring systems and firefighting facilities, and advancing special tasks such as smart parking management and full-process gas control. At the same time, it improves emergency material reserves, forming a triple protection system of “human defence + technical defence + management defence”. This is to achieve precise hazard investigation and rapid rectification, effectively preventing safety accidents, ensuring work safety.

Regarding management processes, GDH Hotels focuses on key areas such as: perfecting work safety rules and regulations, consolidating the work safety responsibility system, strengthening hazard investigation and governance in key areas like electricity, oil, and gas, and diversifying safety publicity, education, and emergency drills to build a long-term safety management mechanism. In 2025, GDH Hotels added AED (Automated External Defibrillator) equipment and automatic fire extinguishing systems, enhancing emergency disposal capabilities. GDH Hotels completed the planned upgrading, renovation, and maintenance of aging facilities and equipment, including fire doors, strong electrical shaft distribution boxes, fire pump room check valves, sprinkler and smoke detection systems, water pump adapters, firefighting pipelines, smoke exhaust valves, high-voltage cabinets, and elevator intercom systems. It normalised special equipment testing and maintenance, promptly eliminating various safety hazards to fully guarantee the safe and stable operation of the hotels.



Energy Projects

GDH Energy formulates and continuously perfects 32 work safety management policies across four categories: comprehensive, personnel, equipment and facilities, and the environment. In 2025, GDH Energy revised and perfected 4 safety management systems, signing work safety responsibility statements level by level to build a full-staff responsibility system. The Company has optimised the Safety Committee and strengthened it by adding members to the safety supervision body, focusing on a safety management model of decision-making, execution, and supervision and coordination, so as to comprehensively consolidate the foundation of safety management. Meanwhile, GDH Energy adheres to a problem-oriented approach and combines Group requirements, the implementation of the “Three-Year Action Plan for Fundamental Improvement in Work Safety”, and the requirements of the “Year of Hazard Investigation and Governance”. GDH Energy targeted major risk and hazard investigation and rectification actions in key areas such as firefighting, special equipment, construction, docks, typhoon and flood prevention, and heat network construction. Throughout the year, the Company used “GDH Safety Management” system to conduct over 1,800 safety inspections. As of December 31, safety inspections and “snap-and-report” activities rectified a total of 966 safety hazards, with a 100% completion rate. In 2025, GDH Energy completed the replacement project for the major hazard source of liquid ammonia and completed the cancellation filing. GDH Energy also advanced the special governance of anti-wear and anti-explosion for the four tubes of the boiler, with safety assurance-related investments exceeding RMB18 million for the year.

After achieving grade 1 standardisation in work safety in the electricity industry, GDH Energy initiated a self-assessment and review of safety standardisation as part of its ongoing effort to promote standardisation in work safety. This initiative focused on eight key disciplines, including boilers, turbine generators, electrical engineering, thermal control, fuel, environmental protection, chemical and general operations. In 2025, GDH Energy organised safety risk identification and assessment and confined space identification activities, implementing graded control for 353 risks, including 1 major risk and 56 larger risks. GDH Energy identified 114 types of confined spaces, dividing control levels and corresponding effective control measures according to risk characteristics, and redrew the four-colour safety risk map for the entire plant.

The Company keeps improving work safety evaluation standards. Evaluation rules for key areas have been established, including hazard identification and accident prevention. Management rules have been developed to address personnel safety qualifications and health requirements, site operation standards, and breach of contract provisions. These measures contribute to the development of a comprehensive safety evaluation mechanism that serves as an important reference for project bidding.

Hiring External Experts for Safety Standardisation Self-Assessment

To implement a series of production safety requirements in the power industry, in July 2025, GDH Energy hired an expert panel from Shenzhen Zhongzhian Co., Ltd. to guide the 2025 power work safety standardisation self-assessment work. The assessment covered objectives, organisational structure and responsibilities, work safety investment, laws and regulations, and safety management system education and training. It also focused on production site equipment and facilities, safe operating environments, hazard investigation and governance, major hazard source monitoring, occupational health, emergency rescue, information reporting and accident investigation and handling, performance evaluation, and continuous improvement. All personnel participated in the assessment, conducted comprehensive benchmarking and self-inspecting. The assessment objectively reflected the Company's current work safety standardisation management level. The final self-assessment score was 93.31, complying with the Grade 1 standard for power work safety standardisation and providing a reference for the subsequent improvement of the Company's production and operations.



Road and Bridge

GDH Highway continuously optimises safety management policies and emergency response plans. During the Reporting Period, it revised and perfected 11 policies and emergency plans, including the Management Measures for Full-Staff Work Safety Responsibility System, Work Safety Management Regulations, and Special Emergency Plan for Flood and Wind Prevention. GDH Highway requires all employees to sign safety responsibility statements, decomposing safety responsibilities level by level. GDH Highway implements a segmented management mechanism for highway maintenance and management, set up responsibility bulletin boards for key facilities and segmented management. The highway segmented management is included in the inspection scope linked to the leadership team, strictly consolidating safety responsibilities. Every quarter, GDH Highway commissions a third-party safety consulting agency to conduct a comprehensive safety examination. GDH Highway establishes a hazard ledger, conduct monthly inspections and evaluations of the implementation of work safety, and analyse safety hazards, continuously optimising the "dual prevention mechanism" to enhance our safety risk prevention and control capabilities.

In 2025, GDH Highway solidly advanced the "Three-Year Action Plan for Fundamental Improvement". GDH Highway organised special activities such as the "Year of Hazard Investigation and Governance", clearing fire lanes, and hot work operations, investigating 392 safety hazard issues, which were rectified as planned.

Work Safety Emergency Response

We have developed and continuously refined the Integrated Emergency Response Plans of Guangdong Investment Limited to address work safety incidents based on their severity. In the event of an incident, we promptly report to local authorities, including the fire department and the emergency management bureau. We also require all business segments to conduct regular emergency drills and consistently refine emergency response procedures. These requirements are designed to support the safety and stability of the Group.



Water Resources

During the Reporting Period, several departments within the water resources business, including the production system, the prevention system for floods, droughts and typhoons, and the dispatch system, conducted comprehensive emergency drills. These aimed to strengthen the connection of emergency processes and the mastery of plans, comprehensively elevating emergency disposal capabilities. Simultaneously, relying on the digital twin platform, it deepened the construction of achieving intelligent forecasting, early warning, preview drills, and contingency planning.

Defending Against Typhoons “Ragasa” and “Matmo”

In defending against Super Typhoon “Ragasa” and Severe Typhoon “Matmo”, the Company built an all-around safety defence line through coordinated dispatch, advance prevention and control, and resolute evacuation.

- Coordinated dispatch, strengthening linked response: The Company closely tracked typhoon dynamics and held multiple on-site dispatch meetings to deploy defence tasks. Summarising the experience of defending against Super Typhoon “Mangkhut” in 2018, it strengthened the linkage between meteorological early warning and response, maintaining close contact with local emergency departments and floods, droughts and typhoons prevention agencies. Yue Gang Water Supply and Feilaixia Hydropower strictly implemented the “456” water conservancy early warning mechanism, issuing warnings and forecasts in a timely manner.
- Hazard investigation, pre-positioning emergency resources: Organised all units to inspect and rectify key links such as photovoltaic equipment, old pipeline networks, dangerous buildings, high slopes, and hazardous chemical management. Simultaneously, it pre-positioned materials such as generators, water pumps, sandbags, pipes, and reagents, established multiple emergency rescue teams, and deployed regional repair centres to prepare for support, ensuring rapid deployment in unexpected situations.
- Resolute evacuation, holding the safety bottom line: Resolutely implemented the “Six 100%” and “Three Emergency Evacuations” principles for typhoon prevention, organising construction sites to stop work in a timely manner. Implemented transfer and evasion for personnel in dangerous zones, low-lying areas, deep foundation pits, and high-risk geological disaster areas, designated restricted zones to prevent personnel from staying, and strictly prohibited return before safety was confirmed. During Typhoons “Ragasa” and “Matmo”, 1,410 and 835 people were orderly evacuated, respectively.



- During Typhoon “Ragasa”, the Dongshen Water Supply Project Dispatch Centre Conducted Precise Dispatches Based on Wind and Rain Conditions

Furthermore, relying on the Dongshen Water Supply, our water resources business built a model- and knowledge-driven digital twin platform integrating “thorough perception, comprehensive interconnection, intelligent analysis, and precise decision-making”. It advanced the rainfall forecast period by 2-3 hours and achieved centimetre-level accuracy in reservoir water level forecasting. Through the full-chain forecasting, contingency planning, early warning, and preview drills management of the business, it achieved precise storage and regulation of reservoir capacity. On the premise of ensuring absolute safety, it reduced flood discharge and water abandonment, achieving a “win-win” for flood control safety and water resource retention.

Property Investment and Department Store Operation

GDH Teem actively organises subordinate shopping malls to conduct fire and safety emergency drills, continuously enhancing response capabilities to unexpected events and committing to safeguarding public safety. In 2025, centring on key scenarios such as fire evacuation, initial firefighting, stampede response, and typhoon and flood prevention, Teemall carried out comprehensive and special emergency drills. GDH Teem aimed to promote training through drills and building defence through training. Throughout the year, GDH Teem organised 581 announced drills with about 23,600 participants, and 381 unannounced drills with about 7,000 participants, significantly elevating the level of practical readiness.



Typhoon “Ragasa” Emergency Deployment

In September 2025, Super Typhoon “Ragasa” made landfall in Guangdong Province. GDH Teem deployed a series of preventive works in respond. In the preparation stage, GDH Teem organised all units to conduct special inspections for typhoon and flood prevention. GDH Teem completed the comprehensive inspection and dredging of drainage facilities such as catch basins and drainage ditches in advance. Prior risk assessments were also conducted for key areas such as underground spaces, low-lying entrances, underground garages, equipment rooms, and decoration and renovation projects. GDH Teem carried out windproof reinforcement or dismantling for glass curtain walls, billboards, and high-altitude suspended objects. GDH Teem applied methods such as using windproof cables, load reduction, and height reduction for construction facilities like temporary enclosures and scaffolding to prevent secondary disasters.

On the day of the typhoon, GDH Teem implemented “Five Stops” measures from 19:00 on September 23 to 18:00 on September 24 in accordance with local government requirements. Company leaders were 24-hour on-duty by telephone, the Safety and Emergency Department, leader teams of all subordinate companies, personnel with typhoon and flood prevention functions were 24-hour on-duty on site.



■ Typhoon “Ragasa” Prevention Work Meeting



■ Wind and Flood Prevention Reinforcement

Fire Emergency Drill for Guangzhou Teemall and Teem Tower

In 2025, Guangzhou Teemall Shopping Centre and Teem Tower held two comprehensive fire emergency drills in June and November, simulating the emergency evacuation of personnel under fire conditions. A total of 4,172 employees and tenants participated in the drills throughout the year. The drills this year added a joint AED first-aid drill segment. By simulating a complex emergency scenario superimposing fire evacuation and sudden cardiac arrest, participants systematically learned and practiced key first-aid skills such as Cardiopulmonary Resuscitation (CPR) and use of AED in a practical scenario. After the November drill, a fire safety publicity and experience activity was launched at the Northeast Plaza of Teemall. Multiple interactive areas were set up, using formats like practical drills, equipment explanations, first-aid training, and Q&A communication to effectively enhance participants' capabilities on fire response, mutual-rescue and self-rescue, and emergency disposal, strengthening the fire safety awareness of all staff.



■ Fire Emergency Comprehensive Drill for Guangzhou Teemall and Teem Tower



Energy Projects

GDH Energy further optimised its emergency plan system, hiring experts to adjust the plan structure based on actual conditions, and organised emergency capacity building assessments to promote employees' mastery of emergency knowledge. GDH Energy carried out 8 key practical emergency drills covering typhoon and flood prevention, ship oil spills, confined space rescue, steam pipeline leakage, boiler tube bursts, electric vehicle fires, and fire evacuation and escape, with over 300 participants. These focused on learning emergency first aid knowledge, response assembly, and equipment use, enhancing rapid response and collaborative disposal capabilities. Meanwhile, GDH Energy integrated assessment throughout the entire drill process, actively assimilating assessment feedback to fortify the safety defence line.

