



2024
Environmental, Social
and Governance (ESG) Report

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Chairman's Message

Action-Oriented Responsibility, Co-Creating a More Sustainable Future



In an era marked by escalating global water challenges and environmental pressures, the water sector bears the dual mission of safeguarding public welfare and driving sustainable development. As a leading integrated water services enterprise in China, United Water remains steadfast in its corporate mission to "ensure the provision of high-quality water to consumers and eco-friendly water treatment services that contribute to environmental protection." With a profound sense of responsibility, we uphold the principles of sustainable development, achieving the harmonious integration of economic, social, and environmental value.

The global consensus on green and low-carbon transformation has become unequivocal. Aligning with this trend, United Water continuously advances technological innovation and management optimization to enhance water resource efficiency, reduce wastewater discharge and pollution, improve aquatic ecosystems, and protect water environments. We accelerate the development of new quality productive forces, exemplified by the successful maiden voyage of our water environment smart management unmanned surface vehicle, marking a milestone in intelligent water environment governance. In response to climate change challenges, we actively support China's "Dual Carbon" goals by embracing green energy opportunities through exploring clean energy utilization such as photovoltaic and tailwater power generation, expanding our green industry development strategy, and driving low-carbon, eco-friendly sustainable development.

As a socially responsible water enterprise, United Water prioritizes public welfare by continuously upgrading urban-rural water supply infrastructure, enhancing service reliability and quality, and striving to earn government trust and customer satisfaction. Through diverse volunteer initiatives, we

support education, sports, healthcare, and poverty alleviation, contributing to a brighter future. For a long time, we have been committed to a people-centric philosophy to ensure employee rights, well-being, and an equitable workplace. By investing in career development programs, we aim to foster our employees' sense of belonging, fulfillment, and happiness, ensuring the growth of every team member alongside the company's development.

We adhere to principles of standardization, transparency, efficiency, and accountability, strictly upholding business ethics and consistently improving corporate governance structures. To elevate our ESG governance, we proactively integrate ESG into strategic planning and operations, advancing steadily on our sustainability journey. Our efforts have garnered widespread recognition, and we have been repeatedly selected as sustainable development practice cases, such as the "2024 ESG Jasmine Gold Award" and the "2024 SSE Golden Quality ESG Award".

Amid global environmental crises, disruptive technological shifts, and economic uncertainties, businesses must embrace transformative change to seize emerging opportunities. Sustainability is not only an imperative for addressing global challenges and achieving high-quality development but also the essential path to greatness. Looking forward, United Water will continue to be guided by sustainability, driven by responsibility, and powered by technology, marching forward with our vision of striving to be a GREAT company—Growth, Return, Excellence, Ambition, Talent. By collaborating with all stakeholders, we are committed to protecting clear water and fostering a harmonious coexistence between humanity and the water ecosystem.

Chairman and President of United Water
Phillip Weijing Yu



About United Water

Company Introduction

Company Profile

Jiangsu United Water Technology Co., Ltd. (Stock Code: 603291.SH) is a comprehensive water utility company with a broad range of operations that include tap water production and supply, sewage treatment and resource recovery, and the management of water environments and aquatic ecological restoration in river and lake basins. Through investment, construction, and management that span from the source to the tap, the Company has established a complete industrial chain within the water utility sector.

At present, United Water boasts agreements and planned processing capabilities for tap water supply, sewage treatment, and resource recovery projects that total approximately 2.7 million tons per day. These projects span 10 provinces and 16 cities in China, encompassing 26 operating companies and a water supply operation in Dhaka, the capital of Bangladesh.

United Water champions a win-win model that aligns the interests of society, investors, employees, and customers to foster reforms and growth within China's water utility industry. The Company consistently applies an investment philosophy that merges Eastern and Western management ideals, places a high value on human resources, and underlines the importance of efficiency and conservation. This approach ensures the provision of high-quality water to consumers and eco-friendly water treatment services that contribute to environmental protection.

Vision

United Water strives to be a GREAT company!



Corporate Core Values

**Unity,
Integrity,
Endeavor,
and Mutual Success**

Mission

- We ensure the provision of high-quality water to consumers and eco-friendly water treatment services that contribute to environmental protection.
- We constantly pursue growth and identify and develop high-value water infrastructure assets.
- We provide employees with a safe and inclusive workplace, as well as opportunities to bring their talent and expertise into full play in their careers.

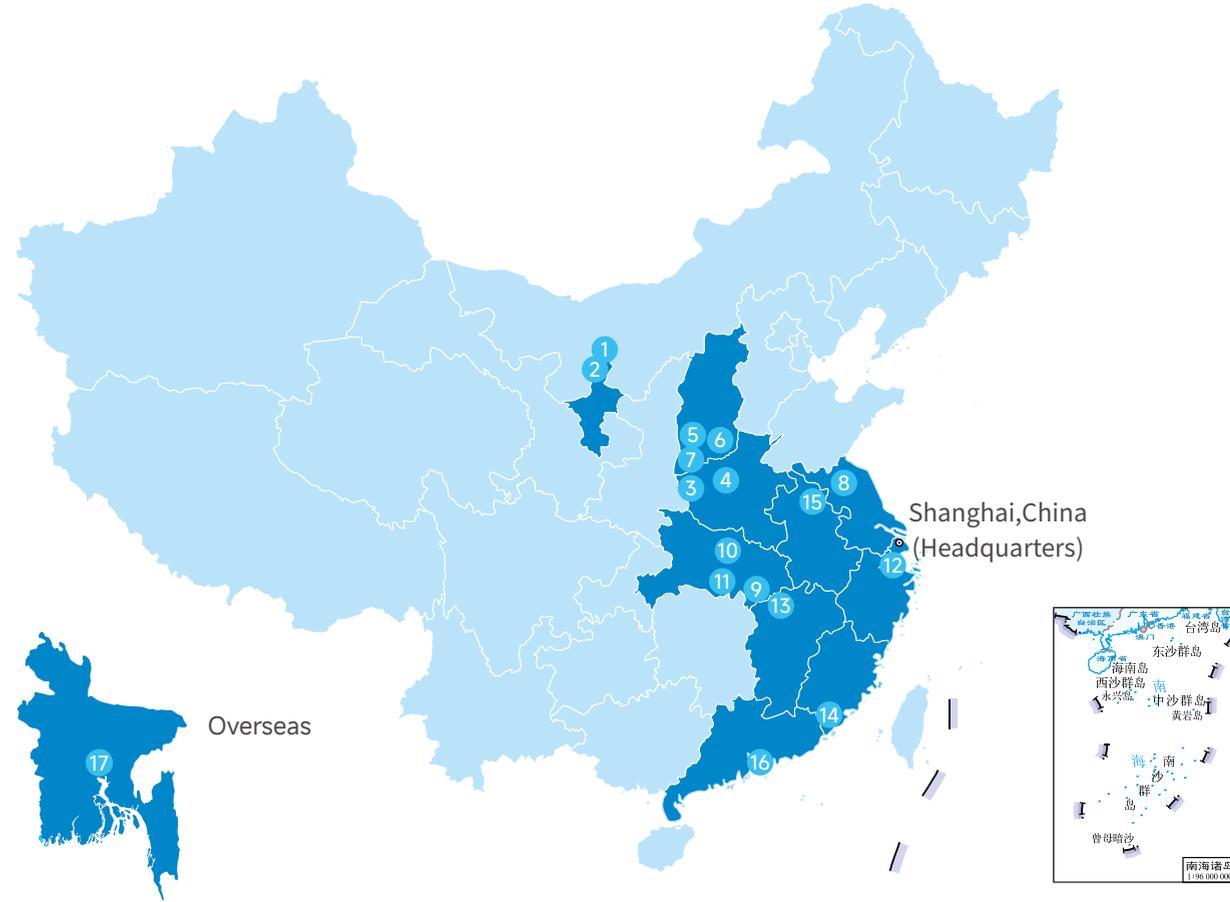


Business Overview

Business Footprint

China	
1 Helan, Ningxia	9 Xianning, Hubei
2 Hongze, Ningxia	10 Suizhou, Hubei
3 Sanmenxia, Henan	11 Jingzhou, Hubei
4 Henan, Xinmi	12 Tongxiang, Zhejiang
5 Linfen, Shanxi	13 Ruichang, Jiangxi
6 Xinjiang, Shanxi	14 Zhangzhou, Fujian
7 Jishan, Shanxi	15 Huaibei, Anhui
8 Suqian, Jiangsu	16 Shenzhen, Guangdong

Overseas	
17 Bangladesh	



Business Scope

<div style="border: 2px solid #0070C0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto 20px auto;"> Water Supply </div> <ul style="list-style-type: none"> • Municipal Water Supply • Industrial Park Water Supply • Urban-Rural Water Supply Integration • Extended Water Supply Services 	<div style="border: 2px solid #0070C0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto 20px auto;"> Sewage Treatment and Resource Utilization </div> <ul style="list-style-type: none"> • Municipal Sewage Treatment • Industrial Park Sewage Treatment • Sewage Resource Utilization • Difficult-To-Treat Industrial Wastewater 	<div style="border: 2px solid #0070C0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto 20px auto;"> Water Environment Management </div> <ul style="list-style-type: none"> • Water Environment Management of Basins, Rivers, Lakes, etc. • Water Resources Protection and Management • Tailwater Standard Improvement of Sewage Treatment Plants
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Key Operational Details

Water supply plants	Sewage treatment plants
8	11

Water supply contractual capacity	Sewage treatment contractual capacity
2,100,000	600,000
tons per day	tons per day

Completed water supply capacity	Completed sewage treatment capacity
941,700	488,000
tons per day	tons per day

Cumulative Total water environment management area of approximately

2,000,000

square meters

Cumulative Registered Patents	Cumulative Software Copyrights
18	12

Our 2024

ESG Awards

Selected as a
"2024 Outstanding Sustainable Development Practice Cases of Listed Companies" by the China Association for Public Companies (CAPCO).

Selected as a
"2024 Jiangsu Listed Companies' Exemplary Sustainable Development Practice Cases" by the Jiangsu Association of Public Companies (JSAPCO), and featured in the JSAPCO Journal (Issue 4, October 2024, Total Issue 8).

Listed in the 2024 CSI ESG Rankings, including
"Top 20 ESG Performance in A-Share Public Utilities Sector",
"Top 20 ESG Information Disclosure in A-Share Public Utilities Sector",
"Top 100 Outstanding ESG Report Debuts Among A-Share Listed Companies", and
"Outstanding ESG Performance in A-Share Municipal Facilities Sector".

Awarded
the "2024 Wind China Listed Companies ESG Best Practice Top 100" by Wind ESG.

Awarded
the "2024 ESG Jasmine Gold Award" from the Organizing Committee of Jiangsu Capital Market Summit

Awarded
the "2024 SSE Golden Quality ESG Award".

Total assets
 RMB **3,715.24** million

Operating profit
 RMB **190.98** million

Total tax payment
 RMB **112.41** million

Operating revenue
 RMB **1,140.40** million



Partial Honors & Awards

United Water was honored with the **"Class A Taxpayer"** in 2023 by the State Taxation Administration.

United Water was honored with the **"Regional Headquarters of Multinational Corporation"** by the Jiangsu Provincial Department of Commerce.

United Water was honored with the **"Outstanding Harmonious Labor Relations Enterprise in Jiangsu Province"** by the Jiangsu Provincial Department of Human Resources and Social Security.

United Water was honored with the **"2023 Excellence Award for Key Urban Construction Projects"** by the Suqian Central City Key Project Construction Leading Group.

United Water was honored with the **"2022-2023 Suqian Contract-Abiding and Trustworthy Enterprise"** by the Suqian Enterprise Credit Management Association.

Suizhou United Water Co., Ltd. was honored with **"Hubei Provincial Contract-Abiding and Trustworthy Enterprise (2022-2023)"** awarded by the Hubei Provincial Market Regulation Administration.

Suizhou United Water Co., Ltd. was honored with the **"Suizhou City Contract-Abiding and Trustworthy Enterprise 17th Term (2022-2023)"**.

Jingzhou Shenlian Environmental Technology Co., Ltd. was honored with **"Hubei Provincial Contract-Abiding and Trustworthy Enterprise (2022-2023)"** awarded by the Hubei Provincial Market Regulation Administration.

Jingzhou Shenlian Environmental Technology Co., Ltd., Jingzhou Shenlian Water Co., Ltd. were honored with the **"Jingzhou City Contract-Abiding and Trustworthy Enterprise 17th Term (2022-2023)"**.

Xianning United Water Co., Ltd. was honored with **"Hubei Provincial Contract-Abiding and Trustworthy Enterprise (2022-2023)"** awarded by the Hubei Provincial Market Regulation Administration.

Xianning United Municipal Engineering Co., Ltd. was honored with **"Hubei Provincial Contract-Abiding and Trustworthy Enterprise (2022-2023)"** awarded by the Hubei Provincial Market Regulation Administration.

Xianning Siyuan Water Co., Ltd. was honored with the **"2024 Hubei Provincial Rural Water Supply Standardized Management Project"** by the Hubei Provincial Rural Drinking Water Safety Center.

Xianning United Water Co., Ltd. and Xianning United Municipal Engineering Co., Ltd. were honored with the **"Xianning City Contract-Abiding and Trustworthy Enterprise 17th Term (2022-2023)"**.

Xianning United Water Co., Ltd. was honored with the **"2024 Outstanding Unit in Emergency Response to Low-Temperature Ice-Snow Weather Events"** by the Xianning Municipal Housing and Urban-Rural Development Bureau.

Xianning United Water Co., Ltd. was awarded the **"2023 Advanced Trade Union (Municipal Level)"** by the Xianning Municipal Federation of Trade Unions.

Sanmenxia United Water Co., Ltd. was honored with the **"Advanced Unit in Urban Water Supply and Sanitation Management"** by the Sanmenxia Municipal Health and Family Planning Supervision Bureau.

Sanmenxia United Water Co., Ltd. was honored with the **"Annual Best Production Support Unit"** by the Sanmenxia Demonstration Zone Datang New Energy Industrial Park Operation Center.

Sanmenxia United Water Co., Ltd. was honored with the **"2023 Advanced Unit in Work Safety"** by the Sanmenxia Demonstration Zone Work Safety Committee.

Sanmenxia United Water Co., Ltd. was honored with the **"Safe Enterprise in Sanmenxia Urban-Rural Integration Demonstration Zone"** by the Sanmenxia Demonstration Zone Peaceful Construction Leading Group Office.

Jishan United Water Co., Ltd. was honored with the **"2023 Outstanding Enterprise"** by the Jishan County Housing and Urban-Rural Development Bureau.

Sustainable Development Management

Sustainable Development Governance

United Water places a high priority on corporate ESG governance, consistently considering that enterprises should actively contribute to sustainable development while creating value for stakeholders. Based on this principle, we integrate ESG governance into our daily operational processes, continually improving governance system, optimizing structure, refining management policies, and elevating governance standards. These initiatives aim to better balance and fulfill the needs of diverse stakeholders while contributing to the sustainable development of society.

To elevate ESG governance, United Water has instituted a three-tier structure comprising supervision, management, and implementation, with clearly defined roles and responsibilities at each level. We have also established a Strategy and ESG Committee, which is subordinate to the Board of Directors and assists in implementing initiatives related to sustainability.

During the reporting period, the Strategy and ESG Committee held special meetings to review key issues, material issue evaluations, and achievement of goals. Meanwhile, the committee actively organized targeted training in ESG, including the latest trends and standards, analysis of rating methods, and enhancement of management practices. These efforts have further enhanced employees' professional competence and facilitated the efficient implementation of the initiatives across the organization.

United Water Board of Directors

Oversee and approve ESG-related policies and programs.

Strategy and ESG Committee

Steer the Company by formulating ESG strategies, monitoring progress, and evaluating effectiveness;

Report to the Board and aid in the identification and evaluation of ESG-related risks and opportunities.

ESG Working Group

Under the Strategic and ESG Committee's guidance, engage with the Securities Affairs Department, various functional departments, and project companies to advance the actualization of ESG objectives.

Sustainable Development Strategy

United Water has deeply integrated ESG governance into the Company daily operations, propelling the Company into a new phase of high-quality development and green transformation. To ensure the effective implementation of initiatives, we have incorporated the assessment content of ESG factors, such as quality, safety, environment, into performance management systems. Through standardized management and enhanced execution, the Company promotes the implementation and effectiveness of the sustainable development strategy.



Stakeholder Engagement

United Water is deeply committed to engaging with all stakeholders. By analyzing our operational and managerial spectrum, issue relevance, and a multitude of impact factors, we pinpoint and engage with key internal and external stakeholders. Through diverse communication channels, we grasp stakeholder expectations and needs, thereby fostering harmonious and mutually beneficial relationships.

Stakeholders	 Government & Regulatory Bodies	 Shareholders & Investors	 Customers	 Suppliers & Partners	 Employees	 Communities & the General Public
Key Issues	<ul style="list-style-type: none"> • Water Supply Resilience • Pollution and Waste Management • Promote Green Environmental Practices • Water Resource Management • Conserve Biodiversity • Compliant and Sound Operations • Improve the Business Environment 	<ul style="list-style-type: none"> • Water Resource Management • Pollution and Waste Management • Water Supply Resilience • Digital Transformation and Smart Water Utilities • Combat Corruption and Fraud • Compliant and Sound Operations • Corporate Governance 	<ul style="list-style-type: none"> • Water Supply Resilience • Digital Transformation and Smart Water Utilities • Enhance Privacy and Information Security • Compliant and Sound Operations • Water Resource Management • Pollution and Waste Management • Foster Collaborative Success and Establish Win-win Partnerships • Combat Corruption and Fraud • Product Accessibility 	<ul style="list-style-type: none"> • Improve the Business Environment • Supply Chain Management • Foster Collaborative Success and Establish Win-win Partnerships • Corporate Governance • Enhance Privacy and Information Security • Water Supply Resilience • Product Accessibility • Water Resource Management • Promote Fair Competition 	<ul style="list-style-type: none"> • Employee Rights and Welfare • Employee Training and Professional Development • Ensure Occupational Health and Safety • Enhance Privacy and Information Security • Water Supply Resilience • Compliant and Sound Operations 	<ul style="list-style-type: none"> • Product Accessibility • Pollution and Waste Management • Water Supply Resilience • Promote Green Environmental Practices • Promote Energy Efficiency and Reduce Consumption • Water Resource Management • Conserve Biodiversity
Communication Methods	<ul style="list-style-type: none"> • Regular exchanges and updates • Policy Consultation & Feedback • Timely reporting schedules • Compliance Supervision • Comprehensive site evaluations 	<ul style="list-style-type: none"> • Transparent disclosure of information • Inclusive shareholder meetings • Roadshows and Earnings Presentations • Interactive investor relations platforms • Minority Shareholder Engagement 	<ul style="list-style-type: none"> • Customer satisfaction polling • Efficient feedback and grievance resolution processes • Personalized customer outreach communications • Accessibility to open information 	<ul style="list-style-type: none"> • Daily dialogues and interactions • Comprehensive site evaluations • Strategic collaborative efforts • Thematic Training • Sector-specific networking events 	<ul style="list-style-type: none"> • Accessible communication mailbox • Representation in employee congress • Trade Union Activities • Employee Training • Employee Satisfaction polling 	<ul style="list-style-type: none"> • Community Engagement • Media Interaction • Industry Forums • Dissemination of public advisories • Initiatives for community volunteerism

Material Issues Management

The normalization of Material issues management serves as the foundation for advancing sustainable development planning, risk and opportunity management, and information disclosure. In 2024, United Water aligned with the latest global disclosure standards, including the *Global Reporting Initiative Standards*, *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14: Sustainability Reporting (Trial)*, *Shanghai Stock Exchange Self-Regulatory Guide for Listed Companies No. 4: Sustainability Report Preparation*, and *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information*. We conducted a dual materiality evaluation tailored to the Company's business context for stakeholders, evaluating material issues through two dimensions, impact materiality (i.e. the significance of economic, environmental, and social sustainability impacts) and financial materiality (i.e. the significance of financial implications for the company). Through research, United Water identified and evaluated material issues. We conducted material disclosures and responses in this report, clarified the management strategies for each issue, and continually improved ESG management, in order to better meet the expectations and demands of stakeholders.

Dual Materiality Evaluation Process

Identification and Recognition

United Water prepared out the ESG issue list by referencing macro-level policies in operational jurisdictions and industry-specific policies and standards, building on an analysis of internal and external development trends. This process identified 24 key general and industry-specific issues:

- ① Based on the set issues in *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14: Sustainability Reporting (Trial)*, we established a baseline list, and referred to other domestic and international authoritative sustainability reporting standards, including *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information* and *Global Reporting Initiative Standards*.
- ② Domestic and international mainstream ESG rating systems and industry-specific sustainability issues.
- ③ Issues of common concern to stakeholders, combined with industry characteristics, development stage, business model, and value chain, were used to identify other financially or impact material issues.
- ④ Referencing expert opinions, etc.

Research and Evaluation

Following the dual materiality principle, United Water conducted impact importance evaluation and financial importance evaluation, forming the 2024 materiality matrix and determining the priority of material issues for the year. Participants included directors, executives, employees, customers, suppliers, investors, regulators, media, and the public.

Impact materiality: Determining impact materiality evaluation factors and scoring ranges, stakeholders evaluated the Company's material issues based on impact scale, scope, irremediability, and likelihood of impact occurrence. According to the survey results, we evaluated the impact materiality of each issue. The company's Strategy and ESG Committee and external sustainability experts reviewed and confirmed the results.

Financial materiality: Determining financial materiality evaluation factors and thresholds, the Company evaluated the financial material issues based on their potential impact on the business models, operations, strategies, financial status, cash flow, financing methods, and costs in the short, medium, and long term. The Strategy and ESG Committee and external sustainability experts reviewed and confirmed the results.

Confirmation and Response

Based on the research results, the Company constructed a materiality matrix from two dimensions of impact materiality and financial materiality. The Strategy and ESG Committee and external sustainability experts reviewed and confirmed the results, determining the priority of ESG issues and focusing on disclosing governance, strategy, risk and opportunity management, indicators, and goals for material issues in this report.

materiality matrix



Governance Dimension

- 1 Promote fair competition
- 2 Investor rights protection
- 3 Combat corruption and fraud
- 4 Supply chain management
- 5 Corporate governance
- 6 Compliant and sound operations
- 7 Digital transformation and smart water utilities

Environmental Dimension

- 8 Environmental management system
- 9 Promote green environmental practices
- 10 Conserve biodiversity
- 11 Water Resource Management
- 12 Pollution and waste management
- 13 Respond to climate change and promote energy efficiency and reduce consumption

Social Dimension

- 14 Encourage volunteerism and public welfare
- 15 R&D innovation and intellectual property protection
- 16 Product accessibility
- 17 Foster collaborative success and establish win-win partnerships
- 18 Enhance privacy and information security
- 19 Employee rights and welfare
- 20 Employee training and professional development
- 21 Ensure occupational health and safety
- 22 Improve the business environment
- 23 Water supply resilience

Major Adjustments of Material Issues in 2024

	Current issues	Original Issues
Issue consolidation	Respond to climate change and promote energy efficiency and reduce consumption	Address climate change challenges and promote energy efficiency; Reduce consumption
	R&D innovation and intellectual property protection	Boost technological innovation and safeguard intellectual property rights
	Water supply resilience	Improve water quality management and maintain the operation of pipeline network
Presentation adjustments	Current issues	Original Issues
	Corporate governance	Enhance governance level
	Environmental management system	Strengthen the environmental management system
	Pollution and waste management	Implement effective waste management
	Employee rights and welfare	Uphold employee rights
Deleted issues	Current issues	Original Issues
	Invest in green technology research and development	Integrated into R&D innovation and intellectual property protection for collaborative management
New issues	Current issues	Original Issues
	Align with national strategies	Integrated into water supply resilience, product accessibility and encourage volunteerism and public welfare for collaborative management
	Product accessibility	Responding to stakeholders concerns
	Digital transformation and smart water utilities	Responding to industry trends and stakeholders concerns

Analysis of Risks and Opportunities of Material Issues

United Water comprehensively analyzed the scope, duration, risks and opportunities of key sustainability issues, and formulated corresponding response strategies to strictly control related risks and actively seize relevant opportunities, achieving sustainable development.

Material Issues	Duration	Risks and Opportunities	Response strategies
Water resource management	Mid-to-long-term	<ul style="list-style-type: none"> Water scarcity may result in diminishing water supply capacity, increasing operational costs, and reducing income, while increasing compliance risks and intensifying market competition, collectively threatening the Company's long-term development. The Company enhances water resource management capabilities, drives the implementation of water-saving initiatives across the organization, and elevates corporate reputation and brand image. 	<ul style="list-style-type: none"> Establish a comprehensive water resource risk management system that conducts water resource risk identification and evaluation. Develop response strategies for the identified water resource risks, continually monitor water resource risk management, and enhance response capabilities and resilience. <i>Details can be found in the chapter: "Water Resource Management".</i>
Respond to climate change and promote energy efficiency and reduce consumption	Mid-to-long-term	<ul style="list-style-type: none"> Extreme weather may result in natural disasters, affecting energy supply stability, damaging the overall water supply system, causing fixed asset losses, increasing costs, and impacting company profits. The Company innovates in the sustainable business development model, enhances the resilience to withstand environmental risks, and elevates corporate reputation and impact. 	<ul style="list-style-type: none"> Develop emergency plans to enhance response capabilities under extreme weather conditions. We are dedicated to organizational support and material reserves, ensuring operational safety. By refining processes and inspection procedures, ensure water supply and drainage efficiency. <i>Details can be found in the chapter: "Responding to Climate Change".</i>
Digital transformation and smart water utilities	Mid-to-long-term	<ul style="list-style-type: none"> Inadequate progress in digital and intelligent transformation may lead to operational inefficiencies, delays in pipeline network monitoring and malfunction response, and an inability to meet customer demands for high-quality services—ultimately undermining the Company's competitiveness and long-term development prospects. The Company enhances operational efficiency and ensures timely response in pipeline network operation and maintenance. This enhancement not only elevates service quality, but also reinforces the Company's advancement and competitive edge in the market. 	<ul style="list-style-type: none"> Advance the construction of key information technology projects and then establish a data-driven efficient operational management model. Establish a group-wide digital management platform to deeply integrate digital technology with production and operations. <i>Details can be found in the chapter: "Digital and Intelligent Enablement".</i>
Supply chain management	Mid-to-long-term	<ul style="list-style-type: none"> ESG risks in the supply chain may lead to instability, affecting production and operations, and continuous empowerment of suppliers may increase costs. Establishment of the sustainable supply chain contributes to enhancing stability and advancing the healthy development of supply chain enterprises. 	<ul style="list-style-type: none"> Establish a comprehensive process supplier management system, incorporating ESG factors into supplier evaluation and selection. Dedicated to enhancing risk identification and management in the supply chain, continually identifying and monitoring potential threats. Encourage the sustainable development of suppliers. <i>Details can be found in the chapter: "Supply chain management".</i>
Improve the business environment	Long term	<ul style="list-style-type: none"> Adverse business environments may deteriorate customer relationships, leading to client attrition and negatively impacting the Company's market performance. The Company enhances customer satisfaction, which drives business growth and unlocks new commercial opportunities. 	<ul style="list-style-type: none"> Continually optimize and improve the water supply business environment, and elevate service quality and user experience. Establish a customer feedback mechanism, which ensures timely response to client issues. <i>Details can be found in the chapter: "Improve the Business Environment".</i>

Material Issues	Duration	Risks and Opportunities	Response strategies
Water supply resilience	Long term	<ul style="list-style-type: none"> Inadequate water supply capacity may lead to customer attrition, regulatory penalties and legal disputes, damaging the Company's reputation, and adversely affecting operational and market performance. The Company enhances customer satisfaction and optimizes market performance, which elevates corporate reputation and drives business growth. 	<ul style="list-style-type: none"> Implement rigorous construction controls, select premium pipeline materials, conduct timely upgrades of aging pipelines, complemented by regular and irregular inspections to optimize the layout and operational efficiency of the pipeline network. Enhance water quality risk identification, elevate inspection frequency, and ensure water quality management standards through targeted training and assessments. <i>Details can be found in the chapter: "Water Supply Resilience".</i>
Pollution and waste management	Long term	<ul style="list-style-type: none"> Improper treatment of pollution and waste may result in regulatory penalties, criminal liability, financial losses, and an adverse impact on corporate reputation and brand image. The Company enhances environmental management practices and reduces ecological impacts, which contributes to elevating corporate reputation and brand image. 	<ul style="list-style-type: none"> Implement continuous monitoring of emission sources, including wastewater, exhaust gases, and noise, while enhancing governance and enforcing rigorous compliance with pollution and waste discharge standards. By exploring integrated waste utilization methods, enhance resource efficiency and minimize the environmental impact on pollution emissions. <i>Details can be found in the chapter: "Pollution and Waste Management".</i>
Compliant and sound operations	Long term	<ul style="list-style-type: none"> Non-compliant and disorderly operations may result in legal disputes, regulatory penalties, financial losses, and reputational damage, impacting the Company's sustainable development and market competitiveness. By mitigating legal exposures and financial risks, the Company ensures stable and sustainable development. 	<ul style="list-style-type: none"> By consistently improving the corporate governance structures and systems, reinforcing internal controls and risk management, comprehensively enhance compliance capabilities. <i>Details can be found in the chapter: "Compliant and Sound Operations".</i>
Combat corruption and fraud	Long term	<ul style="list-style-type: none"> Corruption and fraud may trigger regulatory penalties and legal exposures, resulting in financial losses, reputational damage, which impact corporate compliance operations and long-term development. The Company mitigates legal exposures and financial risks, which fosters trust among customers and investors, and elevates corporate reputation and brand image. 	<ul style="list-style-type: none"> Establish a three-tier governance structure and construct a comprehensive internal control system encompassing fraud prevention, whistleblower mechanisms, and investigation protocols. By strengthening daily communication and awareness initiatives, foster an anti-fraud culture across the organization. <i>Details can be found in the chapter: "Combat Corruption and Fraud".</i>
R&D innovation and intellectual property protection	Long term	<ul style="list-style-type: none"> Inadequate safeguards for R&D innovation and intellectual property may result in technology leaks, infringement disputes, and high protection costs, undermining the Company's competitiveness and innovation returns. The Company strengthens competitiveness and ensures the leading edge in the market, which contributes to capitalizing on new commercial opportunities. 	<ul style="list-style-type: none"> Establish a comprehensive lifecycle management system for R&D projects and a robust intellectual property management system, increase investments in research and talent development, and enhance risk identification and control mechanisms for intellectual property infringement. <i>Details can be found in the chapter: "R&D Innovation and Intellectual Property Protection".</i>



Benefiting Thousands of Households-a New Chapter of Water Accessibility

In the grand blueprint of socio-economic development, the water supply sector serves as a vital artery, delivering the essence of life to enhance public welfare and social prosperity. With a profound sense of serving the people, United Water has aligned its corporate mission with the nation's development goals and the urgent demands of the times. Meanwhile, with professionalism and dedication, the company has forged ahead in the water supply sector, leaving a trail of remarkable achievements.

Drop by Drop Aggregating to Strengthen Urban-Rural Water Supply Network

Guided by national rural water reform policies, United Water prioritizes the public needs and steadfastly keeps advancing the course of "urbanizing rural water supply and integrating urban-rural water systems". In remote mountainous regions and underdeveloped regions, the Company actively invests in infrastructure to enhance rural water supply capacity, address urgent water access challenges, and ensure safe and reliable water for residents, significantly improving their quality of life.

New Source: Constructing Surface Water Transmission Network

The Huaibei Urban-Rural Integrated Surface Water Source Project, in which United Water participated, marks a significant milestone. For a long time reliant on groundwater, Huaibei faced risks of water scarcity, quality issues, and ecological degradation due to over-extraction. Leveraging large-scale water diversion projects such as the "Yangtze-to-Huaihe River Water Diversion Project" and "Huaihe River Water Diversion to the North Project", the Company meticulously designs and constructs water transmission pipelines. These efforts will empower local surface water plants with sustainable surface water sources, ensuring residents' access to high-quality transferred water as soon as possible, and continually elevating living standards.



Senior executives inspect the project site

New revitalization: Reconstruction of Urban Villages is ongoing

In Jishan county, United Water focuses on resolving water supply challenges in urban villages and peri-urban areas. For example, Dongqu Village was previously plagued by erratic water access, forcing villagers to struggle daily for basic necessities. Through conducting fieldwork to comprehensively analyze the water usage habits and needs of local residents, Jishan United Water Co., Ltd. devised tailored solutions to minimize disruption that could efficiently solve the problems while upgrading infrastructure. During reconstruction, our team meticulously laid a network of pipelines, enforced strict quality controls, and ensured seamless water delivery, ultimately resolving Dongqu Village's long-standing water problem.



Jishan water supply reconstruction site



Benefiting Thousands of Households-a New Chapter of Water Accessibility

New Phase: Pioneer in Upgrading Water Supply

United Water extends the Company's efforts to remote mountainous villages, prioritizing both water quality and quantity and vigorously promoting the construction of water supply projects. Through scientific and rational analysis, Xianning United Water Co., Ltd. determined optimal supply scales and renovation plans, aligning with rural industrial development needs. To enhance efficiency of water resources utilization, Xianning United Water Co., Ltd. continually strengthened information disclosure and adopted advanced technologies to reduce pipeline leakage, while actively promoting the water supply renovation of "Individual Metering per Household". These efforts effectively resolved billing disputes among residents which contributed to the rural water supply stepping into a new phase. In 2024, Xianning United Water Co., Ltd. processed 1,533 rural water supply applications and completed meter installations for 116 households in Binhu Village, delivering tangible convenience to residents.

Case Injecting "Hydraulic Momentum" into Rural Revitalization through Township-Level Water Supply

Henggouqiao Town in Xianning City once grappled with underdeveloped water supply infrastructure. To address this, Xianning Siyuan Water Co., Ltd. constructed the Integrated Urban-Rural Water Supply System Project in Henggouqiao Town, Xian'an District, establishing a unified, efficient, and high-quality water supply network. Officially completed and accepted in July 2024, the project dramatically increased daily water supply capacity from 20,000 tons per day to 50,000 tons per day. This robust water supply serves as a lifeline for the community: industrial operations are no longer constrained by water shortages, residents enjoy safe and stable tap water, and the initiative has catalyzed agricultural, industrial, and socio-economic growth in Henggouqiao Town.



Case Bridging the "Last Mile" of Drinking Water Safety, Elevating Rural Access from "Availability" to "Quality"

The Integrated Urban-Rural Water Supply Project in Nanjing County, Zhangzhou City, Fujian Province stands as a cornerstone of Zhangzhou's rural revitalization strategy. It is not only aligned with residents' aspirations for improved living standards, but also prioritized by local authorities as a key public welfare project. The project achieved a milestone on December 27, 2024, with the commissioning of its Phase I infrastructure. With a total investment of 230 million yuan, the project deployed 206 kilometers of pipelines and implemented a cutting-edge urban-rural water supply information management system. As a pioneer in Zhangzhou's water integration efforts, the project has brought tap water access to 24,600 residents across 22 administrative villages in Shancheng and Jingcheng towns, marking a transformative leap in equitable water security.





Benefiting Thousands of Households-a New Chapter of Water Accessibility

Building Bridges Through Water to Strengthen China-Bangladesh People-to-People Bonds

United Water actively embraces open cooperation, leveraging the "Belt and Road Initiative" to demonstrate the Company's capabilities and commitment on the global water supply stage. In 2019, the Company entered into the Purbachal New Town Water Supply PPP Project in Dhaka, Bangladesh, crafting a visionary blueprint for the city's water infrastructure. In alignment with the Purbachal New Township's current and long-term water requirements, this project provides a designed capacity of 340,000 tons of water daily and includes a high-standard water quality testing center. Upon completion, it will provide reliable water services to 2 million residents in Purbachal New Town. Phase I commenced operations in January 2023, while Phase II has been officially launched in 2024 and is progressing in an orderly manner, marking a new chapter in cross-border water cooperation.

Pipeline Maintenance to Ensure Uninterrupted "Arterial" Supply

During Phase II development, the project's operations team optimized pipeline networks through on-site analysis, ensuring seamless water distribution. Adaptive supply modes and enhanced water quality monitoring were implemented based on regional demand and time fluctuations. The dedicated maintenance team conducted regular inspections, leak detection, and emergency repairs across the network, ensuring consistent water supply. Furthermore, collaborative efforts with local authorities led to the closure of 100 illegal private wells, safeguarding public water security.

Scientific Protection to Ensure the Purity and Quality of Water Sources

To address Bangladesh's severe water pollution challenges, the project company employed a scientific strategy. In Phase I, the project's team utilized 15 deep tube wells, each over 250 meters deep, to effectively bypass contaminated shallow groundwater. In Phase II, the team integrated water treatment plants and a state-of-the-art water quality testing center, ensuring the quality of water sources. Throughout its operations, the Company diligently complies with contractual testing protocols and schedules, precisely calibrates chemical dosing concentrations to meet user distribution needs, routinely purges the network to eliminate impurities and sediment deposits within the pipelines, ensuring consistent compliance with water quality criteria.

Quality Assurance to Elevate User Satisfaction

To deliver high quality water supply services to local users, the project company continually enhances its water quality monitoring system, including regular water sample collection, internal testing and monthly third-party verification. Upon receiving user complaints, the project company responds immediately to ensure prompt resolution within 24 hours. Furthermore, the project company collects customer feedback through follow-ups, continually refining its services to enhance user satisfaction.



Water Quality Sampling and Laboratory Testing

As of the end of 2024,

161 households
have been connected
to tap water

will enhance water access for
2,000,000
residents

created about
600
local jobs in total



Building Trust Through Water to Strengthen Community Engagement

To foster water awareness, the project company implemented diversified outreach campaigns. In and around construction areas, it utilized loudspeaker announcements, informational leaflets, and other media to deliver the relevant knowledge of tap water to residents, fostering initial understanding. Staff and meter readers capitalized on resident interactions to conduct door-to-door consultations, strengthening public recognition of tap water benefits. To incentivize connections, the project company launched the "1,000 Taka Caretaker Incentive Program" targeting vacant landholders, effectively boosting enrollment and reinforcing community trust in water services. As of the end of 2024, a total of 202 water supply applications were received, with active users surging from 88 to 155 households, demonstrating measurable success.

United Water demonstrates profound expertise in the water sector, strengthening domestic water supply networks and expanding international partnerships. By leveraging water as a catalyst to enhance public welfare and foster global collaboration, the Company continually injects "Hydraulic Momentum" into social development, advancing resolutely toward a broader future.

Green Planet

Green revenue*
RMB **315.91** million

Annual environmental
protection investments
RMB **69.82** million

Annual wastewater treatment volume
151.52 million tons

Greenhouse Gas (GHG) Emission Intensity
0.64 tons of CO2 equivalent per
RMB 10,000 of revenue

Contributing to UN SDGs



*The scope of green revenue data includes sewage treatment and resource recovery, as well as water environmental and ecological restoration services.

Water Resource Management

Water, as the cornerstone of all life, plays a pivotal role in driving national socio-economic development. United Water is committed to delivering superior water treatment services, enhancing water resource management, improving water utilization efficiency, promoting conservation, protection, and scientific use of water resources, and contributing to improved water environment—all through concrete actions to safeguard this vital source of life.



Governance

- United Water established a water resource management leading group, with the General Manager of the project company serving as the chairperson responsible for overseeing and driving the implementation of water resource management initiatives. The Deputy General Manager in charge of technology acts as the deputy chairperson, tasked with executing specific management duties, including developing and implementing water resource management plans, as well as monitoring and evaluating water usage.
- Additionally, the Company formed a water resource management team, composed of the water production, technology, pipeline network, and customer service departments. This team is responsible for formulating and enforcing corporate water resource regulations, tracking management objectives, promoting the efficient utilization of water resources and the application of water-saving technologies, and organizing awareness campaigns and trainings.



Impact, Risk and Opportunity Management

- United Water conducts water resource risk identification and evaluation, develops mitigation strategies for identified risks, and continually monitors risk management performance to enhance response capabilities and resilience.



Strategy and Management Approach

- United Water adheres to a balanced approach to resource expansion and conservation, prioritizing water resource protection and efficiency. On the one hand, this strategy emphasizes systematic water resource management, leveraging wastewater treatment operations to achieve long-term water quality improvements. On the other hand, it highlights enhancement of water conservation, protection, and scientific utilization, increasing water reuse rates, accelerating the recycling of reclaimed water resources, and establishing a water-efficient water utility.



Metrics and Targets

- Maintaining rigorous control over key water resource management indicators, including self-use water rates and pipeline network leakage rates, United Water strengthens systematic water resource management.