Spontaneous Coal Combustion Emergency Drill

In July 2025, GDH Energy organised an emergency drill for spontaneous coal combustion in the circular coal yard. The drill simulated a dangerous situation where a coal pile in the yard emitted white smoke and reached a temperature of 60°C. The Company initiated a Level III emergency response, commanded the setting up of warning areas, organised coal yard ventilation, tested CO concentration, utilised fire water cannons to spray water for cooling, and simultaneously turned the pile to transfer surrounding coal. After extinguishing the spontaneously combusted coal with water, it was scheduled for the furnace. All parties collaborated to successfully control the fire. The drill comprehensively tested the feasibility of the on-site disposal plan for coal yard spontaneous combustion, effectively improving employees' emergency disposal skills and inter-departmental coordination capabilities.



■ Coal Yard Spontaneous Combustion Emergency Disposal Drill

Server Room Fire Emergency Plan Drill

In September 2025, GDH Energy organised a server room fire emergency plan drill, simulating a complete accident chain where a precision air conditioning failure caused high temperatures in the room, subsequently triggering a UPS battery fire. During the drill, various departments collaborated rapidly and efficiently, deciding the handling method based on the actual fire situation. The drill verified the reliability and collaboration mechanism of the entire set of fire facilities, from smoke alarms and audio-visual warnings to gas extinguishing. In the business recovery phase after, IT personnel activated the Server Failure Emergency Plan according to protocol, created new virtual machines through a backup virtualisation platform, and successfully performed system migration and data recovery using the Ebackup system, achieving a rapid takeover of business. This fully rehearsed the entire process from fire emergency disposal to business continuity assurance.



■ Server Room Fire Emergency Plan Drill

Comprehensive Emergency Drill for Flood, Wind Prevention, and Ship Oil Spill Accidents

In May 2025, GDH Energy organised the 2025 comprehensive emergency drill for typhoon and flood prevention and coal ship oil spills. The drill simulated a coal ship encountering sudden severe convective weather during unloading operations, resulting in dangerous situations such as anchor chain breakage, crew members falling into the water, fuel tank oil leakage, dock drainage blockage, and water backflowing into the power distribution room. The Company initiated a Level I emergency response for wind and flood prevention, swiftly carrying out emergency rescue and repair work. The drill has successfully tested the command and decision-making capabilities for disaster prevention and mitigation emergency disposal, as well as the coordination and emergency response capabilities of various departments.



- Dock Wind and Flood Prevention and Ship Oil leakage Emergency Drill



Road and Bridge

Adhering to the philosophy of preparing in advance, GDH Highway collaborated with local highway traffic police, firefighting departments, medical services, and emergency management agencies to conduct emergency drills. These include emergency drills for slope water-damage and landslides, fire safety drills, flood prevention tabletop exercises, automated slope monitoring and early warning drills, toll station traffic assurance drills, and emergency evacuation drills. After each drill, summary evaluations were conducted, and improvement measures were formulated addressing deficiencies found during the drills.

Emergency Drill for Slope Water Damage and Landslides

GDH Highway, in collaboration with the local emergency management bureau, industry regulatory authorities, traffic police departments, medical rescue, and fire rescue departments, conducted an emergency drill for slope water damage and landslides at K4 of the Xingye Connection Line Highway. For the first time, it innovatively applied live broadcast transmission technology to achieve real-time monitoring and remote dynamic guidance throughout the drill, effectively improving the standardisation and feedback efficiency. Through the “multi-department linkage + multi-scenario coverage” mode, it strengthened the practical capability for collaborative handle of unexpected events.

Practical Drill for Highway Traffic Maintenance and “Double Blind” Fire Emergency Evacuation Drill

In 2025, taking the “Work Safety Month” and “Fire Safety Publicity Month” as opportunities, GDH Highway respectively carried out practical drill for highway traffic maintenance and “double blind” fire emergency evacuation drill, practically testing employees’ response, collaboration, and emergency disposal capabilities in dealing with unexpected events.

Safety Culture Promotion

We place paramount importance on safety culture promotion. We require that all business segments engage in awareness campaigns and training of work safety, develop and implement work safety plans, as well as address significant matters pertaining to work safety management. Our ultimate goal is to eliminate potential safety hazards. We also continuously strengthen employee safety training and education. We deliver online safety production training programmes via the “GDH Safety Management” platform and provide offline training sessions from time to time. This integrated approach ensures full coverage of safety education. In addition, we carry out a series of work safety activities to drive all employees to learn and master work safety and emergency management knowledge and skills, fostering a safety culture atmosphere.

 **Water Resources**

Our water resources business continuously strengthens employee safety education and training, adhering to tiered categorisation and precise empowerment. Relying on the Water Holdings safety “Joint Training Base”, our water resources business organises off-the-job training for safety directors and plant/station-level safety management personnel to strengthen the professional capabilities of business backbones. Focusing on the needs of frontline key positions, our water resources business conducts special training and coaching to build a solid safety defence line for key positions. Based on the EAM (Equipment Asset Management) system, our water resources business developed an online admission safety education module, setting up QR codes at entrances and exits of key areas such as pump stations and water plants. Visitors can scan the code to complete admission safety training online and instantly obtain an electronic training certificate. Our water resources business routinely sets up a “Hazard Prevention Mini-Lecture” to analyse typical hazard cases, creating a strong atmosphere of “everyone knows, everyone cares” about work safety.

In 2025, taking “Safe Production Month” and “Fire Safety Month” as opportunities, and adhering to the principle of full participation, our water resources business innovated activity forms and deeply carried out special activities such as “Ankang Cup Quiz” “Hazard Investigation Skills Competition”, “Rewarded Hazard Disclosure”, “Safety Consultation Day”, and “Special Action for Rationalisation Suggestions on Work Safety” to create a strong safety atmosphere. Taking the special action for rationalisation suggestions on work safety as an example, since its launch on December 1, 2025, all pilot units actively implemented relevant work requirements, widely collected safety suggestions, deeply investigated and managed safety hazards, strictly advanced closed-loop rectifications, and effectively improved the intrinsic safety level. As of December 31, three pilot units held 25 review meetings and collected 2,935 work safety suggestions, of which 1,473 were adopted. A total of 769 employees participated in making suggestions, with a 100% participation rate.



■ Hazard Prevention Mini-Lecture



■ Yue Gang Water Supply Hazard Investigation Skills Competition



Property Investment and Department Store Operation

In 2025, GDH Teem stayed closely aligned with the central theme of the “Year of Hazard Investigation and Governance”, and vigorously advanced the three-year action plan to address root causes and overcome critical challenges in work safety. GDH Teem carried out a series of activities of “Work Safety Month” and “Fire Publicity Month”. Through establishing a multi-dimensional model of “online + offline”, “theory + practice” and “employees + tenants”, online, the “GDH Safety Management” platform routinely published warning videos for fire safety, disaster prevention and mitigation knowledge, incident warning education, and emergency avoidance skills. Offline, GDH Teem invited experts to lecture and carried out hands-on first aid, safety experiences, and emergency drills, effectively enhancing the risk identification, emergency disposal, and safe operation capabilities of all staff, promoting safety culture.

Case

Safety Publicity and Consultation Day and Guangzhou Emergency Expo Exchange and Learning Activity

In June 2025, GDH Teem organised subordinate companies to participate in the “2025 Guangdong Province and Guangzhou City Safety Publicity and Consultation Day” and the “2025 Guangzhou International Emergency Expo”. Through consultation desks and equipment exhibition booths set up on-site, the team systematically learnt knowledge in work safety regulations, fire safety, road traffic safety, construction safety, gas safety, and disaster prevention and mitigation. At the same time, the team obtained knowledge on cutting-edge technological achievements in the field of safety and emergencies, including intelligent fire early warning systems, advanced rescue equipment, emergency communication technology, and next-generation safety protective gear. This broadened the team’s “Science and Technology for Safety” vision and injected new momentum into the Group’s future efforts to deepen technological empowerment and promote smart safety management system.



■ Safety Publicity and Consultation Day and Emergency Expo Event



Energy Projects

During the Reporting Period, over 40 training and publicity sessions on safety tailored to actual operational needs were delivered in GDH Energy. The training covered confined space operations, advanced education for principal responsible persons and safety managers, emergency rescue training, training for internal auditors on safety standardisation, case study workshops, fire safety training, and electrical safety regulations training, covering over 2,800 person-times. In 2025, GDH Energy held a vocational skills competition, with 24 people obtaining national-level vocational skill certifications. Simultaneously, GDH Energy carried out a special action against the “Three Violations” (illegal command, illegal operation, and violation of labour discipline) to enhance the safety awareness of all staff. We also promoted the implementation of the Reward Scheme for Internal Reporting of Accident Hazards, receiving 335 internal hazard reports throughout the year and distributing RMB71,300 in rewards, effectively stimulating employees’ initiative in investigating hazards.



Road and Bridge

GDH Highway continuously focuses on building a safety culture, fully utilising the “GDH Safety Management” system to conduct safety training and accident warning education. The Company also collaborates with industry regulatory authorities and traffic police departments to carry out safety publicity activities. In addition, GDH Highway fully utilises LED information boards at toll stations, management areas, and along the highway within its jurisdiction to continuously broadcast safety warning information. The Company regularly updates safety publicity bulletin boards, and conducts safety training and accident warning video education through a combination of “online + offline” methods. In 2025, GDH Highway organised 11 online safety training sessions through “GDH Safety Management” and 13 offline viewings of accident warning educational videos, effectively enhancing employees’ safety awareness.

Occupational Health and Safety

The Group strictly adheres to the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Occupational Safety and Health Ordinance of Hong Kong, and other relevant laws and regulations. We regularly identify potential occupational hazards in our operations and implement appropriate measures to create a safe and healthy working environment.

Occupational Health and Safety Protection Measures

Detection of occupational hazards

- Regularly identify, detect and evaluate occupational disease hazards in the workplace and report the projects with occupational disease hazards to health authorities in a timely manner.
- Engage third parties with testing qualifications to conduct on-site assessment of occupational hazards and issue evaluation reports.

Occupational health awareness

- Set warning signs and instructions in the workplace to inform about occupational hazards, preventive measures and emergency responses.
- Specify hazard factors involved in the positions and preventive measures in employee contracts.
- Post assessment results at the places where occupational hazards are identified.

Occupational health examination

- Arrange annual regular physical examination for employees and maintain their occupational health records.
- Arrange pre-post, in-post and off-post physical examinations for employees exposed to occupational disease hazards.

Personal protective equipment and facilities

- Provide personal protective equipment that meets national or industry standards including dust masks, noise-cancelling earplugs, safety helmets, and reflective clothes, and specify clear guidelines for their use.
- Offer protective equipment and emergency rescue facilities such as ventilation systems, gas detectors, air respirators, and safety ropes.
- Designate personnel who are responsible for appliance management with regular checks, regular and inspections.

Occupational health and safety training

- Carry out occupational health and safety training to spread relevant knowledge and increase health awareness.
- Distribute the manuals on prevention and control of occupational hazards.
- Invite expert to deliver lectures on prevention and control of occupational hazards and offer interpretations of health examinations reports.

Water Resources

The water resources business enhances the occupational health and safety management system certification. During the Reporting Period, 1 new water company obtained ISO 45001 certification. As of the end of 2025, a total of 77 water companies held valid ISO 45001 certification.

Our water resources business strictly complies with laws, regulations, and standard procedures to provide employees with a work environment and conditions that meet occupational health requirements. Safety warning signs are set up at work sites to inform employees about occupational hazard factors, preventive measures, and emergency response measures. Our water resources business continuously reforms production processes and actively adopt harmless or low-harm processes to replace harmful ones. In addition to organising annual health examinations for employees, Water Holdings promptly arranges pre-employment, on-the-job, and post-employment health examinations for employees working in positions that involve exposure to chemical and radiological hazards.

The water resources business prioritises fostering occupational health and safety awareness among our employees, provides qualified and sufficient personal protective equipment (PPE), clarifies the standards for wearing PPE for each position, and regularly conducts training on occupational health knowledge, first aid skills, and other related topics. These efforts effectively enhance employees' awareness of occupational hazard prevention and their emergency response capabilities in handling unexpected events.

In 2025, the water resources business invited professional first-aid training instructors from the Shenzhen Nanshan District Private Medical Organisations Association to conduct practical first-aid training courses for company employees, enhancing first-aid capabilities in critical situations.



■ Hands-on First Aid Training Programme



Property Investment and Department Store Operation

GDH Teem always adheres to a people-oriented approach, safeguarding the physical health and safety of employees. The Group organises all employees to participate in health check-ups annually and provides sufficient labour protection articles that meet national standards according to job requirements, ensuring adequate occupational health protection. In terms of safety capacity building, the Company normalises diversified training such as AED first aid, fire safety, and traffic safety, continuously improving employees' safety awareness and emergency disposal capabilities. In 2025, GDH Teem organised a total of 26 safety and health special training sessions, with 1,281 employees participating cumulatively.



Energy Projects

GDH Energy attaches great importance to occupational health and safety within production and work environments. Employees in facilities are equipped with noise-reduction protective gear, and frontline operators are provided with dust masks and safety goggles. High-temperature allowances, heat-relief beverages and medications are offered during the summer months. GDH Energy set up an occupational health management agency and equipped it with full-time management personnel, organising health check-ups for employees before taking up their posts, during their employment, and upon leaving. In June 2025, GDH Energy completed the detection of occupational disease hazard factors in the workplace and published occupational disease prevention rules and regulations, operating procedures, emergency rescue measures, and detection results in conspicuous locations. In July, GDH Energy carried out occupational disease health check-ups, established and saved monitoring files, conducted training activities, and strengthened daily management to ensure that labourers who have not undergone check-ups or have occupational contraindications do not engage in operations exposed to occupational disease hazards.



Road and Bridge

GDH Highway is committed to raising awareness of occupational health among employees. The Company invited doctors from the Health Management Centre of Guigang City People's Hospital to deliver an occupational health lecture for employees. During the session, the doctors explained common health indicators in the annual health check reports, shared occupational health knowledge and preventive measures against occupational health hazards. This initiative aims to strengthen employees' understanding and awareness of occupational health risks.

Supplier Safety Management

We place significant emphasis on the safety management of suppliers, contractors, and other relevant parties. We have established and refined management systems, including the Engineering Project Construction and Management Measures of Guangdong Investment Limited and the Implementation Rules for Engineering Project Construction and Management of Guangdong Investment Limited. Moreover, we specify safety management requirements and responsibilities in contracts or Work Safety Management Agreements. Regular assessments are also conducted to evaluate compliance with safety obligations and work safety performance. Furthermore, we strengthen safety training for personnel of relevant parties and proactively inform them of potential safety risks associated with their tasks. This approach prevents safety incidents and safeguards the health and safety of all personnel involved.



Water Resources

Water Holdings has established contractor safety management policies such as the Assessment and Management Measures for Construction Participants in Engineering Projects and the Safety Management Measures for Construction Projects. These policies clarify the safety management requirements for participating units at the project initiation stage, project implementation stage, and project operation stage, implementing safety management throughout the entire lifecycle and process of engineering projects and urging all participating units to fulfill their “primary responsibility” for work safety, and conducting strict ranking and elimination of participating units. The water resources business established a “Supplier Performance Scorecard”, scoring suppliers on five aspects: safety, quality, schedule, on-site service, and severe breach of contract, incorporating supplier on-site safety risks and related safety accidents into the scoring basis. At the same time, in order to strictly implement safety regulations, the water resources business ensures that both parties share a consistent safety philosophy through training.



Property Investment and Department Store Operation

GDH Teem rigorously implements the mechanism that prioritises risk oversight, internal control and compliance in business management, ensuring that all parties fulfil their management responsibilities. The Company has established a mechanism for review, approval and supervision of suppliers’ operations. Construction approvals, personnel management, safety oversight and fire work procedures are subject to strict supervision. Safety risk inspections are intensified for construction organisations to guarantee the effective implementation of safety measures. Additionally, GDH Teem requires that all subsidiaries sign work safety agreements with suppliers and contractors. During the Reporting Period, a total of 1,084 work safety agreements were signed by Teem Commercial, Wanye Investment Development Company, Tianjin Teemall, Comic City and Shenzhen Teemall.

GDH Teem has a total of 245 cooperating units, mainly covering security, maintenance, greening, cleaning, room service, and other business areas. 245 Safety Management Agreements were signed to clarify the rights and obligations of both parties in work safety, fire safety, operational norms, emergency disposal, etc. This refines the boundaries of safety management responsibilities to ensure all safety requirements are effectively implemented to the operational frontline. Simultaneously, through regular safety disclosures, special inspections, and joint drills, GDH Teem continuously strengthens safety supervision and collaboration with relevant parties, practically building a full-chain, full-process safety management defence line.



Energy Projects

GDH Energy manages supplier and contractor safety in an orderly manner, highlighting the advancement of special rectifications for relevant parties. GDH Energy focuses on strengthening safety control for outsourced projects such as the urea substitution project, unit Class C overhaul, and heat network engineering. The Company strictly implements the dual supervision system for scaffolding, high-altitude operations, hot work, and hoisting. Any non-compliant behaviour by contractors or suppliers is promptly addressed, with severe violations publicly reported and penalties enforced in accordance with contract terms. In 2025, GDH Energy intensified the assessment of violation behaviours. Throughout the year, GDH Energy assessed 28 relevant party units 42 times, urging relevant parties to strictly implement safety primary responsibilities, controlling outsourcing risks, guarding operational safety.

Talent Management

Upholding the talent philosophy that “employees are our most valuable asset”, the Group recruits new employees in an orderly manner. We continuously refine our training system and performance assessment methods, organise a diverse range of employee activities, and enhance employee benefits and the working environment. These initiatives are designed to significantly elevate employee satisfaction.

In full compliance with the Labour Law of the People’s Republic of China, the Social Insurance Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of Minors, the Law of the People’s Republic of China on the Protection of Rights and Interests of Women, as well as the Employment Ordinance, the Employees’ Compensation Ordinance, the Sex Discrimination Ordinance, and the Occupational Safety and Health Ordinance of Hong Kong and other laws and regulations on labour and employment, the Group is committed to safeguarding the legitimate rights and interests of our employees and pay employee salaries in a timely manner. During the Reporting Period, the Group had no incidents of child labour, forced labour or labour dispute.

Employment

Following the principle of setting fair rules, being transparent in process, and delivering impartial results, we have formulated and improved the Guidance for Recruitment Management of Guangdong Investment Limited, further optimise the recruitment process to improve work efficiency. Both campus recruitment and social recruitment are adopted based on the requirements and characteristics of proposed positions. Various recruitment channels, including our official website, social media platforms, mainstream recruitment websites, head hunters, and employee referrals, are expanded to attract and retain talents. We organised professional written tests and interviews, focusing on ensuring that candidates’ knowledge, skills, experience, and personality align with the responsibilities and characteristics of the job. We entered into labour contracts/employment agreements with all employees in accordance with the law and pay employee salaries in a timely manner.

In addition, we regard anti-discrimination and anti-harassment as fundamental principles of compliant employment. To this end, we have set up a whistle-blowing hotline. Relevant courses are included in the orientation training for new recruits. We treat all employees equally in recruitment and promotion and prohibit any form of prejudice or discrimination on the grounds of age, gender, nationality, race, religious belief, health condition, etc.



Water Resources

During the Reporting Period, the water resources business revised and improved a number of policies, including the Employee Personnel File Management Regulations, the Guidelines for Education and Training Management, the Administrative Measures for Recruitment Management, and the Policy on Selection and Appointment of Management Personnels, which are aimed at securing compliance employment. The subordinate water companies are required to review vacant positions and staffing of key positions on a regular basis, and to improve the internal selection mechanism that combines the centralised competition for reserve positions and small-scale competition for specific positions. In 2025, the water resources business organised 18 open position competitions to select the outstanding persons for the functional departments at headquarters and the management teams at subordinates. Young management personnels qualified for deployment were also selected as part of the development of the reserve talent team. The headquarters' Campus Recruitment Programme focused on the reserve and cultivation of high-quality new forces, welcoming 85 new hires throughout the year. Recruitment strictly implemented the policy of "selecting the best, optimising the structure", bringing in multi-level, high-quality talents with diverse educational and institutional backgrounds, including 1 PhD, 42 Master's, and 14 Bachelor's degree holders, 36 graduates from Customised Order-based Class, injecting a solid and highly potential youth talent pipeline into the company.

Case

Campus Recruitment

In 2025, the water resources business conducted a series of on-campus recruitment presentations and interviews, visiting prestigious institutions such as Tongji University, Sichuan University, Wuhan University, and Hohai University. Simultaneously, the recruitment outreach was expanded by publishing job announcements on the employment websites of major universities. The recruitment promotional network now covers over 70 universities nationwide.



- Water Resources Business Conducted On-Campus Recruitment Presentations

Energy Projects

In 2025, GDH Energy actively responded to the national policies of promoting employment. Based on the actual demand for talent from our business development, GDH Energy expanded the scale of campus recruitment, completed 12 campus recruits throughout the year. GDH Energy participated in two-way selection fairs at several universities, such as South China University of Technology, Guangdong University of Technology, and Guangdong University of Petrochemical Technology. GDH Energy also published recruitment information on university employment platforms, and actively participated in a series of recruitment activities such as the “Millions of Talents Gather in Southern Guangdong”. New employees have promptly enriched our talent reserves for key operational positions and reflected the Company’s active commitment to talent cultivation and social responsibility.



■ Job Fair

Employee Development

To standardise training management, we have established a systematic human resource development framework and a learning organisation. We formulate and continuously optimise systems such as the Handbook for Hong Kong Employees of Guangdong Investment Limited Headquarters, the Policy on Competition for Positions of Managerial Personnel of Guangdong Investment Limited, and the Management Measures for Performance Evaluation of Guangdong Investment Limited. In 2025, we further revised the Trainings Management Measures of Guangdong Investment Limited Headquarters (September 2025 Revision). These enrich the employee training system, sound out compensation incentive measures, and perfect assessment and promotion systems to comprehensively support employee development. We require all departments to complete the formulation of their annual training implementation plans at the beginning of each year. The host department takes the lead in organising and executing these plans, covering instructor invitations, venue coordination, and training process management. Upon completion, departments must promptly conduct satisfaction surveys among trainees, evaluate the training effectiveness, and summarise the overall training progress for the year.

Furthermore, we are fully aware that the lifelong learning of employees is fundamental to a company's long-term stability. With this in mind, business segments are required to provide a variety of targeted training courses to employees of different ranks and different positions. Skilled talents are also strongly encouraged to obtain the appropriate vocational and technical qualifications to lay a solid foundation for their growth. Meanwhile, we encourage employees to proactively study industry policies, professional knowledge, applicable laws and regulations, corporate regulations, and internal documents, and to utilise their spare time to participate in various training programmes to enhance their professional capabilities.