Water Resource System Management

In accordance with water resource management policies and regulations, including the *Water Law of the People's Republic of China* and the *Jiangsu Province Water Conservation Regulations*, United Water has formulated the *Water Resource Management System of Jiangsu United Water Technology Co., Ltd.* To ensure effective implementation, the Company has established a robust organizational structure for water resource management, enabling systematic oversight of water-related projects and scientific control over the entire lifecycle of water resource development, utilization, and protection. This framework maximizes the comprehensive benefits of water resources, ensuring alignment with sustainable socio-economic development and public welfare needs.

Planning and Consultation Phase

- Guided by governmental policies on water resource planning, water rights, water quotas, and pricing mechanisms, the company executes relevant projects.
- The Company conducts water resource feasibility assessments for planned and proposed construction projects.

Construction and Implementation Phase

- During the design, construction, and final acceptance stages, the Company strengthens water source risk analysis, implements water conservation process controls, and progressively improves the efficiency of water treatment systems.

Operation and Maintenance Phase

- The Company continually optimizes water resource management in production processes by utilizing smart water utility systems to enhance the management level and quality of services.
- The Company organizes promotional educational initiatives to foster a culture of water conservation.

Water Resource Management Target	2024	Achievement Status
Self-consumption water rate below 2.70%	2.45%	Achieved



Water Resource Risk Management

To enhance the understanding of water security and promptly address potential risks, United Water strengthens water resource risk management by requiring subsidiaries to conduct water resource risk analyses, evaluate potential threats such as water pollution and scarcity, and develop actionable mitigation strategies based on the assessments. These efforts provide guidance for risk prevention and promote scientific and standardized water resource management.

Case United Water Has Conducted 2024 Water Resource Risk Analysis

In Suqian City, United Water performed a 2024 water resource risk analysis based on the *Survey Report on Pollution Sources in Water Source Areas in 2023* and routine monitoring data in 2024, culminating in the *Water Resource Risk Analysis Report*. This report focuses on two primary risks: raw water pollution and shortages. For each risk, appropriate measures are implemented.

Raw Water Pollution

Involves on-site investigations of potential contamination sources, the creation of a *Pollution Source Investigation Report* for the Catchment Area, and the development of specific plans to address different pollution risks.

Raw Water Shortage

Features a canal reserve that is kept in "hot standby" mode, enabling the switch to alternative water sources within 30 minutes. The Company also collaborates closely with the Water Resources Bureau to monitor and regulate the primary water source, ensuring prompt action against any shortfall in raw water.

Long-term Water Quality Enhancement

United Water prioritizes sewage treatment and is committed to the continual upgrading of sewage treatment plants, addressing substandard water bodies, and other related initiatives. The Company is dedicated to fostering innovation and application in sewage treatment technologies, refining treatment processes, and boosting the treatment capacity and efficiency to ensure that effluent quality consistently meets regulatory standards. United Water is dedicated to reducing pollution at the source, restoring clear water.

Case Tongxiang Shenhe Water Co., Ltd. Wastewater Treatment Plant standard-upgrading project

In June 2024, Tongxiang Shenhe Water successfully completed its standard-upgrading project by introducing advanced equipment such as ozone generators and catalytic oxidation units. This project utilized ozone-catalyzed advanced oxidation technology, which enhances ozone dissolution efficiency and significantly reduces ozone consumption, providing an innovative solution for treating refractory organic compounds during plant upgrades. By elevating the wastewater treatment standard from Grade 1A to Zhejiang Province Clean Discharge Standards, the Company ensures stable compliance with discharge requirements, contributing to Tongxiang City's management of water pollution and sustainable green development efforts.

Case Ruichang United Water Co., Ltd. Supports Wushan Copper Mine Wastewater Treatment

Since 2019, Ruichang United Water has taken over and operated two wastewater treatment stations for Jiangxi Copper Corporation's Wushan Copper Mine. Tailored to the specific characteristics of domestic wastewater, the stations employ MBR membrane technology as the core treatment process. Wastewater is first filtered through coarse and fine bar screen separators to remove solid debris and floatables before entering an equalization tank for flow and quality regulation. It is then pumped through anaerobic, anoxic, and aerobic tanks for biochemical degradation, followed by advanced purification in MBR membrane tanks to ensure effluent stability. The treated water undergoes final disinfection and is discharged in full compliance with regulatory standards.



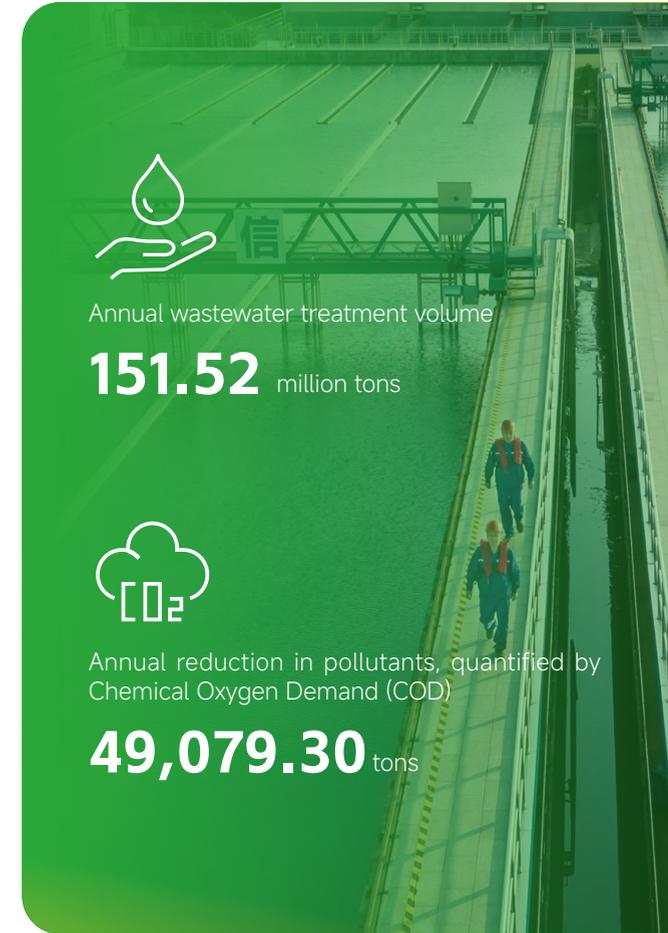
Annual wastewater treatment volume

151.52 million tons



Annual reduction in pollutants, quantified by Chemical Oxygen Demand (COD)

49,079.30 tons



Efficient Utilization of Water Sources

United Water is committed to proactively engaging in the recycling and reuse of water, continually enhancing production processes to minimize water wastage, and ensuring the sustainable consumption of these vital resources.

- 

Optimization of Water Supply Production Processes

We enhance operational management of urban water plants and optimize production processes to progressively reduce self-use water consumption while ensuring the quality of finished water.
- 

Recycled Water Reuse

Our efforts are directed toward repurposing wastewater into a valuable resource. We are reusing treated water in industrial operations, urban landscape irrigation, and street cleaning, thus actively promoting the cycle of water resource recycling.
- 

Process and Facility Enhancements

We have deployed advanced technology to improve our water treatment processes and infrastructure, including the construction of a process effluent water recycling system. This system converts process discharge water into recycled water and reduces process-related water consumption, enhancing water reuse efficiency.
- 

Strategic Water Supply Scheduling

By meticulously managing the allocation of unprocessed water in accordance with demand, we maintain an equilibrium between water input and output, avert the overflow of purification facilities, and enhance the utilization efficiency of raw water.
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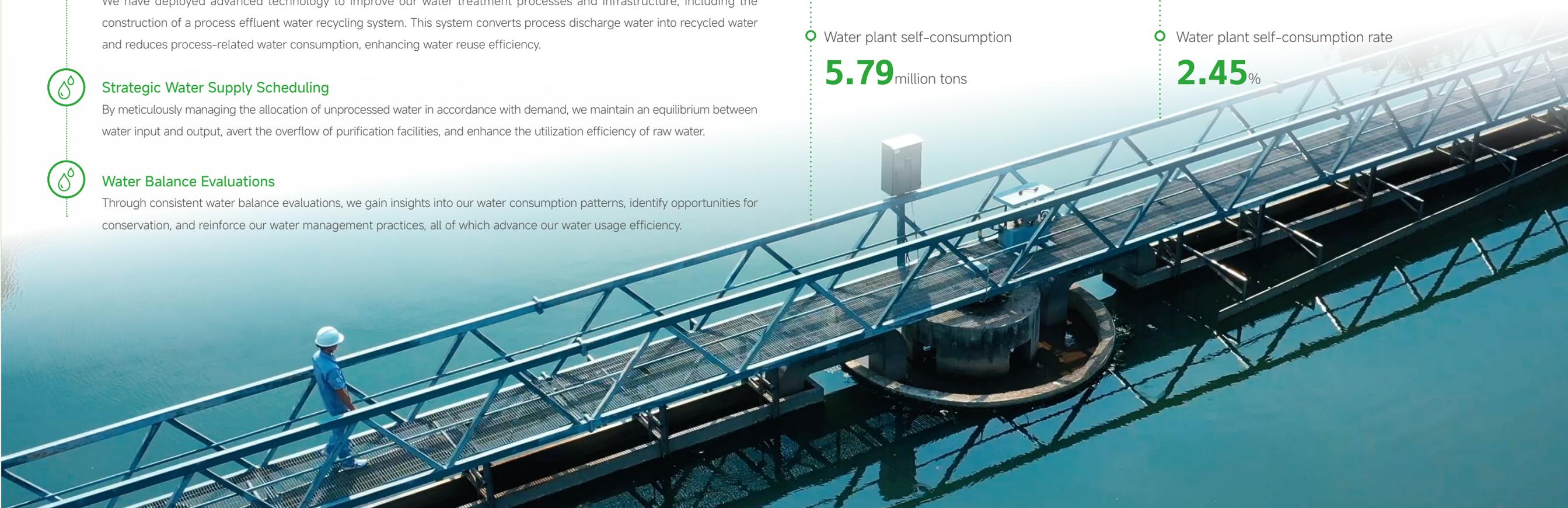
Water Balance Evaluations

Through consistent water balance evaluations, we gain insights into our water consumption patterns, identify opportunities for conservation, and reinforce our water management practices, all of which advance our water usage efficiency.

Case Jishan United Water Co., Ltd. Reclaimed Water Reuse Project

In 2024, Jishan United Water Co., Ltd. signed a reclaimed water reuse agreement with the Park Greening Office, Housing and Urban-Rural Development Bureau of Jishan County to provide ecological water replenishment for Minle Park and Dafo Temple Park. This project reduced water waste through wastewater treatment and reuse, alleviating pressures on water scarcity in Jishan County—as an over-extracted water resource zone. Simultaneously, it minimized the discharge of untreated wastewater into natural water bodies, lowering pollution loads and improving the quality of receiving waters. As of the end of 2024, the Company had supplied 303,438 tons of water, effectively saving water resources and improving the ecological environment.

-  Freshwater withdrawals
245.08 million tons
-  Water plant self-consumption
5.79 million tons
-  Recycled water output
24.33 million tons
-  Water plant self-consumption rate
2.45%



Pipeline Network Leakage Management

Effective pipeline leakage management serves as a critical approach to water conservation. United Water adopts a dual strategy integrating technology and management, anchored in establishing a modern pipeline leakage detection system. By incorporating smart applications, it enhances leakage control capabilities during water distribution, thereby reducing water loss and waste caused by pipeline leakage and continually improving its oversight and mitigation strategies.

Equipment Maintenance and Renewal

We prioritize regular upkeep and modernization of production facilities and aging pipelines. By maintaining the integrity of storage structures and systematically replacing worn components, we significantly cut down on water loss during distribution.

Pipeline Network Surveillance and Upkeep

A comprehensive patrol plan has been established for the water supply network to detect and address leaks. We curb physical losses like leaks and overflows, and boost emergency response to forestall substantial water resource depletion.

Optimized Water Pressure Regulation

We maintain scientifically determined pressure levels within the pipeline network, carefully modulating the water pressure dispatched from the plant. The strategic use of variable frequency drives for pressure management further prevents pipeline ruptures and system failures.

Meticulous Valve Management

Leveraging data from flow and pressure monitoring stations, we specifically target the older segments of the network with valve adjustments to control flow and pressure. This approach is aimed at further reducing leakage, while still ensuring essential water supply in the areas with the lowest pressure.

Smart Leakage Detection

By continually enhancing our GIS and DMA systems, we achieve real-time monitoring of flow and pressure at key points, areas, major nodes, end-users, and large consumers in plants and urban water supply network, allowing for the prompt identification and repair of leaks. A pipeline network leakage management system has been established, offering analysis of the entire network, and implementing effective control and management of the water supply network leakage rate.

Case

Systematic Leakage Control for Sustainable Water Conservation

Reducing water supply pipeline leakage is critical for enhancing water resource utilization efficiency. In 2024, Xianning United Water Co., Ltd. established a pipeline inspection and maintenance management assessment system, formulated a pipeline inspection and maintenance plan, and organized a dedicated inspection team to conduct urban pipeline inspections as scheduled, ensuring timely detection and resolution of leakage issues. The Company introduced the pipe endoscopic robot inspection technology to intensify leakage detection efforts. A leading group was formed to oversee the renovation of aging urban water supply pipelines, driving comprehensive upgrades of outdated infrastructure. Additionally, the Company enhanced its pipeline pressure monitoring system, conducted comprehensive pressure inspections to monitor and analyze pipeline pressure zones, and optimize supply conditions. These measures have progressively improved leakage management capabilities, achieving sustainable water conservation outcomes.



Eco-Environmental Protection

United Water commits to "restoring the natural ecology of rivers and lakes" and "promoting harmonious coexistence between humanity and water ecosystem", driving collaborative governance and conservation. Guided by the principles of natural rehabilitation and ecological restoration, the Company focuses on water quality enhancement, employs ecological habitat reconstruction as a core methodology, and targets biodiversity recovery. This approach has cultivated a comprehensive technical framework encompassing "source control, ecological construction, energy optimization, and smart operations." By leveraging cutting-edge technologies such as IoT, big data, cloud computing, and AI, the Company pioneers an efficient, intelligent, and sustainable management model. This enables intelligent and precise river-lake management, fosters a healthier aquatic ecosystem, and advances ecological civilization and a harmonious coexistence between humanity and nature.

In 2024, the water environment management area reached **82,990** square meters,

with a cumulative management area of approximately **2,000,000** square meters

Implementation of Water Environment Management

Confronted with acute challenges in water pollution and ecological restoration, United Water utilizes its cutting-edge technologies in water pollution mitigation and aquatic ecological restoration to actively participate in the management and ecological revitalization of river and lake basins, thus enhancing the aquatic environment's quality and promoting the sustainable development of ecological habitats.

Case **Comprehensive Ecological Enhancement of North Lake Wetland at Wuhan Northwest Lake Plaza**

Northwest Lake Park is one of the major urban parks in Wuhan's downtown area. Prior to ecological restoration, the enclosed lake suffered from submerged plant die-off, sediment accumulation, and water quality deterioration due to inadequate management. In August 2024, this project commenced, utilizing aquatic ecological restoration technologies with the Company's utility model patent—Modular Submerged Plant Planting Device—and invention patent—Lightweight Slow-Release Filler, and Filler Brick with its Preparation Methods and Applications. These innovations established a macrophyte-dominated clear-water ecosystem and an underwater forest system, enhancing the lake's aesthetic appeal while significantly improving its ecological health.



Case **Fortifying Ecological Barriers in Shanxi Region to Protect the Ecosystem of the Yellow River Basin**

In the Yellow River Golden Triangle region, Shanxi region subsidiaries of United Water actively engage in ecological conservation and water source protection for the Yellow River Basin. Xinjiang Jinhua's groundwater-to-surface water substitution project eliminated historical industrial reliance on groundwater extraction, aiding the restoration of Gudui Spring's flow and safeguarding the basin's groundwater resources. Jishan United Water Co., Ltd. collaborated with authorities to regulate water markets by connecting users of decommissioned private wells to the municipal water supply, supporting efforts to curb unregulated groundwater extraction. These initiatives not only meet industrial water demands and promote sustainable resource utilization but also improve regional aquatic ecosystem quality, laying a foundation for the Yellow River Basin's sustainable development and demonstrating the Company's commitment to ecological responsibility.

Biodiversity Protection

United Water strictly adheres to national policies on biodiversity conservation and ecological protection. The Company is dedicated to the promotion of aquatic ecological conservation, enhancing the management and protection of water catchment areas and ecological buffer zones. Through refining the food chain and optimizing the distribution of aquatic flora and fauna—particularly by creating habitats and strategically designing food-producing plants—we provide suitable environments for aquatic organisms. Our ongoing enhancement of biological community diversity and ecosystem biodiversity boosts the self-purification ability of rivers and lakes, effectively increasing the ecological capacity of the aquatic environment. This endeavor is in line with our vision to foster a harmonious coexistence between humanity and nature.

Case **Lin Shu River Model Section Water Environment Enhancement Project in Xinyi City, Jiangsu Province**

In recent years, Xinyi City has implemented the new development philosophy by constructing a 10-kilometer urban water circuit, a 15-kilometer extensive water circuit, and multiple micro-water circuits. This project's river section forms a part of the city's 15-kilometer extensive water circuit. Prior to ecological restoration, the river segment was plagued by structural deficiencies, imbalanced food chains, and benthic desertification, with insufficient self-purification capacity, multi-source pollution, and degraded water quality due to the absence of a natural aquatic ecosystem. In 2024, the ecological restoration project integrated water remediation with landscape enhancement. Utilizing a patented composite ecological fishway technology for habitat rehabilitation, this project implemented micro-topographic modifications based on avian and aquatic species' behavioral patterns. It optimized the structure of aquatic plant and animal communities to enhance biodiversity, fostering harmonious coexistence between humanity and the water ecosystem.



Responding to Climate Change

Climate change represents a shared challenge for humanity, posing significant risks not only to businesses but also to social development. United Water recognizes the threats posed by climate change and proactively addresses various extreme weather events. Our commitment to energy conservation and emission reduction supports the broader objective of mitigating global warming, achieving high-quality, green, and low-carbon development.

Governance

United Water has incorporated climate-related responsibilities into its ESG governance framework, overseen and guided by the board-level Strategy and ESG Committee to address climate change, energy conservation and emission reduction. This approach ensures effective implementation of climate action through regular deliberations on climate-related issues, proactive identification of climate risks and opportunities, and formulation and timely updates of climate response strategies.

Strategy and Management Approach

To address climate risks, United Water vigorously advances energy conservation and efficiency initiatives, driving green and low-carbon development.

- Strengthening Energy Management
- Energy Conservation Assessment and Incentives
- Developing Clean Energy
- Implementing Energy-saving Designs
- Utilizing Energy-saving Equipment

We formulate the *Energy Management System*, hold regular group-wide energy conservation meetings to analyze and optimize energy consumption, and implement technical or operational adjustments. Leveraging the smart water utility platform, we conduct comprehensive monitoring and analysis of electricity use across the production cycle, optimize scheduling plans, enhance the efficiency of operational units, and reduce power consumption in production.

The *Operational Management Evaluation Standards* now integrate energy conservation metrics, monitoring mechanisms, and assessment frameworks. An energy conservation incentive program rewards departments for achieving reductions through technological upgrades and management innovations.

We actively adopt green power in operations, increasing the share of clean energy through photovoltaic power generation projects and tailwater power generation projects, thereby optimizing our energy mix.

Our engineering construction integrates design strategies that prioritize low energy consumption and high energy efficiency, actively employing state-of-the-art processes and equipment to target prudent energy use and conservation from the outset.

In line with national standards, we are committed to the acquisition of low energy consumption and high-efficiency equipment, opting for devices that minimize energy loss and offer superior environmental benefits, such as air suspension blowers, modern energy-efficient transformers, and variable frequency water pumps, to curtail energy usage.



Case

Photovoltaic Power Generation Project-Embracing Clean Energy

Photovoltaic (PV) power generation, as a pollution-free and sustainable energy source, significantly contributes to reducing greenhouse gas emissions and holds profound environmental value. In 2024, United Water actively aligned with national policies by leveraging site-specific conditions to install distributed PV systems on factory rooftops and surfaces of process basin structures, providing green electricity for production operations and accelerating the transition to clean energy.

- Jiangsu United Water Technology Co., Ltd.'s PV project boasts an installed capacity of 2.70 MWp, generating an average of 3.30 million kWh annually. Compared to coal-fired power plants of equivalent capacity, this project saves 983.61 tons of standard coal, reduces 2,655.72 tons of CO₂ emissions, 8.36 tons of SO₂ emissions, and 7.28 tons of NO_x emissions annually.
- Ruichang United Water Co., Ltd.'s PV project, with an installed capacity of 1.48 MWp, produces 1.43 million kWh annually. Compared with coal-fired power plants of equivalent capacity, this project saves 427.33 tons of standard coal, and reduces 1,153.71 tons of CO₂ emissions, 3.63 tons of SO₂ emissions, and 3.16 tons of NO_x emissions (completed by the end of the reporting period and is pending grid connection for electricity generation).