During the Reporting Period, we further reformed the employee selection and performance assessment system by implementing mechanisms such as the tenure system for managers, competition for managerial positions, and exit of incompetent personnel. Furthermore, the annual appraisal results of all employees are linked to their remuneration. The differentiated distribution of remuneration is implemented by determining rewards based on employees' job level and adjusting salaries according to their abilities. This approach motivates the outstanding employees and, conversely, disciplines underperformers. Meanwhile, we further improved medium- and long-term incentive mechanism, and explored an effective multi-factor distribution method such as project co-investment, equity incentives, and option incentives. This method facilitated the long-term alignment of the interests between managers and shareholders, and fully incentivised the employees at all levels.

Internal Professional Training

In 2025, we organised 9 internal professional training sessions in finance, legal affairs, investment, and other fields to comprehensively improve the capabilities of employees. We carried out safety emergency training, production safety business training, and fire evacuation drills, aiming to improve employees' safety awareness and technical skills; carried out centralised promotion and training of important systems of Guangdong Investment to further implement the spirit of the "Compliance Management Strengthening Year" Implementation Plan of Guangdong Investment Limited; carried out compliance and legal training, including regulatory key points for Hong Kong listed companies and ESG management, to provide directors with the latest listing compliance information, improve listing compliance management and compliance knowledge of subordinate companies in terms of connected transactions, strengthen the awareness of connected transactions compliance, and enhance employees' understanding of mainland laws and regulations and Hong Kong laws and regulations. We also carried out orientation training for new employees to help them understand the company profile, integrate into corporate work faster, improve work efficiency, and enhance their sense of identity with the enterprise.



Water Resources

During the Reporting Period, the water resources business conducted monthly and quarterly performance evaluation, and comprehensively assessed employees' performance objectives and development goals, with results linked to the remuneration. Besides, the department head conducted performance coaching for the staff of the department based on their monthly and quarterly performance, so as to help them improve their working capacity and efficiency. During the Reporting Period, the water resources business revised the employee performance evaluation system, with a 360-degree evaluation planned for next year.

Continued efforts are made to the development of network training platform of GD Water College. To enhance the digital capabilities and competitiveness of all staff, the Company launched AI office skills courses on the internal learning platform for all employees to learn and improve. As of the end of 2025, the training platform has cumulatively launched 1,069 courses in general, professional, and management categories. A total of 7,286 people logged on to learn throughout the year, with an average learning time of 17.8 hours per person.

Employee Education and Continuing Education Support Project

The water resources business actively supports employees in pursuing further education. Subordinate water companies reimburse the study costs of on-the-job employees who have obtained nationally recognised diplomas or degrees. This year, Water Holdings also partnered with the Harbin Institute of Technology to conduct the Doctor of Engineering training programme. A total of 4 employees were successfully selected to enhance their professional abilities.

“On-boarding Programme”, “Speciality Programme”, “Voyage Programme” and “Pilot Programme”

- **On-boarding Programme:** The “On-boarding Programme” is mainly aimed at new employees recruited through campus recruitment. It provides systematic career planning, job skills training and cultural adaptability training. Tailored career development helps new employees quickly fit into the company, and contributes to their clear career development, improving work efficiency and teamwork awareness.
- **Speciality Programme:** The “Speciality Programme” mainly targets newly promoted junior managers. This year, the strategic management and organisation management courses were incorporated into the basic management skill course, to help newly promoted managers quickly adapt to their new role and to enhance their communication, team management and goal achievement skills.
- **Voyage Programme:** The “Voyage Programme” is aimed at middle-level managers of water resources business and subsidiaries. This year, the middle-level managers of subsidiaries participated in training session at China Resources University. The content focused on core issues urgently solved in the implementation of corporate strategy, such as organisation management, investment strategy, and operation system. They learned about the organisation management optimisation, organisation empowerment, collaborative mechanism, and other important parts, which resulted in enhancing the management’s ability to execute.
- **Pilot Programme:** The “Pilot Programme” is mainly senior executives of subordinate water companies and heads/deputy heads of headquarters departments. Through short-term intensive training featuring executive salons, action learning, and benchmarking enterprise visits, the programme helps participants complete the transformation from a management team to a management organisation. This enables them to independently manage various regions (sectors), assist in strategy implementation, and lead organisational development and management transformation.



■ Voyage Programme



Property Investment and Department Store Operation

In 2025, GDH Teem practiced the ESG sustainable development concept, taking talent cultivation as an important starting point. GDH Teem carried out comprehensive trainings targeting middle and senior management, core operational employees, high-potential young employees, and all staff, deeply integrating individual growth with corporate governance upgrades and social value co-creation. For middle and senior managers, GDH Teem focused on expanding strategic vision and drawing on benchmark experiences. Through visits to benchmark enterprises and lecture on management, it settled the industry’s sustainable development direction. For core operational employees, GDH Teem provided “Transformation Action Workshops” and “Scenario-based Practical Training Camps” to strengthen commercial operations and product development capabilities. Around high-potential young employees, GDH Teem organised general literacy cultivation, laying the foundation for the enterprise’s long-term development. Simultaneously, GDH Teem popularised digital tools and innovative concepts for all employees, empowering working efficiency. During the Reporting Period, GDH Teem’s headquarters and subordinate companies spent a total of RMB1.402 million on training, conducting over 170 training sessions with over 4,500 participants and over 500 hours of training.

Furthermore, GDH Teem applies positive incentive mechanisms, carries out quarterly reviews and delicate rewards. Focusing on benchmark projects, GDH Teem promptly fulfilled incentives for employees and teams that created benefits and saved costs, effectively stimulating enthusiasm for work and innovative vitality.

Panorama of Talent Cultivation System of GDH Teem



During the Reporting Period, GDH Teem implemented a parallel promotion mechanism by management or profession in accordance with the Rank System and Qualifications for Appointment to enhance the endogenous motivation of employees.

Benchmark Enterprise Visit and Exchange Activities

To assist a high-quality and sustainable development, GDH Teem organised its middle and senior management team to carry out benchmarking visit and exchange activities with leading enterprises in the industry. In March 2025, the team visited China Resources Mixc Lifestyle Services, focusing on core business areas such as product design, member operations, and organisational control to absorb advanced practical experiences. In June, the team visited Grandjoy Holdings Group, conducting in-depth discussions around key dimensions such as capital operations, project investment and expansion, and operations. During the visits, the team was dedicated to looking for solutions to the pain points and difficulties of Teemall's transformation. Candid exchanges and mutual learning with industry benchmarks effectively broadened their vision and accumulated valuable industry exchange experience.



China Resources Mixc Lifestyle Services Visit and Exchange (Left),



Grandjoy Holdings Group Visit and Exchange (Right)

Commercial Operation and Promotion System Optimisation Workshop

GDH Team coordinated the “Commercial Operation and Promotion System Optimisation Workshop”, led by the headquarters, the operation and promotion teams of subordinate companies. Based on the Company’s existing commercial operation and promotion system, the workshop focused on two core dimensions: marketing promotion and member operations. The forms of workshop included special training, benchmark practice sharing, and practical seminars. It systematically sorted out marketing management standards, optimised member operation strategies, strengthened the collaboration between headquarters and projects, and built a standard paradigm for upgrading the operation and promotion system. This promotes the dual enhancement of the Company’s operational and brand power, laying a solid foundation for realising the strategic goals of transformation and change.



■ “Commercial Operation and Promotion System Optimisation Workshop”

Support Senior Employees’ Further Education

In 2025, GDH Team continued to follow the “people-oriented” philosophy, revising and perfecting the Employee Training Management Measures. For senior employees who have made long-term contributions to the company, GDH Team launched targeted educational upgrading support policies. For specific senior in-service employees, the Company built an in-service further study incentive mechanism, encouraging them to participate in formal academic education upgrades. By establishing differentiated rewarding system, it reduced employees’ learning costs, empowered and enhanced employees’ career development, and demonstrating respect for employee value and their long-term development.



Hotel Ownership, Operation and Management

In line with the performance management philosophy of “target setting for individuals with quantitative assessment”, the hotel business implements a firm-wide and performance-based assessment system of “one assessment for one position, one form for one person”. The tenure system is adopted for the managers and above, with a clear term of office. Moreover, the Business Performance Responsibility Letter has been signed. The monthly, annual and term-based (generally three years) assessment is conducted to improve the incentive and constraint mechanism based on the job responsibilities and closely linked to the business performance.

In 2025, based on the deployment of actions to deepen and enhance state-owned enterprise reform, Guangdong Hotel adheres to the deep integration of governance improvement and operational mechanism optimisation, and stimulates management efficiency through market-oriented reform. The Company has developed and implemented a new type of business responsibility system for middle-level management personnel, improved assessment, incentive, and constraint mechanisms, closely linked individual performance with business performance, and effectively stimulated internal motivation within the team.

In addition, Guangdong Hotel actively optimised the departmental assessment index system for the year 2025, completed the signing of the overall performance plan, and built a precise control and target responsibility system covering all positions. Strictly implement the tenure system and contractual management for the management team from 2024 to 2026, and promote the formation of a performance management mechanism that integrates rights, responsibilities, and benefits by standardising job requirements and signing business performance responsibility agreements, laying a solid foundation for high-quality development.



Energy Projects

GDH Energy continuously enhances its talent development and incentive system. In 2025, it systematically revised and implemented a series of regulations, including the Personnel Selection and Appointment Management Standards, Leader Selection and Appointment Work Procedures, Incremental Reward Plan, and Performance Assessment Management Standards. The Company promoted the tenure system and contractual management of the management level employee, focusing on enhancing the value and compensation competitiveness of frontline key positions. It effectively stabilises key teams, thus ensuring production operations.

Simultaneously, GDH Energy restarted the annual promotion assessment, including skill-sequence employees for the first time, and accelerated the cultivation of vocational skill talents and the selection of young leaders. Through a combination of system optimisation, compensation incentives, and career channel construction, GDH Energy enhances its talent ecosystem by establishing a virtuous cycle of “attracting, nurturing, retaining, and utilising”.

GDH Energy also actively conducted 37 training programmes in various categories such as management, skills and technology, and published a series of online courses on the Group’s online learning platform. Throughout the year, a total of 24 learning programmes were organised, with more than 1,800 participants. In addition, GDH Energy has refined the standards for identifying vocational skills in companies. Employees are encouraged to obtain the relevant vocational and technical qualification certificates.

Vocational Skills Competition and Level Certification

Combining actual production needs, GDH Energy systematically carried out vocational skills competitions and certification work for multiple key occupations, such as electricians and mechanical equipment inspectors. GDH Energy piloted a “Senior Technician” evaluation mechanism, establishing an important platform for the growth and promotion of technical talents. In 2025, a total of 16 people won vocational skills competition awards, 2 obtained Senior Technician certification, 4 obtained Technician certification, and 7 obtained Senior Worker certification, further enriching the Company’s talent reserve.

In the same year, GDH Energy selected outstanding employees to participate in the “Xiangshan Craftsman Cup” vocational skills competition in Zhongshan City, using external competitions to promote the enhancement of internal training levels.



● Equipment Maintenance Department Vocational Skills Competition



● “Xiangshan Craftsman Cup” Vocational Skills Competition



Road and Bridge

GDH Highway continues to implement internal and external training, building a “hierarchical classification, precise empowerment” talent training system, committed to improving the comprehensive quality and professional technical capabilities of employees. As of the end of the Reporting Period, a total of 10 training sessions have been conducted, covering approximately 1,200 people. In addition, GDH Highway has established an integrated incentive mechanism of “education professional title skills”. 4 employees achieved academic advancement, and 6 employees passed national qualification examinations and obtained corresponding certificates, continuously enhancing their comprehensive quality and job adaptability.

Training field	Training content
Professional ability improvement	Set up 6 “Highway lecture halls” and 2 special training sessions to strengthen the application of cutting-edge technology in the industry
Management empowerment	Held “Pilot Training”, “Internal Coach Training” and training classes, with over 200 participants
Industry communication	Organised 55 people to conduct on-site teaching at Guangxi Jiaotou Nanning Company, promoting experience sharing and ability improvement
Emergency training	Organised 29 emergency personnel to complete professional training on drone operation and hold all certificates, carry out dynamic inspection through drone equipped with high volume loudspeaker, and improve traffic diversion efficiency by more than 30% compared to traditional methods. At the same time, organised approximately 50 monitoring personnel and management personnel to carry out emergency disposal training on the road surface.

Employee Care

We are committed to building a harmonious, stable and healthy working environment. In addition to five social insurances and housing fund for employees in the Chinese Mainland and the mandatory provident fund for Hong Kong employees, we also provide supplementary medical insurance, accident insurance, and other employer’s liability insurance. Meanwhile, we ensure our employees have the flexibility to take additional supplementary leave such as sick leave and maternity leave, and that the paid leave policy is implemented in an orderly manner. Employees of the Group are entitled to paid annual leave each year, in addition to statutory holidays, depending on their personal and work arrangements. Furthermore, the health of our employees always lies at the heart of the Group. Therefore, we organise annual physical examinations and supply nutritious and well-mixed meals.

We ensure a smooth employee complaint mechanism, respect and accept the opinions of our employees, and regularly collect their opinions and suggestions for targeted rectification. Business segments are also encouraged to provide a wide range of employee activities, which enable our employees to fully unwind after work.



Water Resources

The water resources business provides a series of employee activities, including Spring Festival garden tour, spring and autumn outings, open days for family members, and basketball games. These enriched employees' spare time and enhanced cohesion from multiple aspects, including team building, relaxation, cultural enrichment, and sports. Our water resources business also organised caring activities for employees during important traditional festivals such as the Spring Festival, the Dragon Boat Festival and the Mid-Autumn Festival and delivered Festival gifts. Additionally, our water resources business assisted sick employees in applying for critical illness insurance, and arranged colleagues from relevant departments to visit employees in need. Throughout the year, our water resources business distributed over RMB378,000 in allowance to employees in difficulty. At the same time, the Company meticulously organised a donation to help relieve the difficulties of needy employees' families; 5,521 employees actively responded, with charitable donations exceeding RMB500,000.

Case

Official Opening of the Employee Home

In August 2025, the "Happy Energy Station"—the Employee Home, dedicatedly built by the Company's Labour Union, officially opened. This two-story multi-functional employee leisure space integrates sports, leisure, and entertainment. Sports facilities such as table tennis, basketball shooting machines, and billiards are all available; video games, chess, cards, and a self-service KTV bar bring relaxation and comfort; a health body-shaping area equipped with professional equipment and a quiet yoga area can meet the diverse needs of employees. It allows employees to unload their fatigue, stretch their bodies and minds, and interact relaxedly with colleagues.



■ The Official Opening of the Employee Home

“Mountain and Sea Together, Joyful Companion” Autumn Coastal Outdoor Activity

On November 22nd, in response to the call for the “Passionate National Games, Vibrant Greater Bay Area”, Water Holdings held the “Mountain and Sea Together, Joyful Companion” autumn coastal outdoor activity, promoting the spirit of hard work and cooperation of the National Games and the corporate culture of “Knowledge and Action Across Mountains and Seas”. During a group hike on the nearly 5-kilometre Lu Zui Bi Road, employees enjoyed nature and climbed to the observation deck of the Lu Jiao Tai Terrace. This activity not only released employees from work pressure, but also effectively enhanced team cohesion and centripetal force through fun interactions and shared experiences.



Autumn Coastal Outdoor Activity



Property Investment and Department Store Operation

GDH Teem prioritises the communication with its employees. All employees can consult the Human Resources Department via WeChat, OA mail, and telephone about welfare policies, salary details, holiday policies, etc. The Human Resources Department also collects employees’ opinions on a regular basis for continuous improvement. In 2025, the GDH Teem and its subsidiaries received no complaints related to human resources. In 2025, the GDH Teem Labour Union guided labour unions at all levels to hold 34 worker (representative) assemblies, reviewed and approved 13 important policies such as compensation policy and performance assessments, implemented 17 factory affairs disclosure. GDH Teem also promoted mechanisms like the “Woodpecker Plan”, and held exchange activities such as female employee meetings and youth salons to offer channels for workers to raise advice, express demands, safeguarding their rights and interests.

GDH Teem makes continuous efforts in providing care and assistance to employees. Allowances and gifts are distributed to all employees during traditional festivals, and special assistance is provided to employees in difficulty. Throughout the year, it helped 35 needy workers, distributing RMB95,500 in assistance funds, and carried out consolation activities for frontline workers, veterans, and seconded local staff. Furthermore, GDH Teem pays attention to the education of employees' children, strengthening communication with relevant government departments to assist in processing school enrolment applications for employees' children, and applying for RMB42,000 in "Golden Autumn Student Aid" scholarships for 12 employees' children in need throughout the year. GDH Teem also set up 5 interest groups: badminton, basketball, table tennis, football, and dancing, encouraging employees to actively participate in cultural and sports activities. In 2025, it held 79 cultural and sports activities, such as corporate culture sports meets and badminton matches, attracting 4,573 participants, continuously enriching workers' cultural and sports lives.

Case

"Treating Winter Diseases in Summer, Stay Healthy" Health Care Activity

In July 2025, GDH Teem organised the "Treating Winter Diseases in Summer, Stay Healthy" themed health care activity. Senior traditional Chinese medicine doctors were invited to the site to provide services such as one-on-one consultations, application of "Sanfu" patches, experience of traditional Chinese medicine herb teas, and professional eye health screenings. This attracted over 120 employees to enthusiastically participate, presenting employees with a thoughtful "health gift package" that received widespread praise.



■ On-site Consultation



■ "Sanfu" Patch



■ Traditional Chinese Medicine Herb Tea



■ Eye Healthy Screening



Hotel Ownership, Operation and Management

Our hotel business adheres to a people-oriented and culture-cohesive approach, normalising employee care and cultural activities. During the Spring Festival, it organised veterans to hold an “Supporting the Military and their Families” symposium, themed “Respect the Veterans during Spring Festival, Jointly Embark on a New Journey towards the Future”, conveying care and respect, carrying forward the fine tradition of supporting the military and their families, and cultivating employees’ patriotic feelings and sense of responsibility. On Lantern Festival, it held a “Reunion on Lantern Festival” themed activity, sharing sweet dumplings and offering holiday greetings, bringing warmth to employees, inheriting traditional festival culture, and further enhancing employee belonging and team cohesion. During “March 8” International Women’s Day, the Labour Union meticulously planned a series of heartwarming activities, where each female member received a warm care package and festival greetings, conveying organisational care and creating a harmonious, warm, and cohesive corporate atmosphere through supplying special desserts in the staff canteen and organising female workers to go out for exchange.



■ “Supporting the Military and their Families” Activity



■ “March 8” Festival Series Activities

Energy Projects

GDH Energy attaches great importance to the physical and mental health of its employees, deeply understands their needs, provides rich leisure activities for employees, actively creates a harmonious office environment, brings tangible benefits to employees. Throughout the year, GDH Energy carried out visits to more than 800 employees during important holidays, and assistance was provided to critically ill employees in applying for hospitalisation and secondary medical claims. At the same time, GDH Energy attaches great importance to enriching the leisure life of its employees, and has successively held activities such as employee sports games, "March 8" International Women's Day intangible cultural heritage experience, Mid-Autumn Festival garden party, and autumn outings. GDH Energy aimed to enhance employee communication and cohesion.



■ Spring Festival Visit to Frontline Employees



■ Employee Sports Games



■ "March 8" International Women's Day Intangible Cultural Heritage Experience Activity



Road and Bridge

GDH Highway always adheres to the philosophy of people-oriented and cultural cohesion, focusing on enriching the cultural and sports life of employees, providing practical and meticulous care for employees, and unblocking communication and demand channels, continuously deepening humanistic care and team building. By organising diverse activities such as employee sports meet, collective birthday party, and heartwarming visits and assistance, GDH Highway continuously enhances employees' sense of belonging, happiness, and cohesion, and helps create a humanised and harmonious workplace atmosphere.

Case

Warm Visit, Full Coverage Demonstration of Organisational Care

GDH Highway insists on putting employee care into practice and carrying out warm and comforting work on a regular basis. A total of 29 visits were organised throughout the year, with nearly RMB350,000 distributed. The content covers regular care such as holiday greetings, frontline duty visits, summer "cooling off", as well as emergency assistance such as hospitalisation, childbirth, and the death of immediate family members. It also provides exclusive visits for retired military personnel and further strengthens the connection between enterprises and employees.



■ "Sending Cool" Comfort Activity

GDH Highway is also actively opening up channels for employees' demands, making the monthly "Employee Reception Day" an important platform for contacting employees and solving problems. The Secretary of the General Party Branch and the Chairman of the Labour Union of the Company take the lead in receiving visits, communicating face-to-face with employees, listen to advice from close distance, accurately grasping grassroots difficulties and urgent issues faced by employees, and establishing a closed-loop processing mechanism of "acceptance – handling – feedback". Throughout the year, we have solved a total of 23 various problems for employees, effectively connecting the "last mile" of service for employees, and effectively improving their sense of achievement, happiness, and satisfaction.

Sustainable Supply Chain

The Group is dedicated to the sustainable development of its supply chain. We uphold the supplier management philosophy of “Open Cooperation, Resource Sharing and Mutual Benefit”. We have optimised the supplier management process through compliant access and open and transparent assessment. In this way, we aim to improve the mechanism for communicating with suppliers and work with all partners to build a sustainable supply chain. In 2025, the Group cooperated with 11,965 suppliers, all of which were Tier 1 suppliers.

Supply Chain Management

We adhere to the Law of the People’s Republic of China on Government Procurement, the Law of the People’s Republic of China on Tenders and Bids and other laws and regulations. We have formulated and implemented the Policy on Sustainable Supply Chain of Guangdong Investment Limited and the Measures for Credit Evaluation System for Project Contractors. The ESG Committee of the Group is responsible for supervising sustainable supply chain management, reviewing its performance, and reporting the outcomes to the Board. In the procurement process, we give priority to suppliers who provide green products and fulfil their environmental, employment and social responsibilities, and strictly monitor the access process. We conduct a comprehensive and multi-dimensional supplier assessment and remove suppliers from our supplier list for contract violations, ethical breaches or administrative penalties. With these efforts, we aim to establish an effective supply chain management mechanism.

Supplier Management Process	
Access	We have established a supplier database and supplier management policy. Labour compliance, environmental performance, business ethics, and occupational health and safety certifications have been incorporated into the supplier access. Supplier inclusion in our database is based on self-nominations and our recommendations.
Assessment	<p>We have set up a supplier assessment working group in cooperation with the Group headquarters and the subsidiaries of the business segments to conduct regular written and on-site evaluations of supplier performance. These evaluations focus on suppliers’ fulfilment, responsiveness, cooperation, product and service quality, and safety management.</p> <p>We remove suppliers from our supplier list for contract violations, ethical breaches or administrative penalties, and terminate their cooperation in a timely manner. In addition, suppliers that do not meet the sustainable development management requirements of the Group are required to take rectification measures within a certain period of time. Those that fail to complete rectification within the specified period will have their cooperation terminated.</p>

Supplier ESG Management

We continue to build a full-lifecycle supplier management system. Through tiered credit assessment, integrity risk prevention and control, and sustainable development guidance, we are committed to creating a transparent, compliant, and green high-standard supply chain. Suppliers of all business segments are required to sign integrity agreements in the product and service bidding and procurement contracts. These agreements are designed to eliminate any form of bribery and corruption, and comprehensively prevent the ethical risk in the supply chain. Meanwhile, the management of labour risks in the supply chain is strengthened. We hold our suppliers to the labour standards and occupational health and safety standards. We strictly prohibit our suppliers from getting involved in forced labour or child labour. We also encourage the localisation of supply chain to prefer neighbouring suppliers. The practice reduces greenhouse gas emissions by reducing the number of kilometres travelled, so as to create a green supply chain.