Ruichang PV Project Site

Note: In China's thermal power generation, the power generation capacity of 1 ton of standard coal equivalent (tce) ranges from 2,777 to 3,830 kilowatt-hours (kWh), depending on unit efficiency and technological standards. The current industry average is approximately 3,355 kWh. Combustion of 1 ton of standard coal emits 2.66 to 2.72 tons of carbon dioxide (CO₂). Sulfur dioxide (SO₂) emissions are directly related to the sulfur content (S%) of coal, calculated as: SO₂ emissions (kg/ton coal) = 16 × sulfur content (%). The SO₂ emissions range from 8.50 to 32 kg per ton of standard coal. Nitrogen oxides (NO_x) emissions from burning each ton of standard coal range from 740 to 9.08 kg, with a typical range of 740 to 11 kg NO_x per ton of standard coal.

Case

Suizhou United Water Co., Ltd. Tailwater Power Generation Project

In November 2024, Suizhou United Water Co., Ltd. officially launched its tailwater power generation project. By leveraging treated effluent from the wastewater treatment plants for power generation, this project enhances comprehensive resource utilization efficiency and green factory development. The 10 kW PV power generation and 37 kW tailwater power generation grid-connected system enables self-sufficiency in energy supply. In December 2024, this project passed a clean production audit conducted by the Suizhou Municipal Ecology and Environment Bureau, achieving maximum annual savings of 371,000 kWh in purchased electricity and reducing greenhouse gas emissions by 22990 tons per annum. This successful implementation not only demonstrates United Water's technological innovation but also marks a critical milestone in advancing Suizhou's environmental goals and achieving energy conservation.



Suizhou United Water

Impact, Risk, and Opportunity Management

United Water integrates climate risk management into its risk governance framework, systematically evaluating and managing climate risks to ensure operational continuity, mitigate climate change impacts, and continually propel climate resilience efforts.

Risk Categories	Physical Risks			Transition Risks		
	Cold Wave and Low-Temperature Conditions	High-Temperature Conditions	Torrential rain & Typhoons	Policy and Regulatory Risks	Market and Technological Risks	Reputational Risks
Risk Identification	<ul style="list-style-type: none"> Ice formation at water intakes may impede water extraction. Ice accumulation on basin structures or equipment damage may disrupt normal water supply. Extreme weather events threaten personnel safety. Damage to residential wellheads, meter boxes, underground pipelines, or air valves may interrupt water supply. 	<ul style="list-style-type: none"> Heatwaves degrade outdoor working conditions, labor productivity, and strain water supply systems. High temperatures promote algal blooms and pathogenic microorganisms, compromising water quality. 	<ul style="list-style-type: none"> Torrential rain and typhoons may cause flooding, overwhelm drainage systems, and jeopardize water service reliability if mitigation measures are inadequate. Storms and typhoons threaten operational stability, facility integrity, and employee commuting safety. 	<ul style="list-style-type: none"> Increasingly stringent national policies may escalate compliance costs. 	<ul style="list-style-type: none"> Growing client demand for carbon reduction across value chains elevates competitiveness of green industries and technologies but raises low-carbon transition costs. 	<ul style="list-style-type: none"> Heightened stakeholder scrutiny of climate performance may impact reputation if concerns are inadequately addressed.
Risk Mitigation Measures	<ul style="list-style-type: none"> We enhance equipment management (including heating systems) to prevent leaks; promptly clear accumulated water and ice at production sites. We have implemented an emergency repair strategy for anti-freezing in the water supply network, featuring a tiered response mechanism, the simulation of anti-freeze repairs, and specific operational guidelines for real-world incidents. We strengthen organizational guarantee by establishing cold-proof inspection, early warning, and emergency response teams, to ensure comprehensive preparedness for the severe challenges posed by cold waves to water supply. We strengthen material logistics framework by building reserves of anti-freeze equipment and cold-proof supplies. We conduct pre-winter anti-freeze equipment and cold-proof training programs to ensure our team is ready and equipped to quickly resolve any issues related to water usage that arise during cold waves and low-temperature events. 	<ul style="list-style-type: none"> We have developed a prevention plan for equipment and optimized the contingency supply procedure in high temperatures. We also increased equipment inspections to ensure the stable operation of core facilities within the plant during hot weather. To mitigate high-temperature impacts on wastewater treatment, we consistently monitor and analyze water quality, adjusting treatment processes in line with seasonal variations to maintain optimal efficiency. The safety of outdoor personnel is a priority; work schedules are adjusted to minimize heat exposure, and a range of measures to prevent heatstroke and provide cooling are in place. 	<ul style="list-style-type: none"> We have developed our emergency response strategy for flood risks. We also have formed dedicated flood-control emergency teams to enhance our staff's flood prevention capabilities and emergency response skills by organizing ongoing training and education on drainage practices. Drainage networks and related infrastructure undergo rigorous inspections. In the event of potential hazards, we timely coordinate emergency repairs. We dredge drainage systems across facility premises and clear debris from drainage outlets to prevent waterlogging risks. Execute structural reinforcements on building windows, doors, and roofs to mitigate impacts from torrential rain and high-intensity winds. 	<ul style="list-style-type: none"> Proactively monitor, analyze, and communicate policy updates to ensure organizational adaptability. Leverage incentives under national clean energy policies. Track carbon market developments and prepare for regulatory shifts. 	<ul style="list-style-type: none"> Advance technological innovation through dedicated research initiatives. Expand green industry investments, adopt eco-friendly technologies and innovative business models, and explore low-carbon commercial opportunities. Develop decarbonization roadmaps, conduct greenhouse gas emissions audits to identify high-emission areas, and implement targeted mitigation measures. 	<ul style="list-style-type: none"> Align corporate strategy with climate policy trends by integrating climate action into decision-making. Enhance stakeholder engagement through transparent climate-related disclosures.

Indicator and Goal

	Indicator	Unit	2024 Metrics
Energy Consumption	Electricity Consumption	Kilowatt-hours (kWh)	134,330,988.60
	Gasoline Consumption	Liters (L)	89,921.11
	Diesel Consumption	Liters (L)	54,745.04
	Natural Gas Consumption	Cubic meters (m ³)	132,954.00
	LPG Consumption	Kilograms (kg)	6,770.00
	Total Energy Consumption ¹	Tons of standard coal equivalent	16,860.92
	Energy Consumption Density	Tons of standard coal equivalent per RMB 10,000 of revenue	0.15
	Total Installed Capacity of Clean/Renewable Energy	MWp	2.70
Greenhouse Gas Emissions ²	Greenhouse Gas Emissions (Scope 1)	Tons of CO ₂ equivalent	651.10
	Greenhouse Gas Emissions (Scope 2)	Tons of CO ₂ equivalent	72,082.01
	Total Greenhouse Gas Emissions	Tons of CO ₂ equivalent	72,733.11
	Greenhouse Gas per Unit of Output	Tons of CO ₂ equivalent per RMB 10,000 of revenue	0.64

Notes:

1.Total Comprehensive Energy Consumption: Calculated in accordance with GB/T 2589-2020 *General Rules for Comprehensive Energy Consumption Calculation* (issued by the State Administration for Market Regulation and Standardization Administration of China), converted into standard coal equivalent (tce).

2.Greenhouse Gas (GHG) Emissions refer exclusively to carbon dioxide (CO₂) emissions, excluding methane (CH₄), nitrous oxide (N₂O), and other GHGs.

Scope 1 GHG Emissions: Emissions from fossil fuel combustion (diesel, gasoline, natural gas, LPG) and industrial processes. Emission factors are based on the *Guidelines for Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises (Trial)* issued by the National Development and Reform Commission (NDRC).

Scope 2 GHG Emissions: Indirect emissions from purchased electricity and heat. Electricity emission factors reference the *2022 Power Sector CO₂ Emission Factors (Announcement No. 33, 2024)* jointly issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

Reduced Environmental Impact

United Water prioritizes ecological and environmental protection by strengthening environmental, pollution and waste, and chemical management to minimize adverse operational impacts and contribute to sustainable ecosystems.

Enhanced Environmental Management

United Water strictly complies with the *Environmental Protection Law of the People's Republic of China* and related regulations, fulfilling corporate environmental responsibilities, enhancing the Company's environmental management system, and advancing green development capabilities.



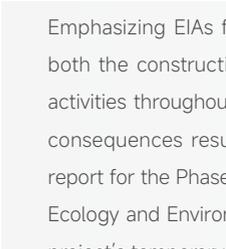
The total investment in environmental protection reached
RMB **69.82** million

United Water, along with its **four** subsidiaries— Suqian Minxin Water Quality Testing Co., Ltd., Suqian Gengche Wastewater Treatment Co., Ltd., Suqian United Municipal Engineering Co., Ltd. and Xianning United Municipal Engineering Co., Ltd.—all achieved **ISO 14001:2015 Environmental Management System Certification**

The Company organized **18** environmental protection training sessions throughout the year, with a total of **168** participant attendances.



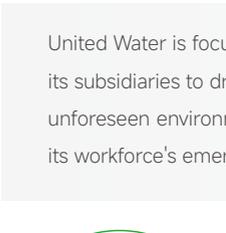
United Water has established a robust environmental management structure, with the Group-level Safety Production Committee serving as the supreme decision-making body for environmental management. This committee is responsible for deliberating and deciding on critical environmental issues, overseeing corporate environmental commitments, policies, and strategic goals. The Environment, Health, and Safety (EHS) Department under the committee executes operational environmental initiatives. By clarifying management responsibilities across all levels and integrating environmental compliance, energy-saving and consumption reduction, and pollution and waste management into operational performance evaluations, the Company ensures accountability in environmental protection.



Emphasizing EIAs for construction projects, United Water thoroughly evaluates the potential environmental effects during both the construction and operational stages. It gives special attention to soil and water conservation and to landscaping activities throughout the construction phase, rigorously managing construction practices to curtail any adverse environmental consequences resulting from project execution. In 2024, the Company prepared and submitted an environmental impact report for the Phase V Project of Suqian Second Water Plant prior to construction, which was approved by the Suqian Municipal Ecology and Environment Bureau. During construction, a third-party agency conducted a survey of forest resources within the project's temporary land use area, confirming legal compliance with temporary forest land utilization.



The Company embeds the mitigation of environmental threats into its everyday management, improving the detection, assessment and preliminary control of environmental hazards like noise, dust and water pollution during the execution of current projects. It maintains a detailed registry of significant risks and regularly performs inspections to guarantee the adherence to hazard mitigation protocols on-site.



United Water is focused on extensively bolstering its environmental emergency response capabilities. The Company encourages its subsidiaries to draft *Emergency Response Plans* for Sudden Environmental Incidents, streamlines the emergency response to unforeseen environmental pollution and ecological disruptions, conducts regular simulations in line with these plans, augments its workforce's emergency handling skills, and ensures swift and effective reactions to environmental emergencies.



The Company actively fosters environmental education and training, systematically instructs its workforce on environmental laws, risk identification, emergency management, and sustainability practices to deeply root a culture of environmental mindfulness.



Pollution and Waste Management

United Water rigorously complies with the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, *Law of the People's Republic of China on the Prevention and Control of Solid Waste Environmental Pollution*, *Law of the People's Republic of China on the Prevention and Control of Air Pollution*, *Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution*, among other legal requirements. The Company has crafted internal protocols including Wastewater Generation and Treatment Management Procedures, Solid Waste Management Procedures, Waste Gas Generation and Treatment Management Procedures, and Noise Generation and Treatment Management Procedures. Employing thorough management practices and operating techniques, the Company ensures that all wastewater, solid waste, hazardous gases, and noise generated during operations are within regulatory discharge limits. During the reporting period, no penalties or major incidents related to emissions or waste disposal were recorded.

Governance

- The Operations Management Center oversees pollution and waste management through its Environment, Health, and Safety (EHS) Department, which coordinates daily supervision, promotes self-inspections and corrective actions across subsidiaries, and ensures regulatory compliance.

Impact, Risk and Opportunity Management

- Continually monitor emission sources such as wastewater, exhaust gases and noise, and engage certified third-party testing agencies for periodic evaluations to ensure compliance with environmental standards.

Strategy and Management Approach

- Strengthen management to strictly control compliant emissions and waste disposal.
- Explore integrated waste utilization methods to enhance resource utilization rates and minimize pollution emission impacts.

Metrics and Targets

- Set annual goals for solid waste emissions, noise emissions, wastewater, and exhaust gas emissions, with enhanced management protocols to ensure goal achievement.

Pollution and Waste Management Targets

Targets		Achievement Status
Solid Waste Emissions	General waste disposal rate: ≥99% Hazardous waste disposal rate: =100% Disposal rate = Quantity disposed / Quantity generated	Achieved
Noise Emissions	Daytime Plant boundaries noise: ≤60 dB	Achieved
	Nighttime Plant boundaries noise: ≤50 dB Frequent nighttime impulsive noise peaks: ≤Standard+10 dB(A) Infrequent nighttime impulsive noise peaks: ≤Standard+15 dB(A)	Achieved
	Workspace noise: ≤85 dB	Achieved
Exhaust Emissions / Wastewater Discharge	In accordance with Emission Permits, Environmental Impact Assessments (EIA), and Pollutant Discharge Registrations Compliance rate for all emission concentration indicators: =100% Compliance rate for annual total emissions: 100% Emission concentration compliance rate = Measured concentration / Permitted concentration Annual total compliance rate = Annual emissions / Permitted total	Achieved



Pollution and Waste Management Practices

Solid Waste

The Company's solid waste predominantly consists of sludge, screenings, waste engine oil and packaging materials, chemical reagent containers, oil-saturated cotton yarn and scrapped parts from equipment servicing, and refuse from the daily operations and offices of the production staff.

Treatment methods

We adopt bespoke treatment and disposal strategies for various solid waste categories to minimize waste, recover resources, and ensure safe disposal, thereby effectively managing diverse waste types within the company.

Noise

Production-related noise primarily originates from equipment such as horizontal centrifugal pumps and air suspension blowers.

Treatment methods

In the event that production site boundaries are adjacent to noise-sensitive areas, noise barrier walls shall be constructed, enhanced noise reduction measures for equipment shall be implemented, and on-site personnel are required to wear noise-canceling earplugs.

Wastewater

The Company's wastewater consists of process water from product manufacturing, water production and wastewater treatment projects, as well as domestic wastewater from production staff. Process wastewater includes laboratory waste liquids, equipment/area cleaning effluents, and vehicle washwater.

Treatment methods

Waste liquids generated during water quality testing are collected by the water quality testing center and disposed of by qualified waste disposal companies. Domestic wastewater is treated in septic tanks before it joins the municipal sewage network, whereas wastewater from cleaning during water production is discharged directly into the municipal sewage system. Rainwater is channeled into the municipal stormwater system after collecting in the plant's stormwater network.

Waste Gas

The Company's waste gas is generated in wastewater treatment process zones and sludge treatment systems.

Treatment methods

Odor-emitting zones in wastewater treatment process zones and sludge treatment systems are equipped with corrosion-resistant covers such as fiberglass, stainless steel to ensure airtight containment and prevent odorous gas leakage. Collected gases are channeled via pipelines to bio-deodorization units for systematic treatment.

Case

Sludge Resource Utilization

In 2024, Tongxiang Shenhe Water Co., Ltd. generated 13,243.23 tons of sludge, all of which was resourcefully utilized. Post-combustion sludge was repurposed in the construction industry, roadbed construction and brick manufacturing at brick plants, significantly reducing environmental pollution caused by sludge while enhancing resource efficiency.

	Indicator	Unit	2024 Metrics
Wastewater Discharge	Ammonia nitrogen emissions	Tons	77.25
	Total nitrogen emissions	Tons	1,048.98
	Total phosphorus emissions	Tons	22.05
	Suspended solids emissions	Tons	800.21
Exhaust Emissions	Total exhaust gas emissions*	Cubic meters	1,628,821,263.68
	Volume of Nitrogen Oxides Emitted	Tons	0.26
	Volume of Sulfur Oxides Emitted	Tons	0.03
	Volume of Particulate Matter and Suspended Particles Emitted	Tons	0.04
	Emissions of Volatile Organic Compounds	Tons	0
Waste Management	Volume of Non-hazardous waste	Tons	120,580.85
	Volume of Hazardous Waste	Tons	14.67

*Exhaust gas refers to collected odorous gas from wastewater treatment plants, which is treated and discharged through organized systems after deodorization.

Chemical Management

Chemical management is critical for ensuring the safe and efficient operation of water treatment facilities and driving energy conservation. United Water strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Water Pollution Prevention and Control Law*, developing internal regulations such as the *Production Operations Management Procedures* and *Chemical Usage Management Protocols*. Metrics related to chemical procurement, usage, and discharge are integrated into operational performance evaluations to ensure full-process control.

Alternative Carbon Sources

The Company explores alternative carbon sources, such as industrial wastewater, and develops novel composite carbon sources, to reduce operational costs while enhancing wastewater treatment efficiency and environmental benefits.

Promoting Smart Chemical Dosing Systems

The Company has deployed carbon source precision dosing systems across multiple plants, which calculate exact chemical quantities required, significantly reducing consumption costs and ensuring operational stability.

Case

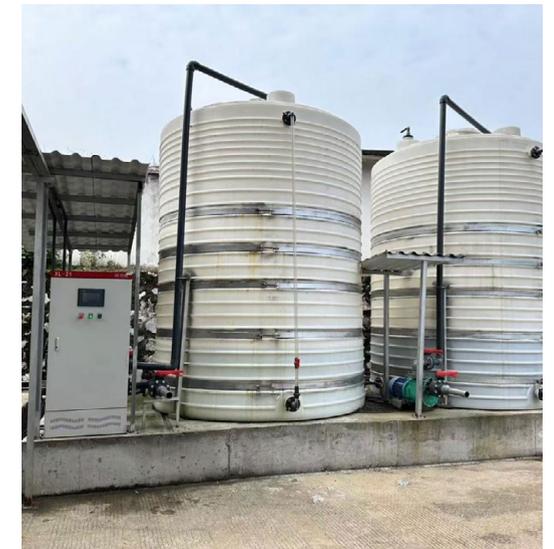
Beer Wastewater Reuse

Wastewater from beer production facilities features high organic matter concentration and excellent biodegradability, with no toxic or harmful substances, making it an ideal carbon source supplement for municipal wastewater treatment plants. Through collaboration with upstream partner Tsingtao Brewery, Suizhou United Water treats the brewery's wastewater and discharges it directly into municipal pipelines. This initiative reduces the brewery's wastewater treatment costs while enabling resource recovery of beer wastewater, providing a stable alternative carbon source for treatment plants and improving their capacity utilization, thereby achieving a balance between economic and environmental goals.

Case

Precision Dosing for Green Operations

Chemical management is a key control point for low-carbon water plant operations. To improve operational efficiency and reduce costs, Ruichang United Water Co., Ltd. upgraded solid carbon source (sodium acetate) and PAC (polyaluminum chloride) dosing systems at two Wushan Copper Mine wastewater stations in 2024. By installing four liquid storage tanks, four sets of liquid chemical metering and dosing units, and optimized pipelines, the Company reduced chemical costs per ton of water, improved dosing accuracy, and ensured stable effluent compliance.



Collaborating for a Green Future

Amid the global push for sustainable development and environmental protection, United Water has embedded green practices into its core strategy, actively embracing green industrial opportunities and advocating eco-friendly principles. By collaborating with diverse stakeholders, the Company is committed to fostering an ecologically harmonious and sustainable future.

Green Industry Development Strategy

Energy conservation and low-carbon economy driving green industrial growth. In 2024, aligning with dual-carbon goals and energy conservation initiatives, United Water sought and integrated cutting-edge green technologies and innovative business models globally, accelerating its transition toward greater environmental sustainability.

Pioneering Green Tech Frontiers

In 2024, United Water acquired a 50% stake in United Earth4Earth Holding through its Hong Kong subsidiary. This company develops next-generation carbon-negative building materials and products based on CCUS (Carbon Capture, Utilization, and Storage) principles. Utilizing Direct Air Capture (DAC) technology, these materials absorb atmospheric CO₂ and permanently sequester it within their structure, achieving long-term carbon storage and enhancing their hardness and durability. Replacing traditional high-carbon materials, they reduce lifecycle building emissions. Post-demolition, the materials are recyclable as soil amendments or fertilizers for plant cultivation, enabling permanent carbon storage and sustainable resource utilization.