Water Resources

Our water resources business attaches great importance to supplier management. This year, Water Holdings carried out credit evaluation and assessment for project equipment suppliers, conducting tiered management on 44 suppliers across 10 engineering projects. Our water resources business fully provides cooperation opportunities to high-quality suppliers, strengthens supervision and assessment for suppliers who only just meet standards, and implements time-limited rectification and exit mechanisms for unqualified suppliers, committing to laying a good hardware foundation for the development of water resources business engineering projects.

In terms of environmental and social responsibility, the Company integrates sustainability requirements throughout the supplier access, evaluation, and performance stages. During the bidding stage, in addition to technical and commercial considerations, we focus on the supplier's environmental assessment, system certification, work safety, and employee rights protection, encouraging them to showcase green development achievements. During cooperation, by regularly verifying environmental protection, product quality, and supply chain transparency, we continuously guide suppliers to improve their compliance level, practically promoting the green and transparent development of the supply chain.

In the course of its management, the Company simultaneously strengthens the prevention and control of integrity and compliance risks. The Company conducted collective integrity warning talks with the winning bidders for key equipment in water resources business. This strengthened risk prevention and control in the supply link, urging suppliers and management personnel to strictly guard the bottom line and red line, and jointly create a clean and upright construction environment.



Property Investment and Department Store Operation

GDH Teem strictly regulates the bidding and procurement process by revising rules and regulations such as the Bidding Management Measures and Procurement Management Measures. It formulated legally binding Integrity Agreements to prohibit any form of commercial bribery and other behaviours. All open procurement projects are publicised on the Company's official website and the China Bidding Information Network, and all engineering projects that legally must be bid are launched on provincial or municipal public resource trading centres for public bidding, ensuring the procurement process is open and transparent. Simultaneously, GDH Teem requires all personnel participating in procurement reviews to sign a Confidentiality Responsibility Letter and an Evaluation Discipline Commitment Letter, and conducts integrity talks with evaluation representatives before the bid opening of major engineering projects to strengthen warning education. In addition, GDH Teem proactively established reporting channels, encouraging employees and suppliers to report violations in bidding and procurement, striving to create a full process of bidding and procurement that is legally compliant, clean, and fair.

At the same time, GDH Teem attaches great importance to supplier management work. In the early stages of launching major projects, it solidly conducts market research and bottom-line verification of supplier qualifications and performance capabilities to control cooperation risks from the source. For all procurement projects with a budget amount reaching RMB100,000, supplier performance evaluations are conducted after the service ends. Over 190 supplier evaluations for hosted projects completed approval within the year. After assessment, GDH Teem rated 26 suppliers as "not recommended" or placed them on the "blacklist". Suppliers on the blacklist will not pass the qualification review during the procurement evaluation stage; suppliers rated as not recommended will have points deducted during the procurement evaluation stage; for suppliers with good performance, the Company proactively sends procurement invitations via email or SMS when subsequent similar projects are announced, effectively reducing procurement risks and improving procurement quality and efficiency.

Case



Specialised Trainings for Procurement Employees

On 25 July and 24 September 2025, GDH Teem organised two specialised video training sessions on hotel procurement and tendering operations within its network. The training focused on the Group's procurement management systems and control authorities, providing a systematic analysis of institutional norms, operational key points, and centralised procurement requirements. By defining clear business standards and behavioural boundaries, the sessions significantly enhanced the professional capabilities and compliance awareness of procurement staff across various hotels, laying a solid foundation for the development of a transparent and efficient supply chain management system.



Energy Projects

GDH Energy continuously optimises its procurement model, signing centralised procurement contracts with relevant enterprises to ensure a stable supply of materials and reduce procurement frequency, while further expanding the market. In 2025, more than 400 new suppliers were added.

Meanwhile, GDH Energy strictly implements the Group's bidding and procurement requirements, conducts clean procurement training once a quarter, regularly organises bidding and procurement personnel to visit integrity education bases, and actively cooperates with relevant government departments in procurement compliance risk inspections. The energy projects business focuses on implementing procurement compliance management, announcing the winning bid prices and winning units for general material inquiry projects, and requires major winning units to sign integrity agreements.

Community Engagement

The Group always takes fulfilling corporate citizenship responsibilities as its core, adhering to the action orientation of "what the nation needs, what society expects, and what the Group can do". We are committed to building harmonious communities and promoting exchanges between Guangdong and Hong Kong. By deeply cultivating rural revitalisation and systematically practicing green public welfare, we join hands with all sectors of society to transmit value and warmth, realising a vision of a beautiful society.

Together for a Better Community

We provide continuous services to the community and take the initiative to understand the needs of the community. Following the Group's Policy on Charity and Public Welfare Activities Management, business segments carry out diversified charitable activities such as public welfare donations, science education, community services, education assistance and care for the elderly, so as to help build a warm, harmonious and beautiful community. During the Reporting Period, the Group committed 33,363 hours to volunteer service activities in the community.



Water Resources

Our water resources business established the Water Holdings Volunteer Service Team. This year, it carried out 357 volunteer service activities, with the total number of participants exceeding 1,160. Through activities such as educational assistance and visit, voluntary tree planting, community service, and care for special groups, it assisted in patriotic education and committed to promoting community building.

Case

“Star Classroom” Educational Assistance and Visit for Special Children

In 2025, the Water Holdings Volunteer Service Team continued to focus on caring for special children, carrying out the “Star Classroom” educational assistance and visit activity for children with autism. Volunteers prepared a collective birthday party for the children and designed interactive companionship segments. Under the patient guidance of the volunteers, the children wrote, drew, and did handicrafts together, expressing their inner world with colours and lines. The activity went beyond simple material donations, focusing more on companionship and social skill guidance, aiming to help these children better integrate into society through goodwill and professional companionship. We realised our responsibility and humanistic care for special groups with concrete actions.



- Volunteers go to the “Star Classroom” to Carry out Educational Assistance

Youth Ambassadors Presenting in Hong Kong

In 2025, the Youth Presentation Team was invited to participate in the “Themed Sharing Session Commemorating the 60th Anniversary of Dongjiang Water Supply to Hong Kong” hosted by the Hong Kong Association of the Members of the All-China Youth Federation. Combining precious historical images, they told youth representatives from all walks of life in Hong Kong about the construction process and touching stories of the Dongshen Water Supply Project. The presentation not only enhanced Hong Kong youth’s cognitive understanding of major national livelihood projects but also deeply cultivated the profound friendship of shared blood and shared destiny between Shenzhen and Hong Kong. The activity won high praise from leaders of the Liaison Office of the Central People’s Government in the Hong Kong SAR.



■ Youth Ambassadors Presenting in Hong Kong



Property Investment and Department Store Operation

GDH Teem organised subordinate enterprises to carry out rich public welfare volunteer service activities, fully leveraging the resource integration advantages of its shopping malls, department store retail, office buildings, property management, and other formats. It united with local communities to hold convenience activities, cared for the elderly and new employment groups, and provided career experience opportunities for students. By the end of 2025, the Teem Volunteer Service Team had registered 735 volunteers, cumulatively carrying out 291 volunteer services with a service duration exceeding 32,000 hours. Bit by bit, these actions gathered strength to build a harmonious, friendly, and warm community.

“Warming the Community” Volunteer Service Project

“Joy for the Elderly” Senior Care Activities: GDH Teem united multiple forces such as sub-districts, communities, and co-construction units to regularly visit elderly groups such as the solitary and widowed, delivering gifts and holiday greetings. It built a diversified “Senior Care” service matrix, routinely carrying out a series of special activities such as free haircuts, safety publicity, home inspection, and home cleaning, solving practical difficulties in the lives of elderly groups.



■ “Warming the Community” Volunteer Service Activities

“Growth for the Youth” Career Experience Activities: To deepen the three-party linkage of merchants, communities, and schools, GDH Teem carried out the “Growing up with Gains” career experience activities. Relying on the advantages of Teemall’s business premises, these activities cumulatively provided hundreds of Young Pioneers with 12 special practical job positions such as gold medal butler, supermarket stocker, and marketing livestreamer. Simultaneously, Teemall held charity sales and Gaozhou agricultural product exhibitions, organising students to participate in handmade charity sales, agricultural product promotion, and setting up the “High-Quality Development Projects for Rural Revitalisation” policy exhibition area, helping youth establish correct views on career, labour, and values.



■ “Growing up with Etiquette” Career Experience Activities

“A Place to Belong” Love & Care Station Activities: Shopping malls like Guangzhou Teemall and Panyu Teemall created “Love & Care Station” service points, equipped with resting chairs, drinking water, first-aid medicines, mobile phone charging stations, and other supplies. This provides a convenient and comfortable resting place for new employment groups in the community. Every summer, GDH Teem carries out special cooling activities such as “High-Temperature Supermen” and “Great Love in Great Heat”, providing cooling drinks and heatstroke prevention materials to couriers and delivery riders working under high temperature, enhancing the city belonging and social identification of new employment groups.

Pet Adoption and Scientific Pet Care Event

On 9 August 2025, Shenzhen Teemall partnered with pet welfare organisations and tenants to host a public welfare event themed around pet adoption and scientific pet care. The initiative actively promoted the concepts of “Adoption over Purchase”, “Civilised Pet Ownership”, and “Responsible Pet Ownership”, aiming to find warm homes for stray animals and spread the philanthropic spirit of treating all lives with kindness. While driving footfall to the shopping mall, the event also fully demonstrated GDH Teem’s brand commitment to community care and its proactive fulfilment of social responsibilities.



■ Pet Adoption and Scientific Pet Care Event at Shenzhen Teemall



Hotel Ownership, Operation and Management

Guangdong Hotel (Zhuhai) earnestly fulfilled its corporate social responsibility by actively organising employee volunteers to participate in the Chikungunya fever prevention and control environmental cleaning campaign launched by the Yuehua Community of Gongbei Sub-District. On the eve of the Mid-Autumn Festival, employee volunteers of the Hotel visited the Yuehua Community and Guanzha Community of Gongbei Sub-District to express appreciation to frontline sanitation workers, demonstrating the responsibility and commitment of a state-owned enterprise through practical actions.



■ Participating in Environmental Cleaning Campaign



■ Visiting Frontline Sanitation Workers in the Community



Energy Projects

GDH Energy has increased its public service efforts by organising 28 employees to participate in blood donation activities, with 18 of them successfully donating 5,600 ml of blood, effectively assisting the Red Cross Society of Zhongshan cause. GDH Energy organised enterprise open day activities, inviting surrounding units and schools to visit, building good community relations.



■ Blood Donation Activities

Case

Enterprise Open Days

In 2025, GDH Energy carried out 8 Enterprise Open Day activities, inviting surrounding units and schools to strengthen exchanges. Throughout the year, over 320 primary and secondary school teachers and students, parents, and government department personnel visited the Company, promoting emotional connections with surrounding residents.

On 24 October, 51 Young Pioneers from Xinsha Primary School in Huangpu Town visited GDH Energy to carry out a study activity. In the digital exhibition hall, students systematically learned the power generation process and environmental protection technologies of modern power plants, understood “ultra-low emissions”, and participated in fun Q&A with prizes, learning energy conservation, environmental protection, and electrical safety knowledge in a relaxed and pleasant atmosphere.



■ “Families Accompanying Growth” Themed Parent-Child Study Activity



■ “Red Original Aspiration, Lighting up the Era” Xinsha Primary School Study Visit



Road and Bridge

GDH Highway has further strengthened its voluntary service brand by organising the “Warm Journey” Lei Feng Voluntary Service Initiative during the Spring Festival travel rush. This initiative provided drivers and passengers with essential supplies and free vehicle maintenance services. Notably, the Guigang Toll Station was honoured as an “Outstanding Collective” in the 2025 National “Warm Journey” Campaign. On a quarterly basis, GDH Highway conducted four sessions of the “Caring for Drivers” programme offering convenience services, distributing “Warmth Packs”, and carrying out road safety awareness campaigns to enhance travel satisfaction. Furthermore, GDH Highway have deepened the integration of the “Highway + Cultural Tourism + Agricultural Specialitie” model. This approach enables local specialities such as Hengzhou jasmine and Qintang lotus roots, along with the unique local customs of Gangnan, to reach markets across the country via our highway network, thereby boosting the local economy. GDH Highway also broadened our scope of social contribution by organising five charitable activities, including blood donations, voluntary tree planting, and outreach visits to the elderly living alone, and underprivileged students, demonstrating GDH Highway’s commitment to corporate social responsibility.



- “Warm Journey” Lei Feng Voluntary Service Initiative

Case

Voluntary Blood Donation Activity

On 20 March 2025, GDH Highway organised a themed Youth Day initiative titled “Gratitude and Kindness: Learning from Lei Feng and Practising Our Original Aspiration through Voluntary Blood Donation”, with 20 employees participating, further demonstrating GDH Highway’s sense of responsibility and commitment to social welfare.



- Employees Taking Part in the Blood Donation Activity

Promoting Exchanges between Guangdong and Hong Kong

Harmonious and cooperative development between Guangdong and Hong Kong is a crucial link in accelerating the construction of the Guangdong-Hong Kong-Macao Greater Bay Area and a solid foundation for regional revitalisation. In 2025, the Company conducted multiple Guangdong-Hong Kong exchange activities, supporting both places in joining together to build public welfare causes. We cultivate feelings of home and country while jointly promoting the high-quality development of the Greater Bay Area.

Case

Dongshen Water Supply Shenzhen – Hong Kong Youth Cycling Exchange Activity

On 17 May 2025, on the occasion of the 60th anniversary of the completion of the Dongshen Water Supply Project, Water Holdings, united with multiple community organisations in Shenzhen and Hong Kong, jointly hosted a Shenzhen-Hong Kong exchange activity called “Water Connects Shenzhen and Hong Kong, ‘Cycling’ Miracles Paint the National Games”. This attracted over 120 youths from Shenzhen and Hong Kong to participate. Participants felt the historical trajectory of the water supply route through “cross-border cycling”. During “co-painting a long scroll” activity, they used watercolours and ink to depict beautiful visions for the future development of Guangdong and Hong Kong. They also listened to witnesses’ story, reliving the past events of project construction, promoting the youths of both places to deepen friendship and build consensus during interaction.



- “Water Connects Shenzhen and Hong Kong, ‘Cycling’ Miracles Paint the National Games” Cycling Activity

Dongjiang Water Supply to Hong Kong Exploration Tour

From 20 to 21 February 2025, the inaugural “Dongjiang Water Supply to Hong Kong Exploration Tour” visited the Dongshen Water Supply Project. The initiative, organised by the Education Bureau, Development Bureau, and Water Supplies Department of the Hong Kong SAR, and co-organised by the Department of Water Resources of Guangdong Province and Water Holdings, aimed to deepen Hong Kong youth’s understanding of the project’s significance, convey the State’s care and support for Hong Kong, and enhance students’ awareness of water conservation. Tracing the “lifeline” where the Dongshen water traverses mountains and ridges into Hong Kong, 90 secondary school teachers and students from Hong Kong experienced firsthand the “new technologies” involved in Water Holdings’ high-quality and digital-intelligent operations. The tour allowed participants to profoundly appreciate the sense of national pride, the deep bond between compatriots, and the spirit of the “Role Model of the Times” embodied in the continuous flow of the Dongjiang River.



■ Dongjiang Water Supply to Hong Kong Exploration Tour

Strive and Rise Programme

In July 2025, with the support and recommendation of the Group, GDI contacted Gaozhou Media Centre to organise a themed training initiative titled “Hong Kong Youth Connect with Gaozhou: Exploring Cultural Roots and Building National Pride”. This training session invited three young participants from the “Strive and Rise Programme” in Hong Kong, for whom the Gaozhou Media Centre specially arranged professional instructors to conduct lessons via live video link.



- Our Employees Participating in the “2025 Strive and Rise Programme” in Hong Kong

Facilitating Rural Revitalisation

Comprehensively promoting rural revitalisation is the foundation to Chinese modernisation. As an enterprise, we actively fulfill social responsibilities. Using the “High-Quality Development Projects for Rural Revitalisation” as a starting point, we lead all subordinate business segments to carry out activities such as consumption assistance, support of people in difficulty, and donation of funds and goods, effectively carrying out rural revitalisation assistance and public welfare activities.

GDH Teem “High-Quality Development Projects for Rural Revitalisation”

In 2025, taking “Consumption Assistance for the ‘High-Quality Development Projects for Rural Revitalisation’” as the main line, GDH Teem focused on three key measures: “expanding channels, building brands, and promoting revitalisation”, accelerating the advancement of the “High-Quality Development Projects for Rural Revitalisation” to help Gaozhou’s high-quality development.

In terms of expanding channels, Teemall continued to establish Gaozhou agricultural product channels, introduced high-quality agricultural product supplier resources, and built an efficient production and sales docking platform. Teemall pushed Gaozhou agricultural products to enter the procurement systems of five-star hotels and cooperative catering suppliers, with cumulative sales of Gaozhou agricultural products reaching RMB7.35 million throughout the year. It introduced 348 agricultural products to supermarket and online malls such as “Teem+”. For key products like lychees, it held exhibitions, live-streaming sales, and large-screen promotions, cumulatively selling 39,000 kg of Gaozhou lychees, totalling RMB1.16 million.

In terms of building brands, Teemall focused on enhancing Gaozhou’s brand awareness and reputation through multi-dimensional brand promotion and multi-scenario story dissemination. Teemall landed a lychee culture-themed expressway service area; set “Gaozhou Agricultural Product Culture Exhibition Halls” in multiple hotels to promote local historical and cultural stories and special products; and linked mainstream media publicity resources such as Guangdong SASAC official WeChat account and the Southern Publishing & Media, conducting 28 promotional reports on Gaozhou agricultural products.

In terms of promoting revitalisation, the Teemall carried out paired co-construction with the Dalian Village, Sishui Town, Gaozhou City, donating RMB100,000 to Dalian Primary School. It donated RMB172,000 on the “Guangdong Poverty Alleviation and Relief Day” charity donation to support rural revitalisation. It carried out themed assistance and exchange activities such as “Boutique Homestay Operation Training” and “Traffic Safety Knowledge Classes”; and went to comfort difficult groups, conveying care and warmth, and assisting in local rural good governance.



- Live-streaming for Agricultural Assistance



- Caring Visit Activities

Building a Lychee Culture-Themed Demonstration Service Area

The Baiqiao Service Area on the Baomao Expressway serves as a key project and demonstration window for the provincial “High-Quality Development Projects for Rural Revitalisation” and is also Guangdong’s first lychee culture-themed demonstration service area. GDH Teem was responsible for the design and construction, and GDH Teem Commercial is responsible for operating the “Future Pavilion” and “Outlet Station” within it. Through efficient organisation, precise product selection, and diverse marketing measures, by the end of 2025, it had cumulatively attracted nearly 410,000 tourists to visit the store, achieving sales of about RMB1.1 million, injecting strong commercial momentum into the local integrated development of “transportation, agriculture, culture, tourism, and commerce”.



■ Future Pavilion



■ Outlet Station

GDH Energy’s Assistance under the “High-Quality Development Projects”

In 2025, GDH Energy actively implemented the “High-Quality Development Projects”, systematically formulating annual assistance plans, carrying out policy promotion, and implementing multiple assistance measures. In terms of direct donations, GDH Energy donated seating worth approximately RMB13,000 to Sishui Town, Gaozhou, and organised employees to participate in the “Guangdong Poverty Alleviation and Relief Day” charity donation, with 225 participants donating about RMB19,600. In terms of consumption assistance, GDH Energy organised employees to visit Gaozhou to carry out themed educational activities, arranged for the Labour Union to purchase agricultural assistance products and canteen to source ingredients, and promoted the consumption of agricultural and sideline products by the masses. Throughout the year, consumption assistance and donations cumulatively achieved about RMB250,000, effectively assisting Gaozhou’s development and supporting rural revitalisation with concrete actions.



- Uniting Purpose under Party Guidance, Working Together for the “High-Quality Development Projects”

Practising Green Public Welfare

We actively call on all sectors of society to practice green public welfare. Through low-carbon and green campaigns such as “Earth Hour”, “Environmental Protection with You and Me”, “Green Civilisation in Action” and “Green Guangdong” voluntary tree planting, we take practical actions to carry out the concept of energy saving and low-carbon practices and to create a green future together.

Case

“Ecological GDI, Green Guangdong” Voluntary Tree Planting Activity

During the 47th National Tree Planting Day in 2025, Water Holdings responded to the “Green Guangdong” call by carrying out the “Ecological GDI, Green Guangdong” voluntary tree planting activity. On 22 March, over 60 employees and youth volunteers from Water Holdings conducted a special tree-planting action below the dam of the Shenzhen Reservoir, the core water source of the Dongshen Water Supply Project. Together, they planted 30 Golden Trumpet trees, demonstrating the enterprise’s responsibility and commitment to consolidating the ecological foundation of the Bay Area and promoting sustainable development.



■ “Ecological GDI, Green Guangdong” Voluntary Tree Planting Activity

Case

GDH Teem Tree Planting Activity

GDH Teem actively responded to the call to advance the ecological construction of a green and beautiful Guangdong, widely mobilizing units at all levels, staff, and the masses to carry out tree planting and green protection volunteer services. In 2025, it has carried out 43 tree planting activities, planted 5,618 green plants, invested approximately RMB387,000, and engaged 3,500 employees.

Panyu Teemall Green Public Welfare Activities

In 2025, Panyu Teemall carried out a total of 5 marketing activities under the theme of “Green Environmental Protection”, including 3 public welfare promotions and 2 thematic exhibitions. Public welfare promotion mainly focused on environmental theme days such as Earth Day and World Environment Day, arranging offline media promotion within the mall through LED screens, advertising machines, and shopping guide machines, reaching an audience of over 300,000. In April and December, Panyu Teemall held the “Reconstructing the Blooming Season” and “New Life of All Things” environmental-themed art exhibitions, respectively. The “New Life of All Things” low-carbon special exhibition brought together creators from different fields, using discarded materials as mediums to jointly create an immersive art garden integrating natural imagery with sustainable concepts. This allowed the fluidity of commercial space and the silent power of art to intertwine, letting audiences feel the charm of material rebirth and ponder the value of resource recycling.



■ Thematic Exhibition of “New Life in All Things”



■ Thematic Exhibition of “Flowering Period Reconstruction”

Throughout its journey, GDI has continuously achieved significant accomplishments in community co-building, Guangdong-Hong Kong exchanges, rural revitalisation, and green public welfare. Looking ahead, GDI will remain steadfast in its commitment to corporate social responsibility, continuously joining hands with employees and partners to provide community services and making every effort to contribute to charitable causes.

Social Key Performance Indicators

Social Area ¹¹				
Employee data				
Indicators	Unit	2025	2024	2023
Total number of employees	Persons	10,653	10,988	10,757
Total number of employees by gender ¹²				
Male	Persons	7,063	7,248	7,071
Female	Persons	3,590	3,740	3,686
Total number of employees by employee category				
Senior	Persons	362	310	331
Intermediate	Persons	995	1,019	1,155
Junior	Persons	9,296	9,659	9,271
Total number of employees by geographical region				
Chinese Mainland	Persons	10,435	10,802	10,548
Hongkong SAR	Persons	218	186	209
Total number of employees by age group				
30 or below	Persons	1,658	1,889	2,190
31-40	Persons	3,368	3,469	3,248
41-50	Persons	3,415	3,522	3,395
Above 50	Persons	2,212	2,108	1,924
Total number of employees by employment type				
Formal contract	Persons	10,615	10,964	10,640
Outsourced contract	Persons	9	15	103
Temporary and short-term contracts	Persons	29	9	14

¹¹ The scope of social data in 2025 is consistent with that in 2024, including: headquarters of GDI, water resources segment, GDH Energy, GDH Teem, hotel business and GDH Highway.