This investment aligns with national dual-carbon strategy, positioning United Water at the forefront of green technology innovation and marking a significant milestone in its sustainable development.

Seizing Green Development Opportunities

In 2024, United Water participated in the establishment of Shanghai Yixin Hengshen Venture Capital Partnership (Limited Partnership) through its wholly - owned subsidiary, Shanghai Deshenshanhe Technology Development Co., Ltd. The fund focused on environmental and ESG technology investments. Since its establishment, the fund has successfully invested in two projects. Project No.1 is an automotive intelligent component company that integrates aerodynamics, intelligent light sources, intelligent interaction, and precision interiors and exteriors. It contributes to promoting the intelligent and low - carbon development of the automotive industry and shaping the new future of the new energy sector. Project No.2 is a professional company engaged in the R & D, design, production, and testing of special light sources. It develops and produces various specifications of repetitive pulse xenon (krypton) lamps, continuous xenon (krypton) lamps, and non - standard special light sources. The products are applied in industries such as laser welding, cutting, and beauty. The Company has won wide acclaim in the market for its reliable quality, reasonable prices, and excellent service.

Moving forward, United Water will leverage this platform to identify innovative technologies and models in carbon neutrality, energy efficiency, and high-tech sectors, expanding its ESG-driven industrial footprint.

Green Philosophy Advocacy

United Water integrates green philosophy into its operations, organizing diverse green public welfare initiatives to conduct science popularization campaigns on water conservation and environmental protection, fostering community engagement in ecological initiatives and advancing a sustainable green future.

Green Office Practices

At United Water, we actively champion the adoption of eco-friendly office and lifestyle habits among our employees, embedding sustainability into corporate culture and individual actions. Through tangible actions, our employees demonstrate their commitment to sustainable development and contribute to preserving the natural ecosystem.



Incorporating energy-saving and environmental protection concepts into the design of our new office decoration, we select energy-efficient equipment and systems, renewable or recyclable materials, and plant trees around public spaces to absorb carbon dioxide.



We are transitioning to modern conferencing systems to facilitate paperless operations and promote the dual-sided use of paper and recycling efforts to diminish paper waste.



We foster a culture of water conservation, urging employees to promptly turn off taps to significantly reduce water wastage.



We endorse the practice of promptly switching off various electrical appliances and carefully managing air conditioning temperatures in office spaces to curtail electricity consumption.



We support our employees' efforts to commute in ecofriendly ways, such as utilizing public transportation, to actively lower energy use and shrink our carbon footprint.

Environmental Sustainability Initiatives



On March 12, 2024, the Arbor Day, employee representatives from Xianning United Water and Xianning Siyuan Water formed a volunteer team to conduct a voluntary tree-planting activity under the theme "Pioneering a New Wave of Green Development."



On June 5, 2024, the World Environment Day, the Helan Branch of the Yinchuan Municipal Ecology and Environment Bureau partnered with Ningxia Hongze Water Purification Co., Ltd. to organize a river patrol initiative. Through actions such as removing debris and waste, the event actively promoted environmental stewardship and river conservation awareness.

Environmental Science and Public Education

United Water is committed to environmental science communication and proactively assumes its social responsibility. Through organizing diverse environmental science outreach activities and opening water treatment plants to public visits, the Company fosters public awareness of water resource conservation and aquatic ecosystem protection, while collaborating with stakeholders to build a sustainable green future.



Hubei

On the 32nd World Water Day (March 22, 2024), Xianning United Water visited Wenquan United Water visited Wenquan Middle School in Xianning City, Hubei Province, to educate students on water science and water treatment processes, fostering awareness of urban water management and environmental protection among the youth.



Ningxia

During the 37th China Water Week (March 27, 2024), Ningxia Hongze Water Purification Co., Ltd. organized a "From Wastewater to Clean Water" educational program in local schools. Interactive activities sparked children's curiosity about wastewater purification and encouraged them to protect water resources through daily actions.



Shanxi

As part of the National Urban Water Conservation Awareness Week (May 13, 2024), Jishan United Water distributed educational materials and provided detailed guidance on household water-saving techniques, advocating for responsible water usage habits in the community.



Jiangsu

On World Cleanup Day (September 20, 2024), United Water volunteers conducted street campaigns to educate residents on waste classification, embedding environmental consciousness into daily practices.



R

eliable Partner

Total water planned treatment capacity

2.70 million tons per day

Comprehensive compliance rate of water supply quality

100%

Charitable contributions

RMB **1,883,300**

江苏联合水务科技股份有限公司

语音呼叫中心



Contributing to UN SDGs



Water Supply Resilience

United Water recognizes that consistent, high-quality freshwater supply is vital for human health and socio-economic development. The Company continually refines its management systems to deliver exceptional water services while actively building resilience against water resource risks, contributing to stable, safe, and sustainable water solutions for society.

Governance

- The Operations Management Center oversees water quality management under the leadership of a Senior Vice President, providing daily support and guidance to ensure standardized production processes across all operating companies.
- Each operating company assigns responsibility for daily operations to its General Manager and Production Director, ensuring strict implementation of regulatory standards and safe, stable plant operations.

Impact, Risk and Opportunity Management

- The Company enhances the risk mitigation and resource management and strengthens internal water quality monitoring to rapidly identify and address potential risks.
- The Company strengthens the renovation and maintenance of water supply facilities and pipeline networks, promotes the construction of water supply capacity, continually optimizes water supply scheduling, and effectively enhances the water supply guarantee capacity.
- A robust emergency water supply system has been established, with regular drills conducted to improve employee readiness for unforeseen events.

Strategy and Management Approach

- As water supply is the Company's core business, United Water develops and continuously refines management systems and standards for water services. Effective risk mitigation measures are implemented to ensure the safety, stability, and efficiency of water supply systems.

Metrics and Targets

- Annual goals are set for key indicators, including finished water compliance rate, comprehensive water quality pass rate, turbidity levels, pressure reliability, and pipeline network repair response time, ensuring consistent and dependable water supply.

Ensuring Water Supply Quality Strengthening Water Quality Management Through Internal Controls

In 2024, United Water intensified internal water quality management by upgrading its *Daily Water Quality Reports* (influent and effluent) platform. The system includes an internal control metrics column, automatically highlighting data exceeding thresholds in red and tallying non-compliance days. It also mandates detailed reporting on pre-treatment water quality for key project companies.

Additionally, the Company issued the *United Water Group Laboratory Management Plan*, clarifying headquarters' oversight responsibilities for inspection, guidance, and evaluation of subsidiary laboratories. Meanwhile, the Company established a centralized water quality reporting platform, enabling real-time data submission from subsidiary laboratories. The headquarters' technical team leverages this data to provide timely guidance on adjusting operational parameters, ensuring stable operations and effluent quality compliance across all facilities. These initiatives enable the Company to proactively detect and address potential risks in water quality management.

Empowering Inspections with Technology

The Company implemented an *Intelligent Inspection System* to collect real-time field data (temperature, humidity, gas concentration, equipment vibrations) and conduct image analysis for anomaly detection and alerts. The system automates task allocation, execution, and feedback, improving inspection efficiency. Advanced data analytics provide actionable insights for safety management and decision-making.

Enhancing Operational Management Capability through Assessment

To ensure effective implementation of protocols, United Water released the *United Water Group Operational Management Assessment Standards (2024 Trial Version)*, covering safety, operations, equipment, and visual management. The framework includes 26 primary indicators and 80 secondary indicators, enhancing compliance, standardization, and precision across project companies. The *Laboratory Management Plan* further institutes annual evaluations for lab supervisors and recognizes top-performing laboratories to drive quality control efficacy.

Enhancing Competencies Through Training

In 2024, the Company conducted multi-level training programs on production operations and laboratory testing, including wastewater treatment topics: *Outdoor Drainage Design Standards*, *Precision Carbon Dosing System Manual*, *Water Treatment Chemicals Guide*, and *Pilot-Scale Process Testing*, laboratory protocols: *Sampling and Retention Standards*, *Hazardous Waste Management*, *Laboratory Chemical Controls*, and *Wastewater Monitoring*. A mandatory "training and examination" cycle ensures 100% coverage of laboratory personnel every three years, systematically elevating staff expertise and water quality management capabilities.

United Water and its **four** subsidiaries, Suqian Minxin Water Quality Testing Co., Ltd., Suqian Gengche Wastewater Treatment Co., Ltd., Suqian United Municipal Engineering Co., Ltd., and Xianning United Municipal Engineering Co., Ltd.—all achieved **ISO 9001:2015 Quality Management System Certification**.

Key Targets / Indicators	Monitoring Methods & Frequency	Performance Achievement
Finished Water Compliance Rate: 100%	Monthly statistical analysis of finished water quality compliance	Achieved: 100%
Comprehensive Water Quality Pass Rate: ≥98%	Monthly review of test reports, raw data, and compliance records	Achieved: 100%
Finished Water Turbidity: ≤1 NTU	Hourly testing	0.50 NTU
Water Pressure Reliability Rate: ≥99%	Monthly tracking via operational reports	Achieved: 99.9%
Pipeline Network Repair Response Rate: ≥98%	Monthly audit of repair logs	Achieved: 99.9%

In 2024,

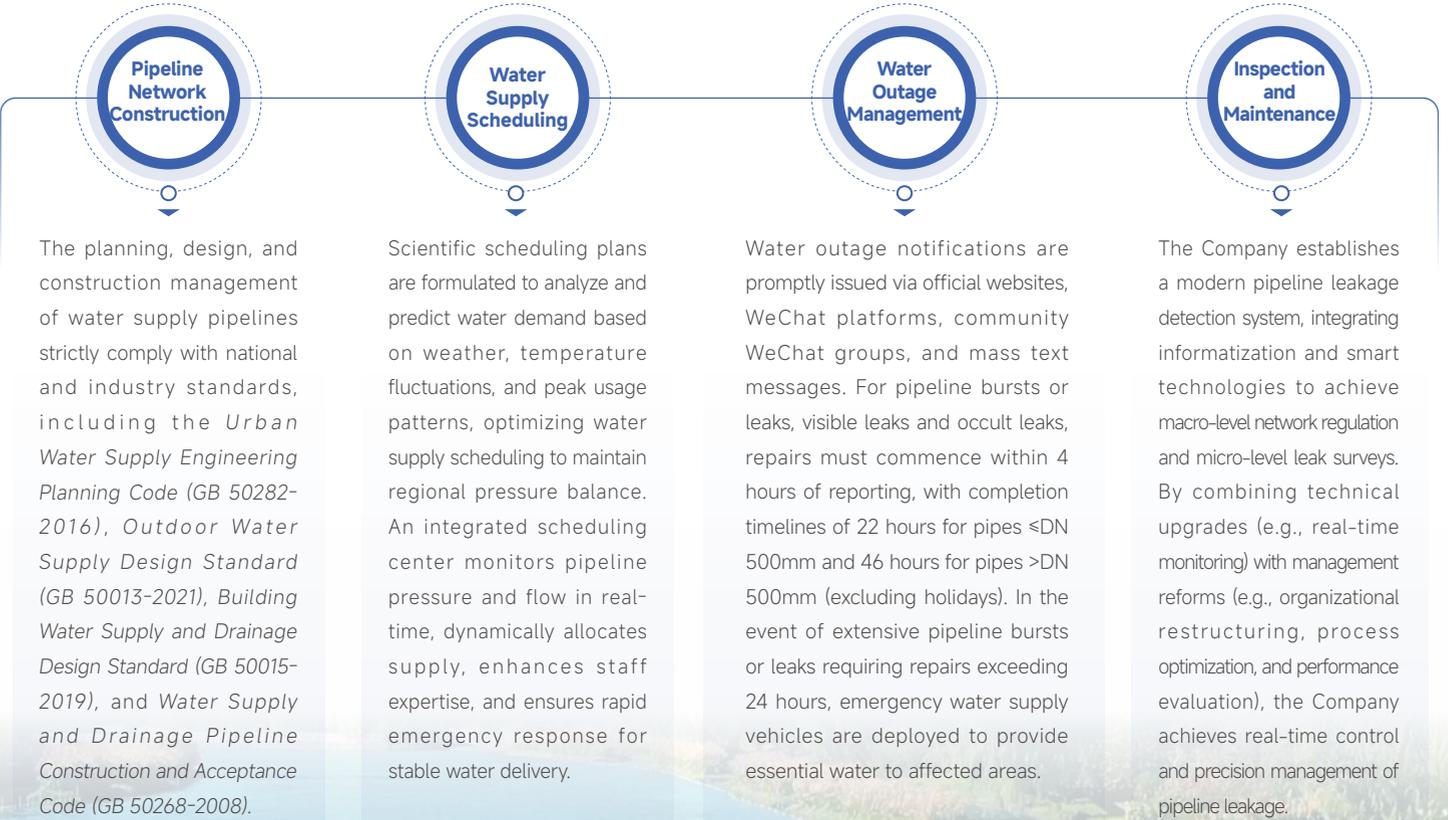
the investment in renovation and upkeep of our pipeline network was

RMB **19.74** million*

*Statistical coverage includes Jiangsu region of United Water, Xianning United Water Co., Ltd. and Xianning Siyuan Water Co., Ltd.

Enhancing Water Supply Capabilities

The Company persistently invests funds into protecting water sources, bolstering our water supply infrastructure, along with the renovation and upkeep of our pipeline network. This strategic investment propels the advancement of our water supply capabilities. Through continuous improvements in our water supply scheduling, we ensure the reliability of the water supply, thereby delivering water that is both high in quality and efficiently distributed.



Emergency Water Supply System

United Water mandates all project companies to develop water-resource-specific emergency plans, standardizing organizational structures, responsibilities, and procedures to efficiently respond to crises such as sudden water shortages, raw water quality fluctuations, freezing disasters, and flooding. Regular emergency drills are conducted to enhance employee preparedness.

Establishing an Emergency Water Supply System



The Suqian Municipal Housing and Urban-Rural Development Bureau, Municipal Ecology and Environment Bureau, and Jiangsu United Water Technology Co., Ltd. jointly conducted an emergency response drill for abrupt water quality changes.



Xianning United Water Co., Ltd. organized a multi-departmental emergency drill for cold-proofing and freeze-prevention.

Premium Services

United Water recognizes every service interaction as an opportunity to build trust. Centered on user needs, the Company continually innovates water supply service models, acting as a "Water Assistant" to deliver practical solutions for public welfare and optimize the business environment.

Improve the Business Environment

Reliable, enterprise-friendly water services form the foundation of business environment improvement. United Water implements new initiatives to enhance service efficiency, streamline water access procedures, and provide corporate relief measures, striving to create a "government-trusted, customer-satisfied" water service environment through high-quality solutions.

Governance

- The Company has established customer service departments across subsidiaries to improve the business environment and client relations.

Strategy and Management Approach

- By adhering to the principle of "Delivering Quality Water with Integrity", the Company continually innovates service models, drives continuous optimization of the business environment, and strengthens client trust and satisfaction.

Impact, Risk and Opportunity Management

- Continually monitors client satisfaction through regular surveys and direct feedback to enhance problem response speed.
- Ensures effective operation of complaint resolution processes and timely resolution of client issues.

Metrics and Targets

- Sets goals for client service satisfaction and complaint rates, continually monitors and evaluates performance metrics, and consistently improves service quality.

Multi-Channel Service Accessibility

Aligned with "Internet+" strategies, United Water upgraded its Jiangsu online service portal, expanding offerings to 18 functionalities, including online repair requests and new installation applications. Integration with the Sufuban APP (a provincial government service platform) enables users to handle water-related tasks digitally, eliminating in-person queues and enhancing convenience.

Expedited Installation Services

Xianning United Water Co., Ltd. implements the "50-1U" Standard (with "50" denoting no runaround, applications, materials, approvals, or fees, and "1U" indicating superior service) for new enterprise water connections. The process achieves 0 business days for application acceptance, 0.50 working days for survey-design-commissioning (excluding administrative approval for road excavation and construction), and water supply activation. By proactively anticipating enterprise water demands and shifting service focus to pre-application stages, the company identifies and addresses water connection requirements in advance, streamlining processes to enhance user convenience and deliver a seamless experience.

Establishing a "QR Code Service Ordering" Model

Xianning United Water leverages big data management to integrate user services such as online payment, new account registration, and repair request into "Water Assistant" service cards for community grids and QR codes on its "Official Account Service Platform". These solutions are tailored to residential and commercial water service needs, enabling users to access one-stop, expedited services via WeChat QR scans. For elderly users without smartphones, assistance is available through community water service grid staff or the company's 24/7 hotline.

Upgrading Customer Experience

United Water adheres to a user-centric approach, comprehensively improving service management capabilities across all operational chains. By refining every service interaction, the Company delivers professional, rapid, and reliable water supply experiences.

Hotline staff operate round-the-clock to address complaints and inquiries. They promptly escalate issues to relevant departments, efficiently resolve queries related to water usage, billing, and meter malfunctions, and ensure timely, effective solutions for all customer concerns.

All customer service personnel are required to adopt a client-focused philosophy, transforming service approaches and enhancing capabilities through regular assessments of attitude, satisfaction scores, and technical proficiency.

The Company openly shares details regarding residential water prices, non-residential water rates, and special industry tariffs through multiple channels, including service outlets, WeChat public accounts, and government websites. This approach not only protects the rights of businesses accessing water services but also instills users' confidence in water usage and service consumption.

For residential water supply services, United Water has developed and publicly disclosed a Service Commitment Charter, alongside protocols such as the *First-Responsibility System*, *Hotline Response Protocols*, *Complaint Handling Procedures*, and *Water Industry Standards*, ensuring staff adhere to rigorous service norms.

Case

Xianning United Water Co., Ltd. Resolves Water Supply Challenges for Visually Impaired User

In April 2024, a meter reader from Xianning United Water identified abnormal water usage at a residence on Guihua West Road, Xian'an District. Upon learning the user was a visually impaired individual facing complex, leaking post-meter cast iron pipelines due to the property's unique layout, the company immediately approved a pipeline renovation and waived 137 tons of leakage-related water fees. The project was completed within a week, providing a permanent solution to the customer's distress.

24/7
Hotline
Services

Customer-
Centric
Approach

Transparent
Tariffs

Institutional
Norms



Safeguarding Customer Rights and Interests

United Water is fully committed to safeguarding the rights and interests of clients by ensuring rapid response to client needs, strict information security protocols, proactive service communication, and multi-faceted initiatives to enhance service satisfaction, thereby earning client trust and loyalty.

Customer Satisfaction Enhancement

In 2024, Xianning United Water established a "point-to-point" grid service mechanism, deploying dedicated "Water Supply Service Specialists" in communities to provide personalized service within designated grids. This initiative created a four-tier grid management system (community-property management-community water grid staff-water utility coordination) to address user needs with precision.

The Company conducted a new round of water supply service quality surveys to collect client feedback on satisfaction levels and suggestions. Survey results were analyzed to formulate improvement plans, assess outcomes, and further elevate client satisfaction.

Complaint Resolution

The Company formulated the *Customer Complaints and Inquiries Handling Management System*, opening channels such as WeChat official accounts, 24/7 hotlines, mayor's mailboxes, and written correspondence to receive client messages, inquiries, and complaints. The system clearly defines accountable entities and response timelines, establishes dedicated oversight to monitor the timeliness and appropriateness of responses across all channels, and ensures sincere engagement with every client's feedback.

Information Security

United Water strictly complies with relevant laws and regulations to protect client data. Collected personal information is used solely for service delivery and essential communications. The *Client Information Confidentiality Management System* enforces robust safeguards, including confidentiality training, data classification and tiering, access rights and controls, physical and cybersecurity measures, employee exit protocols and incident response plans.

Jiangsu region of United Water

Customer communications and suggestions amounted to

1,959 times

Complaint response rate

100%

Customer complaint resolution rate

100%

Customer satisfaction rate

99.4%

Xianning United Water Co., Ltd.

Customer communications and suggestions amounted to

1,702 times

Complaint response rate

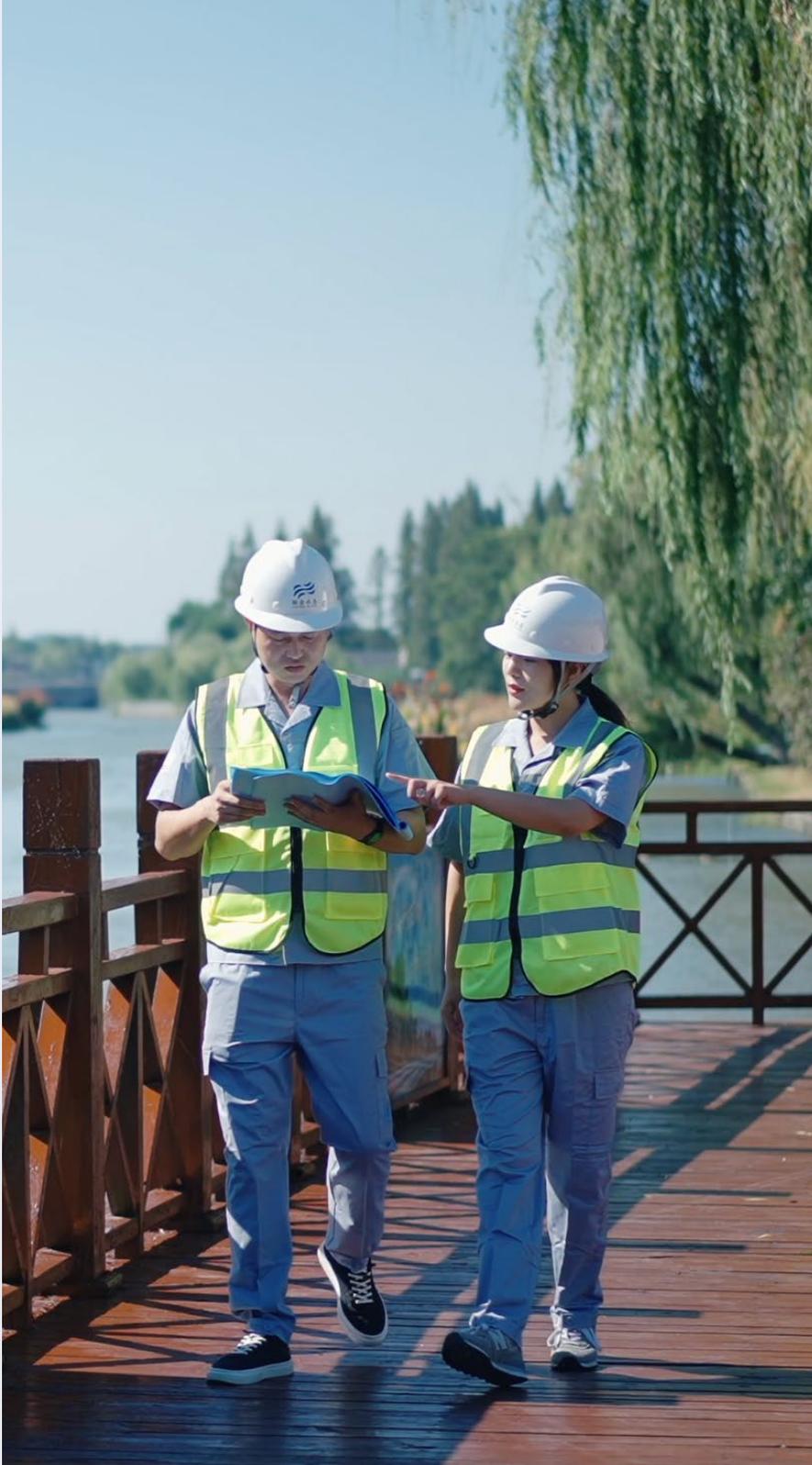
100%

Customer complaint resolution rate

100%

Customer satisfaction rate

99.9%



Community Involvement

United Water demonstrates a deep commitment to public welfare by leveraging its corporate strengths to forge strong community ties, actively engaging in public welfare initiatives, supporting cultural and sports development, and enhancing residents' quality of life, thereby contributing to social harmony and striving to enrich residents' cultural and spiritual lives.

Volunteer Service Initiatives

The Company promotes the spirit of "dedication, camaraderie, mutual aid, and progress" in volunteerism, remains committed to supporting vulnerable social groups, and actively organizes public welfare initiatives while encouraging and guiding employees to actively participate in volunteer services.

On March 5th, United Water Visits 'Home for the Disabled' to organize China Youth Volunteer Service Day.

Xianning United Water visited Bode Senior Care Center in Xian'an District to organize 'Learn from Lei Feng' volunteer service activities.

Pinghe United Water launched "Water Supports Your College Journey" to assist students during national college entrance exams.

Total public welfare investment

RMB **1,883,300**

Employee volunteers

575

Employee volunteer teams

14

Employee volunteer participations

549

Volunteer hour

1,087 hours

Supporting Rural Revitalization

United Water actively responds to China's national rural revitalization strategy, focusing on the projects that bolster rural industries. Over the years, the Company has driven rural industrial development through procurement of specialty agricultural products, demonstrating its commitment to supporting local resources.

Case Liver-Protecting Herbal Tea—Brewing Opportunities for Rural Prosperity

Sourced from Guangdong, the liver-protecting herbal tea is renowned for its health benefits, including invigorating Qi, enriching blood, promoting the production of body fluid to quench thirst, and moistening the lungs to resolve phlegm. In 2024, United Water partnered with Guangzhou Wuxiang Agricultural Technology Co., Ltd. to source tea leaves from Huizhou's rural areas, creating custom-crafted herbal tea products for employees and clients. This initiative introduces rural specialty products to broader markets, driving steady development of village enterprises, increasing farmers' incomes, and enhancing industrial efficiency—thereby fueling rural vitality and injecting momentum into local economies.



Community Communication & Livelihood Assistance

The Company prioritizes the needs of local governments, communities, and stakeholders, establishing effective communication mechanisms and fostering trust to build harmonious relationships.

Case Strengthening Community Engagement and Building Harmonious Relationships

In 2024, the Phase V Project of Suqian Second Water Plant implemented a Community Communication Plan, installing bulletin boards around the construction site to share updates, schedules and temporary changes. This initiative promoted effective collaboration between the construction team and neighboring communities. Regular meetings were held among site managers, community representatives, and government officials to address noise reduction measures, respond promptly to complaints, and minimize disruptions. By prioritizing resident concerns and establishing cooperative partnerships, the project achieved zero major complaints or disputes.

United Water continues to prioritize public welfare, focusing on "solving community challenges and delivering practical solutions". Annual targeted assistance programs are conducted to identify and address the specific needs of vulnerable groups. Maintenance teams visit villages to repair water supply facilities for the elderly, resolving real-life difficulties. The Company collaborates with civil affairs departments to streamline processes, enabling low-income households to access fee waivers efficiently, eliminating bureaucratic hurdles. These efforts significantly enhance community well-being and quality of life.



Xianning United Water organized a public lecture on anti-freezing and cold-proofing knowledge for water supply facilities in Nanchang Road Community.



United Water participated in Suqian's "Government Hotline" program, addressing public water service inquiries and engaging in interactive exchanges with listeners.

Supporting Educational Excellence

United Water is committed to advancing talent development in higher education through donations to education development funds and scholarship programs, while also supporting primary and secondary schools via financial aid initiatives, contributing to China's educational progress.



Yu Weijing, Chairman and CEO of United Water and President of the Antai Alumni Association of Shanghai Jiao Tong University (SJTU), donated RMB 1 million on behalf of the Antai Alumni Association to support the SJTU Antai Education Development Fund's "Tribute to Antai" project.



Tongxiang Shenhe Water conducted a financial aid donation event at Tongxiang Gaoqiao Experimental School (Primary Division).

Case "United Water Scholarship" Empowers SJTU Students

On June 26, 2024, the 2023 United Water Scholarship Award Ceremony and Third-Phase Agreement Signing Ceremony were held at United Water's Shanghai headquarters. Since 2014, the Company has funded the "United Water Scholarship" for outstanding second and third-year SJTU undergraduates. Over the past decade, this initiative has become one of the university's most prestigious scholarship programs. As of the end of 2024, the program had selected 10 cohorts of recipients, totaling 150 students. Moving forward, the "United Water Scholarship" program will empower more scholars in achieving academic excellence.



Supporting Sports Development

United Water has long supported and participated in diverse sporting events, promoting the comprehensive development of public fitness and competitive sports, and contributing to the flourishing growth of China's sports sector.

March 31, 2024

United Water sponsored the successful hosting of the 2024 Suqian Marathon and Grand Canal Marathon Series (Suqian Station), marking its third consecutive year of supporting the Suqian Marathon.

April 21, 2024

The United Water Cup-9th Jiangsu Provincial National Fitness Games Guandan Selection Tournament and Suqian Inaugural Guandan Elite Tournament commenced.

June 10, 2024

The United Water Cup Suqian Dragon Boat Festival Race was held on the Ancient Yellow River.

September 21, 2024

A delegation of 53 United Water employees participated in the "2024 Walking for Health in Jiangsu Large-scale Public Welfare Series (Suqian Station)."

November 17, 2024

United Water organized 80 employees and alumni from China Europe International Business School to participate in the Sanmenxia Marathon.



Excellence in Operations

Investment in production safety

RMB **2,468,400**

Occupational health and safety training sessions

122

Occupational health and safety training participations

2,836

Contributing to UN SDGs

<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 
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Corporate Governance

United Water adheres to the governance philosophy of standardization, transparency, efficiency, and accountability, continually improving its governance framework. The Company strengthens internal controls and risk management, enhances compliance capabilities, ensures timely and accurate information disclosure, thereby safeguarding the interests of shareholders and investors to achieve sustainable, stable, and healthy development.

Corporate Governance Enhancement

The Company strictly complies with laws and regulations including the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Shanghai Stock Exchange Listing Rules*, and *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 1 – Standardized Operations*. By refining management processes and establishing a comprehensive "1+3+5+N" system of governance framework, the Company standardizes board meeting protocols and decision-making procedures, ensuring clear accountability and coordinated operations across the "Three Meetings and One Layer", supporting scientific decision-making. In 2024, 24 internal policies were formulated and updated.

The General Meeting of Shareholders is the supreme decision-making entity of the company, exercising authority over major company matters as prescribed by law. In 2024, the Company revised the *Rules of Procedure for the General Meeting of Shareholders* to rigorously regulate the exercise of authority and procedural compliance, ensuring the legality and validity of resolutions.

The Board of Directors, accountable to Shareholders and all stakeholders, is the executive decision-making body responsible for outlining the Company's strategic goals and making key business decisions. Within the Board's structure are four specialized committees—Strategy and ESG Committee, Audit Committee, Nomination Committee and Compensation and Assessment Committee—operate under the *Articles of Association* and respective bylaws to address specific matters. During the reporting period, the *Rules of Procedure for the Board of Directors* and committee guidelines were revised to optimize governance efficiency and decision-making rigor.

The Board of Supervisors is answerable to all shareholders and its role is to oversee the conduct of the Board of Directors, the senior management and their respective members, as well as the Company's financial operations, internal controls, risk management and information disclosure, thereby safeguarding the legal rights and interests of the Company and its shareholders, employees and other stakeholders. During the reporting period, the *Rules of Procedure for the Board of Supervisors* were refined to standardize its operations and strengthen its oversight responsibilities.

- 1** ▶ Articles of Association
- 3** ▶ Rules of Procedure for the General Meeting of Shareholders, Rules of Procedure for the Board of Directors, Rules of Procedure for the Board of Supervisors
- 5** ▶ Detailed Work Protocols for the President, Detailed Work Protocols for the Board of Directors' Strategy and ESG Committee, Detailed Work Protocols for the Board of Directors' Nomination Committee, Detailed Work Protocols for the Board of Directors' Audit Committee, Detailed Work Protocols for the Board of Directors' Compensation and Assessment Committee
- N** ▶ A number of supporting systems including the Independent Directors' Work System, Independent Directors' Committee Meetings Work System, etc.

During the reporting period

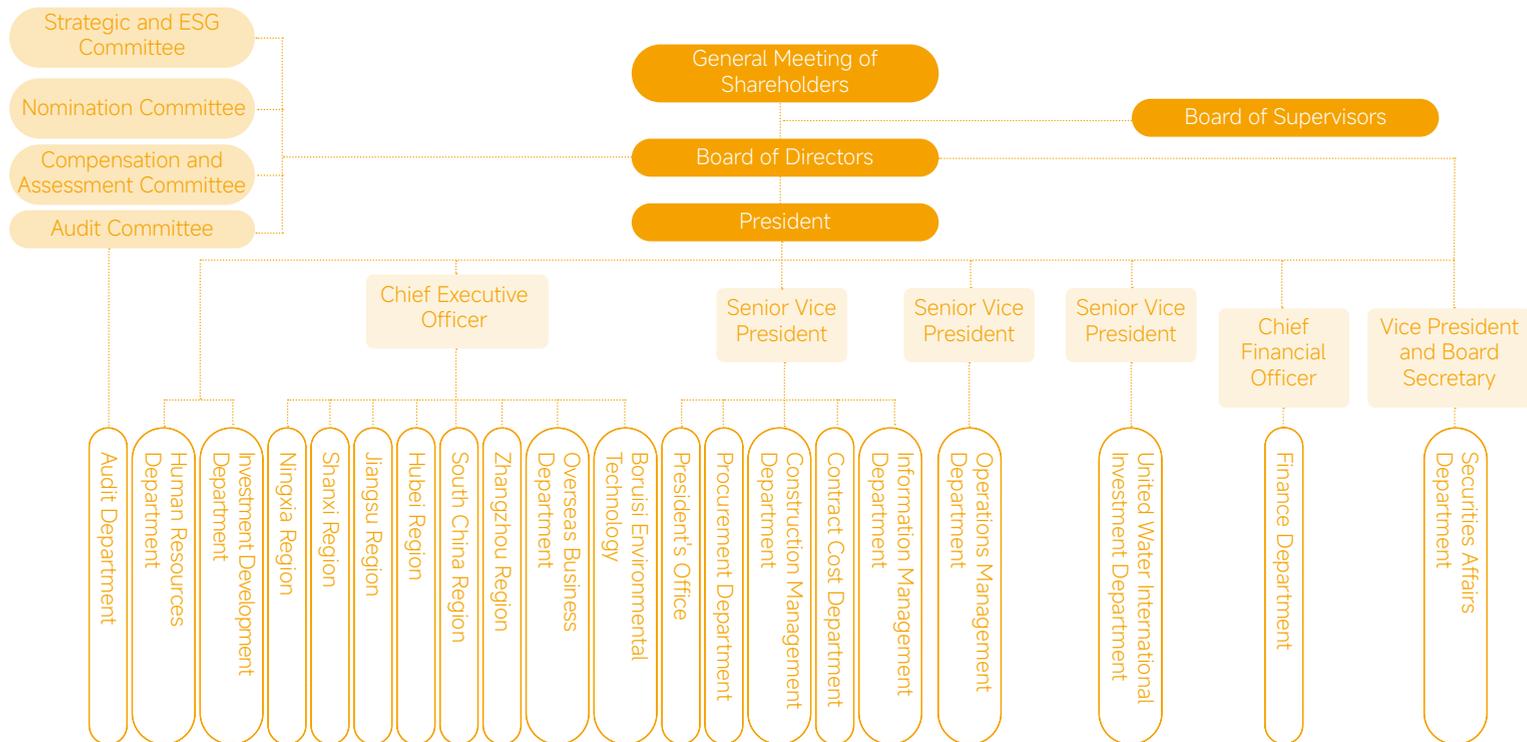
The General Meeting of Shareholders convened **2** times, addressing **29** items

The Board of Directors held **8** sessions, discussing **65** topics

The Board of Supervisors met **5** times, covering **19** subjects

The Strategy and ESG Committee **3** meetings, the Audit Committee **3** meetings, the Compensation and Assessment Committee **1** meeting, the Nomination Committee **1** meeting

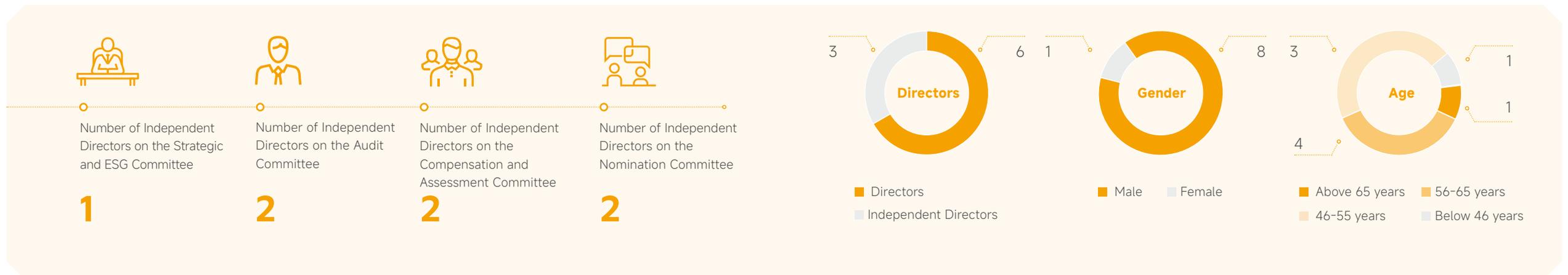
Diagram of United Water Governance Structure



Board of Directors' Effectiveness

United Water has established a diverse, professional, and compliant Board of Directors and senior management team, selecting talents with varied professional expertise and cultural backgrounds. As of the end of 2024, the Board is composed of nine members (eight males and one female), including three independent directors with a varied mix of expertise in finance, financial oversight, corporate governance, and environmental water services. All members serving on the Board's specialized committees are directors, each of the Audit Committee, Nomination Committee, and Compensation and Assessment Committee featuring two independent directors, with the Audit Committee including one independent director who is a certified accountant. Meanwhile, the Company is committed to building a learning-oriented Board of Directors through regular training programs for board members. During the reporting period, four professional skill enhancement training sessions for directors were organized. Board members also participated in the "High-Quality Development and Regulatory Work Training Series for Listed Companies (Session III)", hosted by the Jiangsu Securities Regulatory Bureau, and "Thematic Training on Anti-Fraud Duty Essentials and Recommendations for Independent Directors of Listed Companies", hosted by the Shanghai Stock Exchange, thereby further improving the Board's performance and standardized operations.

To ensure independent directors effectively fulfill their duties and leverage their expertise, senior management and relevant department heads provide regular updates to independent directors on operational status, key project progress, and exemplary work practices, enabling directors to stay informed and enhance information symmetry between internal and external directors. During the reporting period, the Company revised the *Independent Directors' Work System*, developed *Independent Directors' Committee Meetings Work System*, and established an independent director research mechanism. Through field investigations, study visits, internal seminars, and presentations, independent directors provided insights to enhance the scientific rigor of corporate decision-making.



Investor rights protection

United Water strictly complies with regulatory documents such as *Administrative Measures on Information Disclosure of Listed Companies* and *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 2 – Information Disclosure Management*, formulating and implementing the *Information Disclosure Management System*. Aligned with investor needs, it ensures timely, accurate, and complete disclosure of interim or periodic reports, delivering authentic and effective corporate information to the capital market. During the reporting period, no false records, misleading statements, material omissions, or improper disclosures occurred.

In accordance with the *Guidelines for Investor Relations Management of Listed Companies*, the Company continually improves the *Investor Relations Management Methods*, establishing a board secretary-led investor management system and multi-level communication mechanisms. It participates in securities firm strategy conferences and organizes reverse roadshows for public funds, pension funds, and insurance funds in Beijing, Shanghai, and Shenzhen to convey its corporate values.

In strict accordance with its *Articles of Association*, United Water safeguards the voting rights of minority shareholders. During the reporting period, the 2023 annual general meeting of shareholders adopted resolutions through separate vote counting for minority shareholders, approving the 2023 annual profit distribution plan, the 2024 interim profit distribution authorization, and the 2024 compensation plan for directors, supervisors, and senior executives.



On November 22, 2024, under the guidance of the Shanghai Stock Exchange, United Water co-hosted the "Serve Investors, Share High-Quality Development-'I Am a Shareholder' Visit to Shanghai Stock Exchange-listed Companies" with Capital Securities.

While focusing on the company's development, United Water adheres to an investor-centric approach by implementing a consistent and stable cash dividend policy under its *Articles of Association*, sharing growing dividends with stakeholders. The Board formulates annual profit distribution plans based on operational performance and submits them to shareholders' meetings for approval, safeguarding the legal rights and interests of shareholders, especially minority shareholders. In 2024, the Company implemented the 2023 Annual Profit Distribution Plan, distributing RMB 1.50 per 10 shares (tax-inclusive), totaling RMB 63,483,090.60 (tax-inclusive), and the 2024 Interim Profit Distribution Plan, distributing RMB 0.35 per 10 shares (tax-inclusive), totaling RMB 14,812,721.14 (tax-inclusive).