¹² "Total number of employees" is the number of all employees of the Group's business segments as of 31 December 2025.

Social Area ¹¹				
Total number of resigned employees by gender				
Indicators	Unit	2025	2024	2023
Male	Persons	206	215	398
Female	Persons	153	158	268
Total number of resigned employees by employee category				
Senior	Persons	7	2	17
Intermediate	Persons	38	34	47
Junior	Persons	314	337	602
Total number of resigned employees by geographical region				
Chinese Mainland	Persons	270	313	610
Hongkong SAR	Persons	89	60	56
Total number of resigned employees by age group				
30 or below	Persons	156	182	199
31-40	Persons	90	103	183
41-50	Persons	69	57	158
Above 50	Persons	44	31	126
Turnover rate by gender ¹³				
Male	%	2.92	2.97	5.63
Female	%	4.26	4.22	7.27
Turnover rate by employee category				
Senior	%	1.93	0.65	5.14
Intermediate	%	3.82	3.34	4.07
Junior	%	3.38	3.49	6.49
Turnover rate by geographical region				
Chinese Mainland	%	2.59	2.90	5.78
Hongkong SAR	%	40.83	32.26	26.79

¹³ Turnover rate in the relevant category = number of resigned employees in the specific category /total number of employees in the specific category * 100

Social Area¹¹

Turnover rate by age group

Indicators	Unit	2025	2024	2023
30 or below	%	9.41	9.63	9.09
31-40	%	2.67	2.97	5.63
41-50	%	2.02	1.62	4.65
Above 50	%	1.99	1.47	6.55

Employee training data

Indicators	Unit	2025	2024	2023
Total training hours	Hour	302,602.20	327,363.32	352,873.95
Average training hours per employee ¹⁴	Hour	28.41	29.79	32.80

Average training hours by gender¹⁵

Indicators	Unit	2025	2024	2023
Male	Hour	26.31	28.71	31.92
Female	Hour	32.52	31.90	34.51

Average training hours by employee category

Indicators	Unit	2025	2024	2023
Senior	Hour	30.91	35.17	40.24
Intermediate	Hour	36.77	36.55	34.57
Junior	Hour	27.41	28.91	32.32

Percentage of trained employees by gender¹⁶

Indicators	Unit	2025	2024	2023
Male	%	99.83	99.56	96.29
Female	%	99.58	99.52	97.31

Percentage of trained employees by employee category

Indicators	Unit	2025	2024	2023
Senior	%	100.00	100.00	96.98
Intermediate	%	100.00	100.00	97.75
Junior	%	99.68	99.48	96.49

¹⁴ Average training hours per employee = total training hours/total number of employees.

¹⁵ Training hours per capita by relevant category = total training hours of relevant category/total number of employees of relevant category.

¹⁶ Percentage of trained employees in the relevant category = total number of trained employees in the specific category/total number of employees in the specific category * 100.

Social Area¹¹

Health and safety data

Indicators	Unit	2025	2024	2023
Number of work-related fatalities	Persons	0	0	0
Rate of work-related fatalities	%	0	0	0
Number of work-related injuries	Case	25	25	5
Lost days due to work injury	Day	498	483	233

Supplier Management Data

Indicators	Unit	2025	2024	2023
North China	Company	920	663	415
Northeast China	Company	53	45	41
East China	Company	1,807	745	661
Central China	Company	387	216	152
South China	Company	8,204	5,658	4,673
Southwest China	Company	278	88	68
Northwest China	Company	69	15	13
Hong Kong, Macao and Taiwan	Company	247	175	179

Social Area ¹¹				
Product Responsibility				
Indicators	Unit	2025	2024	2023
Number of service-related complaints	Case	14,748	6,423	6,904
Anti-corruption Data				
Number of concluded legal cases regarding corrupt practices brought against the Group or its employees	Case	0	0	0
Community Investment				
Total of time spent on volunteer activities	Hour	33,362.90	838,640.00	428,172.20
Time spent on volunteer activities	Hour	784.00	1,491.50	336.20
Number of people participated in volunteer activities	Persons	1,782.00	3,326.00	2,430.00

07

Appendix

Appendix 1: ESG Reporting Code Index Table

ESG Indicator		Chapter
Mandatory Disclosure Requirements		
Governance Structure		
(i)	a disclosure of the board's oversight of ESG issues;	ESG Governance
(ii)	the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and	ESG Governance
(iii)	how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	ESG Governance
Reporting Principles		
Materiality	The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	Reporting Principles
Quantitative	Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	Reporting Principles
Consistency	The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Reporting Principles

ESG Indicator		Chapter
Reporting Boundary		
A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.		Reporting Scope
"Comply or explain" Provisions		
Aspect 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.	Resource Management Environmental Protection
KPI A1.1	The types of emissions and respective emissions data.	Environmental Key Performance Indicators
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Protection
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Protection

ESG Indicator	Chapter	
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Resource Management
KPI 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).	Environmental Key Performance Indicators
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Management Efforts To Address Climate Change
KPI 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.	Resource Management Efforts To Address Climate Change
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group's operational activities do not involve the consumption of packaging materials.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Protection
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection

ESG Indicator	Chapter	
Aspect 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.	Talent Management
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Social Key Performance Indicators
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Social Key Performance Indicators
Aspect 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.	Work Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Social Key Performance Indicators
KPI B2.2	Lost days due to work injury.	Social Key Performance Indicators
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Work Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Talent Management
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Social Key Performance Indicators
KPI B3.2	The average training hours completed per employee by gender and employee category.	Social Key Performance Indicators

ESG Indicator		Chapter
Aspect 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.	Talent Management
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Talent Management
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Talent Management
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Sustainable Supply Chain
KPI B5.1	Number of suppliers by geographical region.	Social Key Performance Indicators
KPI 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.	Sustainable Supply Chain
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Supply Chain
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Supply Chain

ESG Indicator	Chapter	
Aspect 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.	Quality Assurance
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group's products and services are not subject to recalls for healthy and safety reasons.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Social Key Performance Indicators
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Quality Assurance
KPI B6.4	Description of quality assurance process and recall procedures.	Quality Assurance
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Quality Assurance
Aspect 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.	Business Ethics
KPI 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.	Social Key Performance Indicators
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics

ESG Indicator		Chapter
Aspect 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.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Social Key Performance Indicators

ESG Indicator		Chapter
Climate-related Disclosures		
Governance		Efforts To Address Climate Change
Strategy		Efforts To Address Climate Change
Risk Management		Efforts To Address Climate Change
Metrics and Targets		Efforts To Address Climate Change

Appendix 2: Assurance Statement

The SGS logo is positioned in the upper right corner of the page. It consists of the letters 'SGS' in a bold, black, sans-serif font. A thin orange horizontal line is drawn across the top of the 'S' and 'G', and a thin blue vertical line is drawn to the right of the 'S' and 'G', intersecting at the top right corner of the 'S'.

ASSURANCE STATEMENT

REPORT ON SUSTAINABILITY ACTIVITIES IN THE GUANGDONG INVESTMENT LIMITED'S 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

NATURE OF THE ASSURANCE/VERIFICATION

SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter referred to as SGS-CSTC) was commissioned by Guangdong Investment Limited to conduct an independent assurance of the **2025 Environmental, Social and Governance Report** (Chinese version) for the period of January 1, 2025 to December 31, 2025. Data drawn directly from independently audited financial accounts and intensity data calculated based on financial data has not been checked back to source as part of this assurance process.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Guangdong Investment Limited's Stakeholders.

RESPONSIBILITIES

The sustainability information in the **2025 Environmental, Social and Governance Report** and its presentation are the responsibility of Guangdong Investment Limited's governing body and the management. SGS-CSTC has not been involved in the preparation of any of the material included in the **2025 Environmental, Social and Governance Report**.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

SGS-CSTC hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3) and at moderate assurance level, a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP, 2018).

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information in **2025 Environmental, Social and Governance Report**, and evaluation of adherence to Main Board Appendix C2 Environmental, Social and Governance Reporting Code of Listing Rules published by HKEX.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, employee onsite interview and remote interview, documentation and record review and validations.

On-site interview took place at:

Headquarters, 28/F, Guangdong Investment Tower, 148 Connaught Road Central, HongKong, P.R. China;
 Water Resources, Donghu 2nd Road, Luohu District, Shenzhen, Guangdong Province, P.R. China;
 Property Investment, Department Store Operation and Hotel Ownership, Operation and Management, Teemall Tower, No. 208, Tianhe Road, Tianhe District, Guangzhou, Guangdong Province, P.R. China;
 Energy Projects, No. 18, Punan Road, Zhongshan, Guangdong Province, P.R. China;
 Road and Bridge business was interviewed remotely at Highway Management Zone, Longma Village, Shika Town, Qintang District, Guigang, Guangxi Province, P.R. China.

LIMITATIONS

The greenhouse gas emissions related data in the **2025 Environmental, Social and Governance Report** was calculated by Guangdong Investment Limited. In the context of the present assurance engagement, our procedures were limited to sample-based validation.

This assurance engagement was limited to conducting interviews with departmental managers and selected employees of Guangdong Investment Limited, in addition to reviewing relevant documents and records. Not all original data is traced.

INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. As an affiliate of SGS Group, SGS-CSTC affirm our independence from Guangdong Investment Limited, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we believe that the specified performance information included in the scope of assurance has been fairly stated, no systematic error was found. The Guangdong Investment Limited's **2025 Environmental, Social and Governance Report**, has been prepared in accordance with the Four Principles of AA1000.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

The Guangdong Investment Limited's **2025 Environmental, Social and Governance Report** has demonstrated that the organization identified its stakeholders, collected their expectations and concerns, established methods for stakeholder communication and engagement, and undertaken various forms of dialogue and interaction with them.

MATERIALITY

The Guangdong Investment Limited's **2025 Environmental, Social and Governance Report** has reasonably disclosed significant issues and indicators that materially affect stakeholder evaluations and decisions, reflecting the organization's most significant impacts on economic, environmental, and social matters based on the concerns raised by relevant stakeholders.

RESPONSIVENESS

The Guangdong Investment Limited's *2025 Environmental, Social and Governance Report* has demonstrated the established channels for stakeholder interaction and has fully addressed stakeholder concerns and expectations. Additionally, it has provided transparent responses on material issues to an appropriate extent.

IMPACT

The Guangdong Investment Limited's *2025 Environmental, Social and Governance Report* has provided an account of the monitoring and measurement of the principal activities' impacts concerning environmental, social, and governance (ESG) issues.

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

On the basis of the methodology described and the verification work performed, we checked management documents, ESG management system data, receipts, minutes of meetings, ISO certifications, etc. We have confidence that the specified performance information included in the scope of assurance is reliable at a moderate level of scrutiny for Guangdong Investment Limited.

ADHERENCE TO MAIN BOARD APPENDIX C2 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE OF LISTING RULES PUBLISHED BY HKEX

The assurance team concludes that the The Guangdong Investment Limited's *2025 Environmental, Social and Governance Report* has been prepared in accordance with the requirements of Main Board Appendix C2 Environmental, Social and Governance Reporting Code of Listing Rules published by HKEX.

RECOMMENDATIONS

All observations pertaining to commendable practices, sustainable development activities, and managerial recommendations identified throughout the assurance process have been thoroughly communicated with relevant management divisions of Guangdong Investment Limited to serve as a reference for their ongoing efforts towards continuous improvement.

Signed:



For and on behalf of SGS-CSTC

David Xin
Sr. Director – Business Assurance
16/F Century Yuhui Mansion, No. 73, Fucheng Road, Haidian District, Beijing, P.R. China

Apr. 17th, 2026
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