5

periodic reports disclosed

125

interim reports and related documents published

6

investor communication sessions held

37

participations engaged in investor activities

3

on-site investor research meetings hosted

18

investor inquiries addressed via the e-interactive Platform

686

communications with investors through various channels



Compliant and Sound Operations

Risk management is crucial for the stable operation of an enterprise. United Water firmly establishes comprehensive risk management awareness, implements a unified risk management and internal control system with hierarchical responsibilities, continually strengthens internal auditing and supervision, enhances risk management capabilities, ensuring the standardization and compliance of business activities, and improving corporate core competitiveness and sustainable development capabilities.

Governance

- The Board of Directors is charged with overseeing risk management and governance, while the Audit Committee regularly supervises and evaluates the effectiveness of internal controls, reporting their findings and progress to the Board.
- The Company's Finance Department is responsible for effective risk management and internal controls, overseeing tax management operations.
- The Company's Audit Department is accountable for internal auditing and establishes a long-term and effective internal management system across the organization.

Strategy and Management Approach

- A "Three Lines of Defense" risk management system and internal-external supervision mechanisms have been formed to effectively prevent and control the Company's potential risks.
- The Company continually monitors and optimizes risk management and internal control processes while strengthening internal control and compliance management.
- The Company enhances its tax management system to fully fulfill tax obligations domestically and internationally.

Impact, Risk and Opportunity Management

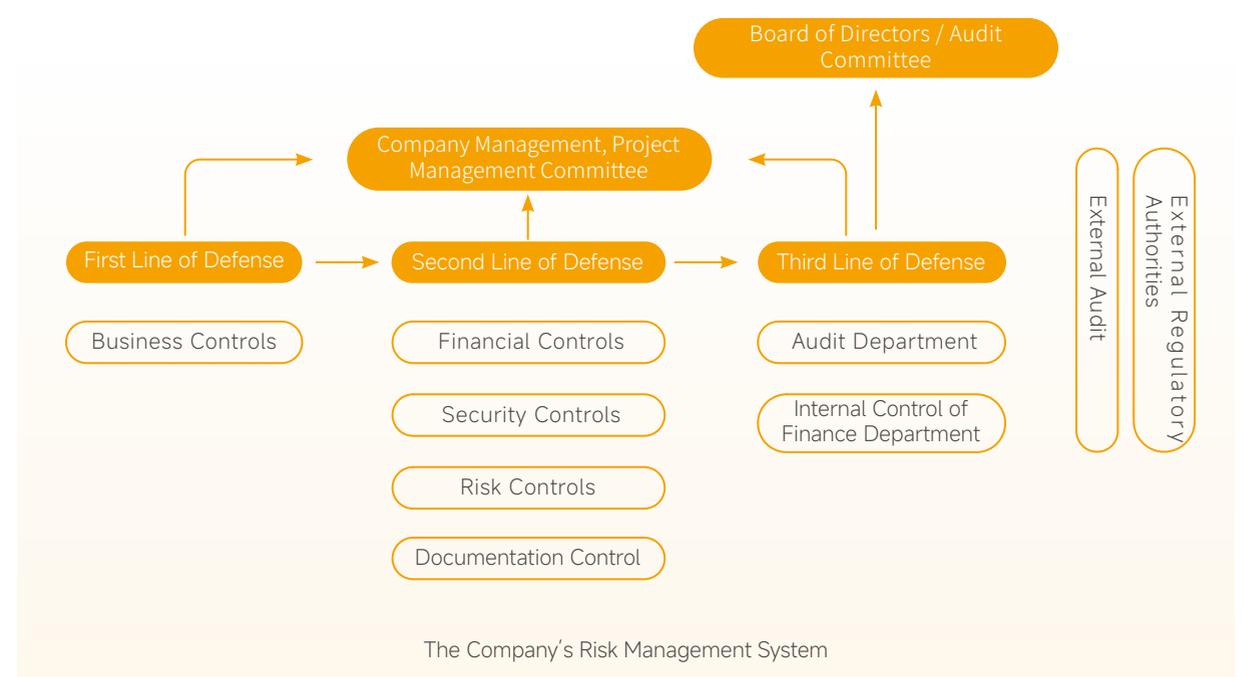
- The Company regularly evaluates the effectiveness of risk management and internal control systems, conducts specialized audits, ensuring the operational integrity of its compliance system.

Metrics and Targets

- The Company formulates annual audit plans, mandating that each project company undergo an audit at least once every two years for routine projects. Major matters are inspected and evaluated to ensure adherence to regulations. Furthermore, identified issues are incorporated into performance evaluations to guarantee effective rectification. In 2024, the Company completed routine audits for all projects, achieving all goals.

Strengthened Risk Control

United Water has established and continually refines the company's risk management and internal control systems. The Board of Directors is charged with overseeing risk management and governance, while the Audit Committee regularly supervises and evaluates the effectiveness of internal controls, reporting their findings and progress to the Board. Through the Three Lines of Defense and internal-external supervision mechanisms, the Company effectively mitigates direct and indirect risks to ensure stable development.



The Company has established standardized risk management workflows, continually improving risk information collection, assessment, solution development, and monitoring to form an extensive management system. It also refines the risk monitoring and early-warning systems, improving oversight of market, operational, and regulatory risks.

By regularly evaluating potential risks including market, operational, financial, tax, legal, and ESG-related risks (e.g., workplace safety, human resources, environmental protection), the Company enables the identification of threats and opportunities, ensures comprehensive oversight of key business areas. Concurrently, the Company has developed and continuously upgrades its response strategies and contingency plans, bolstering employee awareness of risk to ensure swift, orderly, and effective reactions to unforeseen events.

Financial Internal Control Management

United Water continually refines its financial internal control management mechanism, strictly adhering to the *Comprehensive Budget Management Manual*, *Financial Internal Control Management Manual* and *Financial Reimbursement Regulations* to ensure the standardized implementation of financial internal control management. Furthermore, it annually contracts professional accounting firms to audit the effectiveness of internal controls over financial reporting, aiming to mitigate potential risks and ensure the Company's compliant and robust operation.

During the reporting period, the Company conducted internal control inspections for 10 project companies, performed due diligence on 3 BOT projects, provided written recommendations on investment decisions, risk disclosure, and M&A compliance, and organized financial and management training for financial personnel and relevant management personnel of each project subsidiary to embed compliance awareness.

Throughout the year,

3 major matters were inspected and audited

2 internal control and compliance training sessions were held

Tax Management

United Water strictly complies with national tax laws, regulations, and institutional requirements, establishing a robust internal tax management system with the *Tax Management Manual* to standardize tax operational procedures. The Company implements a three-tier tax management structure with clearly defined responsibilities at each level, and centralized oversight of all tax-related matters to effectively prevent tax-related violations. In this management structure, the Chief Financial Officer (CFO) oversees overall strategic planning and risk management. The Tax Manager, in collaboration with Regional Financial Directors, manages standardized tax processes, regulatory compliance, and responses to internal-external tax audits. Additionally, each project subsidiary has dedicated tax positions responsible for daily tax filings and basic tax risk controls.

The Company conducts regular tax risk assessments, reviews monthly tax filings across all units via tax declaration control sheets to prevent omissions, delays, or late tax payments, ensuring zero tax risks during the reporting period. It organizes professional tax training for employees to ensure accurate interpretation and application of policies, shares updates on government regulations and industry trends, and enhances the expertise and operational capabilities of tax personnel.

During the reporting period

Tax payments

RMB **112.41** million

17 subsidiaries rated as Class-A taxpayers

13 professional tax training organized,

with **542** participations



Business Ethics

Commitment to business ethics is a core responsibility of every company. United Water strictly adheres commercial ethics and ethical norms, opposes all forms of commercial bribery, money laundering, monopolistic practices, and unfair competition, engages in market competition lawfully, and fortifies defenses for business ethics.



Governance

- The Company has established a three-tier management structure comprising the Board of Directors, the Board Audit Committee, and the Audit Department. The Board oversees the establishment of an anti-fraud culture and an internal control system covering fraud prevention, whistleblowing, and investigation.
- The Board authorizes the Audit Committee to guide anti-fraud initiatives, while the Audit Department executes supervision of business ethics and anti-corruption compliance.



Impact, Risk and Opportunity Management

- The Company regularly reviews the effectiveness and compliance of its internal control system, conducts audits covering anti-corruption and anti-fraud activities, and proactively manages potential business ethics risks in operations.
- The Company strictly implements cross-departmental monitoring mechanisms throughout the entire procurement process and strengthens integrity risk management in the supply chain.

Strategy and Management Approach



- The Company adheres to ethical operations, continually improves its business ethics and anti-corruption management system while enhancing training and cultural development. Furthermore, it establishes effective internal reporting, whistleblowing and investigation mechanisms, protects whistleblowers, and prohibits all forms of fraud, commercial bribery, and other unethical conduct.

Metrics and Targets



- The Company upholds a "zero tolerance" policy, rigorously resolves corruption and whistleblowing cases, achieving a 100% resolution rate of valid reports to reinforce the control of business ethics and anti-corruption risks.

Anit-Corruption & Anti-Fraud

United Water continually refines its business ethics and anti-corruption frameworks, and firmly opposes all forms of bribery, corruption, fraud, extortion, embezzlement, and other inappropriate conduct that contravenes ethical business standards. Such commitment fosters a culture of integrity and cultivates a reputable and upright business environment in collaboration with employees, suppliers, and partners. During the reporting period, the Company revised the *Anti-Fraud and Reporting System*, drafted the *Integrity and Compliance Policy*, *Employee Integrity Agreement*, and *Guidelines for Gifts and Cash Handling*, fostering a sense of integrity and uphold professional ethics among all employees.

Regulating Employee Conduct

The Company has formulated the *Employee Handbook*, which explicitly defines standards for business conduct, conflict of interest, and trade secrets protection, prohibiting employees from accepting improper benefits (e.g., bribes, kickbacks) from stakeholders. In addition, the Company restricts inappropriate superior-subordinate relationships and conflicts of interest, such as soliciting, accepting, or exchanging gifts between superiors and subordinates through regular training to ensure compliance.

Standardizing Business Ethics

The Company has established the *Insider Information Registration and Management Policy* to regulate insiders and enhance confidentiality of insider information. Meanwhile, it has revised the *Related-Party Transaction Management Policy* and *Guidelines for Regulating Fund Transactions with Related Parties* to standardize internal management of related-party transactions, ensuring compliance with fairness, transparency, and equity principles to protect the interests of the Company and all shareholders.

Refining the whistleblowing mechanism

The Company has established a robust internal whistleblowing and investigation mechanism and set up a dedicated reporting mailbox, encouraging real-name reporting. This mechanism guarantees protection for whistleblowers during investigations, prohibits illegal discrimination, retaliation, or hostile actions against participants, and mandates severe penalties (e.g., termination or legal action) for disclosing whistleblower identities or engaging in retaliation. During the reporting period, the Audit Department initiated an investigation into one corruption case, submitted a special investigation report to the Audit Committee, and the Human Resources Department imposed disciplinary actions per the *Employee Handbook* based on the Committee's decision. Moving forward, the Company will strengthen oversight of critical processes and roles to prevent recurrence.

Whistleblowing Email:
 jubao@united-water.com

Whistleblowing Hotline:
 021-52081230 52081231 52081232 ext. 851/301

Valid Reports Received:

1

Valid Report Resolution Rate

100%

Anti-Unfair Competition

United Water complies with the *Civil Code of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Regulation of the State Administration for Industry and Commerce on Prohibiting Infringement upon Trade Secrets*, as well as anti-monopoly and fair competition laws and regulations in countries where it operates. Meanwhile, it promotes and protects legitimate competition, prohibits unfair practices, and maintains a fair environment in market. The Company commits to refraining from illegally obtaining competitors' trade secrets or confidential information, and avoids collusive pricing or other illegal acts that disrupt market order. During the reporting period, no material violations of anti-monopoly or fair competition laws occurred.

Supply Chain Management

United Water adheres to the value of "mutually beneficial relationship and long-term cooperation with suppliers and customers", striving a healthy business ecosystem. Though continually enhancing its procurement management capabilities, the Company collaborates with suppliers to advance sustainable development, fostering mutually beneficial partnerships.



Governance

- The Senior Vice President oversees corporate supply chain management. Meanwhile, the Group Procurement Department and Operating Company Procurement Department are responsible for professional procurement management and daily operational management, respectively.
- The Audit Department, Finance Department, and Operating Company Finance Department jointly supervise the entire procurement process.

Strategy and Management Approach



- The Company enhances supply chain management to standardize and streamline procurement process.
- ESG factors are integrated into the evaluation and selection of key suppliers to promote sustainable practices within the supply chain.
- The Company provides support to suppliers to enhance their capabilities and facilitate their growth.



Impact, Risk and Opportunity Management

- The Company implements full-process supervision of procurement, continually identifies and monitors risks, and advances preventive controls to ensure operational continuity and supply stability.
- The Company strengthens ESG risk identification in the supply chain, embedding risk management across the entire supplier lifecycle.

Metrics and Targets



- Quality, environmental, and health and safety management system certifications are integrated into the evaluation of key suppliers, including major bulk procurement and critical equipment suppliers, driving sustainable supply chain development.

Standardized Procurement

United Water is committed to strict adherence to laws and regulations, including the *People's Republic of China Bidding Law* and its implementing regulations. This commitment drives the continuous enhancement of our procurement management system, contributing to a robust procurement management framework that bolsters the standardization and professionalization of our supply chain management.

Constantly improving management system

The Company revised internal policies and standard procurement documentation such as the *Procurement Management System*, *Project Procurement Management System*, and *Bidding Management System*, establishing a procurement management system with clear divisions of responsibility for Procurement Department, Audit Department, Finance Department, and other relevant units.

Advancing quality control measures

The Company ensures that procurement contracts clearly define material technical standards and outline procedures and penalties for non-compliance. Key Quality Control Points (QCPs) are established for critical equipment to oversee production processes and pre-shipment inspections. The quality inspection team conducts tests in accordance with contractual stipulations before warehousing materials. For materials like activated carbon and certain chemicals that require off-site testing, we employ third-party inspections. Additionally, all stored materials are covered by a warranty period.

Reinforcing supply chain integrity

The Company prioritizes integrity and compliance in procurement, implementing strict cross-departmental oversight of all procurement actions. Anti-corruption clauses are included in contracts to explicitly prohibit any form of commercial bribery. Integrity education are integrated into regular communications and training, with dedicated whistleblowing channels established to mitigate supplier risks under evolving conditions. During the reporting period, the Company identified a bid irregularity and blacklisted the supplier.

Protecting supplier rights

The Company strictly adheres to contractual obligations with suppliers in collaboration, ensuring timely invoice handover and payment processing. Progress payments are tracked, and payments are made per contract terms unless mutually agreed otherwise, safeguarding suppliers' legitimate rights.

Comprehensive Process Control

Abiding by the principles of openness, fairness and impartiality, the Company has established a full-cycle supplier management system covering development and qualification, performance evaluation, and termination. Through contractual terms, process monitoring, and site visits, supplier management is targeted and effective. As of the end of 2024, United Water collaborated with 1,270 suppliers.

Supplier Lifecycle Management



Supplier Development and Qualification

The Company enforces a rigorous qualification process for supplier inclusion, identifying potential suppliers through multi-department and multi-channel efforts. It collects and reviews supplier credentials, conducts on-site verification of qualification authenticity, strictly prohibits affiliated companies from participating in bids, and issues warnings or penalties for violations such as document falsification, bid collusion, or rigging.



Supplier Performance Evaluation and Improvement

The Company has established a comprehensive assessment mechanism, conducting annual supplier performance evaluation. Through collective review meetings, suppliers are rated as "Excellent," "Good," "Average," or "Poor." The results are compiled into an annual supplier evaluation report, which serves as a basis for updating the *Group Supplier Directory*. Meanwhile, corresponding measures are implemented, including prioritized procurement for high-rated suppliers, corrective action requests for underperformers, and procurement termination for non-compliant suppliers.



Supplier Termination

Suppliers rated "Poor" in annual evaluations, or those involved in major quality issues, significant safety or environmental risks, or severe integrity violations, will face procurement termination and removal from the Supplier Directory. Such suppliers are prohibited from bidding or quoting for three years.

Enhancing Supply Chain Resilience

United Water actively identifies and assesses supply chain risks, advances preventive control measures, and ensures business continuity and supply stability. The Company defines response strategies for different risk types and strengthens communication and collaboration with suppliers, enabling prompt action to correct the problems.

Supply Chain Risk Identification and Mitigation

Risk Categories	Risk Identification	Mitigation Measures
Supply Disruption Risk	The Company evaluates suppliers' production capacity and sustainable supply through the assessments of their financial health, operational stability, market position, competitiveness.	We build a multi-supplier system with backup options, sign supply guarantee contracts with breach penalties and compensation terms, optimize inventory management, and define appropriate safety stock levels.
Price Increase Risk	The Company monitors market dynamics including tracking raw material price indices, analyzing supply-demand trends, and maintaining regular communication with suppliers to establish price alert mechanisms.	We negotiate pricing leveraging procurement scale advantages, sign long-term procurement contracts for favorable terms, and optimize production processes to reduce material usage.
Related-Party Transaction Risk	The Company reviews suppliers' ownership structures, investigates potential familial or other ties between suppliers and internal personnel, compares pricing between related and non-related suppliers, and ensures compliance in supplier selection and transaction decision-making processes.	We clarify decision-making and approval procedures for related-party transactions, strengthen procurement staff training, conduct regular internal audits on such transactions, and encourage whistleblowing on violations.

Strengthening ESG Risk Management

United Water drives supplier sustainability management to enhance supply chain risk resilience. It assesses suppliers' ESG risks, revises procurement policies, and formulates the Supplier Code of Conduct, mandating compliance with integrity, anti-corruption, human rights, health, safety, and environmental standards. The Company prioritizes suppliers certified under ISO 9001 Quality Management System Certification, ISO 14001 Environmental System Certification, and ISO 45001 Occupational Health and Safety Management System Certification. Key long-term suppliers are urged to obtain these certifications. Additionally, the *Supplier Blacklist* has been established, explicitly stipulating that violators of the Code will be added to the procurement blacklist. As of the end of 2024, United Water had blacklisted 18 companies.

Suppliers obtained quality management system certification

38.58%

Suppliers obtained occupational health and safety management system certification

35.67%

Suppliers obtained environmental management system certification

36.14%

Enhanced Growth for Mutual Benefit

The Company strengthens collaboration with industry peers, actively monitors supplier performance and needs, and provides targeted resources and support. In 2024, United Water conducted visits and exchanges with 25 suppliers, hosted over 30 supplier visits, emphasized requirements for product quality control and ESG management, and guided suppliers to uphold social responsibilities. No suppliers faced penalties from regulatory authorities for ESG-related issues during the reporting period.



Safety Prevention Measures

United Water adheres to the principle of "Safety First, Prevention Foremost, Comprehensive Management", focusing on "strengthening risk awareness and fostering safe development." It prioritizes system building, risk control, and hazard mitigation to deepen safety production management, establishing a robust safety foundation for high-quality growth.

Safety Production Management

The Company strictly complies with the *Work Safety Law of the People's Republic of China* and other regulations, refining a dual-responsibility safety management system ("One Position, Dual Responsibilities; Joint Oversight"). It formulates the *Safety Production Regulations and Operational Procedures Management System*, implements risk control measures, intensifies safety inspections and hazard rectification, achieving zero major safety incidents during the reporting period.

Safety Production and Occupational Health Targets		Achievement Status
Major Incidents and Significant Fire Accidents	Major incidents: 0 Significant fire accidents: 0	Achieved
Minor Work-Related Injuries (including traffic accident-induced injuries)	Annual minor work-related injury frequency rate per million work hours: ≤1,080	Achieved
Health and Safety	Occupational disease incidence rate: ≤0.001	Achieved
Safety Training Coverage	Safety training coverage rate: ≥100%	Achieved
Safety Drill Participation	Safety drill participation rate: ≥100%	Achieved

Improving Safety System

Standardizing Organizational Structure

A Safety Production Management Committee, chaired by the CEO, oversees safety governance. Under this committee, a Safety Production Office provides guidance, while operational subsidiaries establish safety teams and designate safety officers to execute protocols. A monthly safety reporting mechanism ensures foundational compliance.

Driving Accountability Implementation

The Company clarifies safety responsibilities for project managers and engineers, mandates signing of safety responsibility agreements, enforces the "Three Responsibilities and Three Mandates" principle for management, and builds a responsibility chain for fundamental safety improvements, ensuring full accountability across all operational phases.

Safety Management Digitalization

The Company implements a smart safety platform integrating daily safety management, safety inspections, risk tiered controls, documentation, and training to standardize, unify, and digitize safety operations, contributing to the standardization, unification and intelligentization of corporate safety management.

United Water and its four subsidiaries, Suqian Minxin Water Quality Testing Co., Ltd., Suqian Gengche Wastewater Treatment Co., Ltd., Suqian United Municipal Engineering Co., Ltd., and Xianning United Municipal Engineering Co., Ltd., were certified **ISO 45001:2018 Occupational Health and Safety Management System Certification**.

Xianning Siyuan Water Co., Ltd. received the **Level-3 Safety Production Standardization certification**.

Safety production investment
RMB **2,468,400**

Major or severe production safety incidents
0

Work-related fatalities
0

Total work-related injury rate
0.30%

Workdays lost due to work-related injuries
318 days

Injury frequency rate per million work hours
1.50

Deepening Safety Risk Prevention and Control



Improving Risk Prevention Mechanisms

The Company has formulated the *Safety Inspection and Hidden Hazard Rectification Management Regulations* and *Hazard Identification and Risk Assessment Regulations*, prioritizing on-site safety prevention to conduct safety evaluations. It also establishes a dual prevention mechanism for risk tiered control and hazard rectification, updated risk or hazard inventories. Additionally, the company utilizes a safety management platform for facility oversight, enabling self-inspections, periodic checks, targeted campaigns, and tracking and statistical analysis of safety hazards. During the reporting period, the hazard rectification rate reached 100%.



Strengthening Hazardous Material Management

The Company formulates policies including the *Hazardous Waste Management Regulations*, *Hazardous Material Storage Regulations*, and *Hazardous Substance Usage Regulations* to manage procurement, storage, distribution, and disposal. It also establishes hazardous chemical inventories and warehouses, employs certified personnel, conducts regular lab safety training to ensure strict inventory checks. Additionally, safety equipment and facilities are installed in hazardous chemical warehouses, hazardous waste storage facilities, and storage tanks. These include explosion-proof lighting, emergency lighting systems, electrical equipment, and power distribution lines. Explosion-proof ventilation systems are equipped to prevent the co-storage of hazardous chemicals with incompatible substances.



Contractor Risk Warnings

Prior to construction, the Company conducts safety briefings for contractors and subcontractors, detailing project hazards, control measures, precautions, and emergency protocols to ensure risk-aware operations.

Case

Smart Safety by Integrating Risk Control and Innovative Mechanism

Prior to construction of the Phase V Project, Suqian Second Water Plant compiled a safety risk assessment report and a pre-construction tiered risk control table, identifying major risks and mitigation strategies. During execution, an "Instant Hazard Reporting via Smartphone" mechanism enabled real-time hazard reporting, significantly improving issue identification and resolution efficiency.

Ensuring On-Site Safety

Contractor Qualification Review

Prior to project commencement, the Company verifies contractors' business licenses, work safety production licenses, organizational code certificate, business scopes, and personnel credentials to ensure authenticity. Safety agreements are signed to clarify responsibilities and penalties.

Enhancing Institutional Frameworks

The Company implements the "Three Simultaneities" system for new, renovated and expanded projects, strengthens safety management for high-risk activities (e.g., high-formwork supports, deep excavations, scaffolding, and pipe-jacking construction). This includes rigorous plan development, technical reviews, mandatory inspections for critical engineering, third-party monitoring, and strict penalties for violations including rushed schedules, non-compliant construction, and incomplete approval documentation.

Standardizing Safety Protocols

The Company has issued the *Safety Signage Standards* and *In-Plant Traffic Safety Regulations*, standardizing safety, roadway, and pipeline signage. These regulate the installation, maintenance, and management of on-site safety and environmental signs, and define penalties for traffic violations and accident accountability to safeguard personnel and assets.

Inspecting Safety Production

The Company develops the safety inspection plan, implementing monthly safety inspections for all projects, with weekly self-inspections by project teams. In 2024, 759 safety inspections were conducted.

Upgrading Security Facility

The Company enhances physical and technical security systems, improves the integrated security framework by installing protective barriers, surveillance cameras, and perimeter defenses across gates, production areas, factory boundaries, and roads. This establishes an integrated security framework combining technological, physical, and personnel defenses, achieving full-site video coverage.

Case Smart Security Empowering Construction Safety

The Phase V Project of Suqian Second Water Plant has advanced the development of "Smart Construction Site", has utilized cutting-edge monitoring technology in this project, ensuring staff safety through real-time monitoring via mobile apps and PCs. The Smart Construction Site incorporates intelligent safety helmets with personnel tracking and dynamic management capabilities for rapid emergency response. An elevated edge protection warning system monitors guardrail integrity via smart sensors to safeguard high-altitude work zones. The "3 Cameras + 2 Domes" remote video surveillance system ensures transparent construction processes and mitigates safety risks.



Enhancing Emergency Management Capability

The Company has revised the *Work Safety Emergency Response Plan* to refine emergency organization, response protocols, incident handling, and contingency support, establishing a scientific and efficient emergency management process. It enhances response capabilities for fire incidents, confined space operations, and special equipment accidents by developing comprehensive emergency plans. Additionally, it actively participates in counter-terrorism and anti-violence drills organized by authorities and intensifies emergency knowledge and skills training for frontline staff to improve preparedness for emergencies.

Emergency drills conducted
85

Emergency drill participants
2,550

Safety Culture Development

The Company conducts multi-disciplinary safety training, innovates education methods via its safety management platform, and organizes annual "Work Safety Month" and "Fire Safety Month" campaigns to strengthen safety awareness and competencies across the organization.

Occupational health and safety training sessions
122

Total training hours
377.50

Occupational health and safety training participants
2,836

Average safety training hours per employee
7.51



In June 2024, United Water organized the Work Safety Month under the theme "Everyone Promotes Safety, Everyone Can Respond-Clear Life Channels".



In November 2024, United Water's Hubei regional companies in Xianning organized Fire Safety Month activities themed "Public Fire Safety, Life First".

Occupational Health and Safety

The Company prioritizes employee safety and health, strictly complies with the *Occupational Disease Prevention and Control Law of the People's Republic of China* and the *Occupational Hazard Reporting Management Regulations*, and improves its occupational health and safety management system to ensure a safe working environment and holistic employee well-being.

Improving Working Conditions

The Company provides appropriate personal protective equipment, implements occupational disease prevention measures in workplaces, and engages third parties to conduct occupational hazard factor detection and evaluation. During the reporting period, all evaluation results met standards including chemical and physical factors (e.g., ozone, hydrogen sulfide, noise, power-frequency electric fields).

Prioritizing Health Management

The Company conducts regular occupational health checkups for employees, establishes health records and worker health monitoring records, and continually monitors employee health status.

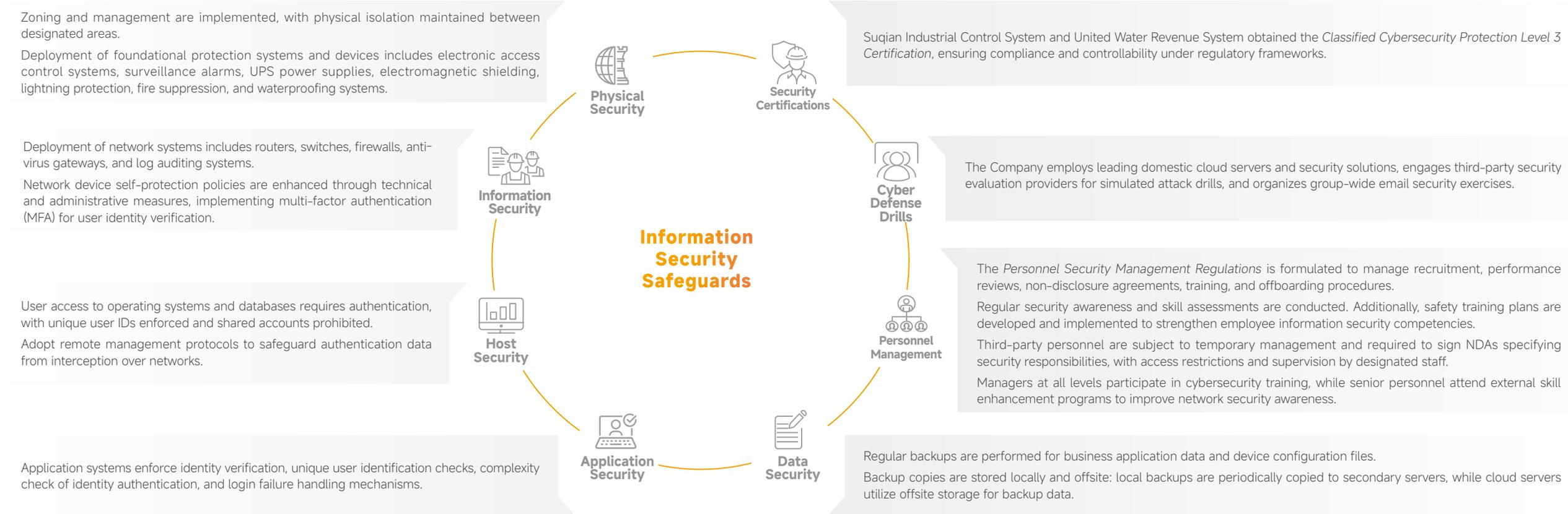
Strengthening Safety Safeguards

The Company provides tailored insurance coverage (e.g., employer's liability insurance, production safety liability insurance) to ensure comprehensive safeguard for employees.

- Occupational disease incidence rate: **0%**
- Occupational health checkup participants: **54**
Checkup participants: **922**
- Production safety liability insurance investment: RMB **356,800**
Employees covered by production safety liability insurance: **895**
Production safety liability insurance coverage rate: **78.23%**
- Work-related injury insurance investment: RMB **747,000**
Employees covered by work-related injury insurance: **1,295**
Work-related injury insurance coverage rate: **100%**

Information Security Protection

The Company strictly complies with information and data security regulations such as the *Data Security Law of the People's Republic of China*. It has established an internal Information Security Leadership Group and formulated 18 management systems, including the *Information Security Management Measures* and *Cybersecurity Incident Reporting and Handling Regulations*, covering information system security construction, information asset security, cybersecurity, and information system emergency response plan. No data breaches occurred during the reporting period.



A dvanced Technology

R&D Personnel

6

R&D Investment

RMB **3,147,900**

Cumulative Registered Patents

18

Cumulative Software Copyrights

12



Contributing to UN SDGs



合水
TEP

Digital Intelligence Empowerment

United Water consistently aligns with technological advancements, embarking on IT infrastructure development and digital transformation. By integrating smart technologies and data analytics across production, billing, pipeline networks, customer services, and procurement, it breaks down information silos and elevates water management through automation, digitization, collaboration, intelligence, and data-driven decision-making, bolstering urban water environment management.



Governance

- The Informatization Management Department, directly led by a Senior Vice President, oversees mid-to-long-term IT system planning to enhance integration, interoperability and high-efficiency intelligence, ensuring cybersecurity across the organization.



Impact, Risk and Opportunity

- The Company implements comprehensive information security management covering information system security construction, information asset security, cybersecurity, and information system emergency response plan, conducts cyber defense drills, and strengthens data privacy safeguards.



Strategy and Management Approach

- The Company drives IT infrastructure development and digital transformation, prioritizes key projects, and continually promotes smart water management across subsidiaries to establish data-driven efficient operational models.



Metrics and Targets

- The Company progressively develops a digital transformation roadmap to achieve deep integration of digital technologies with production and operations through a group-wide digital management platform.

Smart Water Utilities

United Water actively promotes the development of new quality productivity in water services by establishing a group-wide digital management platform. This platform provides decision support for critical production and operations, further enabling deep integration of digital technologies with production and operations.

Smart Water Supply

United Water's projects in Suqian and Xianning implement digital management platforms including GIS pipeline networks, DMA district metering management systems, smart equipment management systems, and SCADA production scheduling systems. Continuous technical refinements enhance energy efficiency and consumption reduction, achieving safe water supply through automated control, remote monitoring, and intelligent scheduling.

Achieved Outcomes

Optimized scheduling, Safety early warning Enhanced efficiency, reduced energy consumption

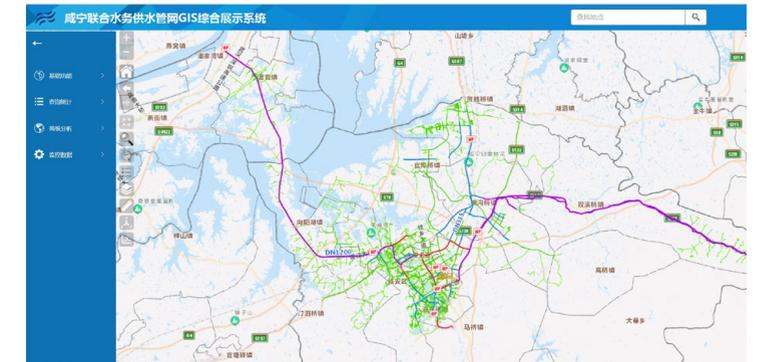
Core Technical Support

DMA (District Metered Area) management,
SCADA (Supervisory Control and Data Acquisition) monitoring system,
GIS (Geographic Information System) pipeline networks,
Production scheduling systems,
Equipment management system,
Laboratory management system,
Data collection system,
Security systems

Case

Upgrading GIS Pipeline System for Smart Water Supply

Xianning United Water comprehensively upgraded its water supply pipeline GIS system, establishing a unified digital management framework based on urban topographic maps and centered on pipeline network data. This system integrates information management of water supply pipeline network materials from water plants to end-users, closely aligned with management requirements, while interfacing with pipeline network and facility monitoring platforms to provide unified display of real-time pressure and flow data. Through its functions such as query display, statistical analysis, and pipeline network analysis models, it delivers accurate, intuitive, and efficient references for planning utilization and scientific layout of underground pipeline resources.



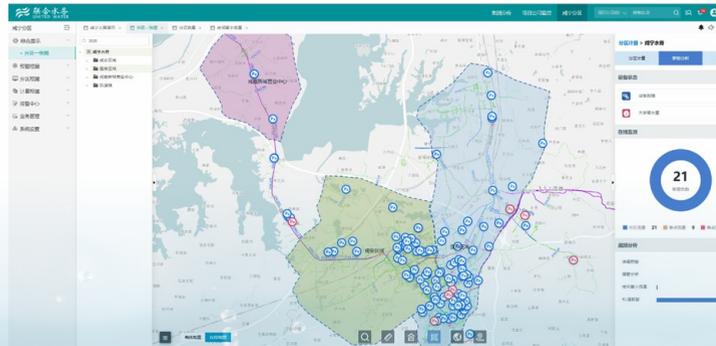
In 2024

over **1,100** kilometers of pipelines
(including **900+** kilometers of DN100 and above pipelines) were digitized.

Case

Advancing DMA District Metering Systems for Water Supply Security

In 2024, Xianning United Water initiated the construction of DMA district metering systems, establishing a tiered metering mechanism and water volume analysis framework across urban areas. Leveraging existing monitoring data from regional measurement devices, branch pipe measurement devices, unit measurement devices, and user meters, the system calculates and analyzes district-level water supply volumes, sales volumes, and minimum flows. This enables real-time monitoring of pipeline flow patterns and trends, early detection of operational risks and leakage points, thereby enhancing pipeline safety while reducing water loss. By the end of 2024, 55 district flow meters and remote metering devices were installed, achieving a notable decrease in minimum nighttime flows and a significant reduction in pipe burst repairs in aging pipeline areas.



Smart Wastewater Treatment

United Water is committed to introducing and developing advanced wastewater treatment technologies, driving the completion of a digital management platform at Jingzhou Shenlian Wastewater Treatment Plant. Precision dosing systems are adopted in Helan, Tongxiang, and Gengche plants to provide decision support for operational management, optimize scheduling plans, and enhance the efficiency and cost-effectiveness.

Case

Building a "1+4+N" Digital Wastewater Management Platform

Amid stricter national environmental policies and advancement of the "Smart Water" strategy, the wastewater treatment industry faces an urgent need for refined and intelligent management. To enhance treatment efficiency, reduce operational costs, and achieve green sustainable development, Jingzhou Shenlian Wastewater Treatment Plant developed a digital management platform based on a "1+4+N" architecture. This platform integrates four core modules—smart monitoring, intelligent analysis and early warning, equipment management, and energy consumption optimization—enabling full-process digital management of wastewater treatment. Leveraging IoT and big data technologies, the platform improves treatment efficiency, reduces costs, enhances risk control, and supports data-driven decision-making. Future plans include integrating AI algorithms to further elevate its intelligence capabilities.

Informatization Development

United Water promotes the top-level design for informatization transformation, advancing key IT projects across business operations to empower all aspects of production and operations. This initiative builds a data-driven, high-efficiency management model.

Financial Management Informatization

The Company has upgraded its billing software to manage water supply and sewage revenue, customer service, hotlines, and work orders. Paperless operations, including meter reading, image uploads, meter management, and order dispatch, have been implemented. Additionally, financial digitization integrates revenue data with the Kingdee ERP system to automate accounting entries, saving an estimated 2.50 full-time equivalents (FTEs) in manual entry.

Engineering Management Informatization

The pilot engineering management software oversees the entire workflow—from customer applications, survey and design, contract signing, installation, to project settlement and acceptance. It improves approval efficiency, enhances document archiving, and manages change orders during project implementation, thereby boosting project profitability and reducing paper usage.

Procurement Management Informatization

The Company has gradually established an e-procurement platform: a "Bidding & Procurement" module on its website that publishes procurement notices and supplier selection criteria to expand channels, while a dedicated e-procurement platform digitizes supplier registration, qualification review, selection, bidding, and evaluation to ensure fairness and transparency.

Safety Management Informatization

The Company has built a safety management platform that assigns inspection tasks, approves high-risk operations online, and tracks hazards through self-reporting, periodic checks, targeted campaigns, rectification and statistical analysis. Additionally, it provides online safety training and exams to enhance employee competencies.

R&D Innovation and Intellectual Property Protection

Governance

- Shanghai Boruis Environmental Technology Co., Ltd., a wholly-owned subsidiary of United Water, serves as the R&D platform to drive technological innovation.

Strategy and Management Approach

- Adhering to an innovation-driven development strategy, the Company continually strengthens technological innovation. By establishing platforms, it drives the commercialization of technology and the application of new technologies, enhances independent innovation capabilities, and leverages advanced technological productivity to support high-quality development in the water sector.

Impact, Risk and Opportunity

- A full-lifecycle R&D management system has been established, with increased R&D investment and talent development.
- The Company prioritizes intellectual property protection, conducting infringement risk assessments throughout the innovation and R&D lifecycle. Confidentiality measures and robust contract management are implemented to safeguard proprietary intellectual property rights.

Metrics and Targets

- The Company sets R&D goals centered on "cost reduction, efficiency improvement" and "low-carbon environmental sustainability." Through technological innovation and management optimization, it achieves dual economic and social benefits.

R&D Innovation

In a rapidly evolving market environment, continuous technological innovation is essential to maintain corporate competitiveness and industry leadership. Guided by an innovation-led development strategy, United Water leverages its subsidiary Boruis R&D platform to deepen the integration of technological innovation with industrial upgrading. It strengthens industry collaborations, accelerates the commercialization of technology, and strives to reach the leading edge in the market. The Company strictly adheres to scientific ethics, respects partners' intellectual property rights, prevents infringements, and safeguards collaborative innovations to ensure its technologies and products consistently serve sustainable development and social well-being, contributing to advancements in water treatment and sustainability.

R&D Innovation Management

United Water is committed to establishing an efficient and collaborative technological innovation management system. It continually increases R&D investments, drives subsidiary Boruis to adopt innovation goals centered on "cost reduction, efficiency improvement" and "low-carbon sustainability," and builds a diversified, open, shared, and high-efficiency R&D ecosystem, injecting sustained innovative momentum into its high-quality development.



The Company advances the establishment and refinement of R&D and innovation management systems and policies. It clarifies organizational structures, project evaluation criteria, and approval workflows across management, project initiation, and reporting phases, aiming to enhance R&D efficiency, accelerate product commercialization, and strengthen technological innovation capabilities and competitiveness.



Guided by project needs and supported by operational subsidiaries, the Company has established an R&D center structured as "One Institute, Four Divisions" : the Low-Carbon Industry Research Institute, Equipment R&D Division, Chemical R&D Division, Biological R&D Division, and Smart R&D Division. Each division operates with clearly defined responsibilities and collaborative synergy to drive technological innovation and development.



Focusing on technical challenges across water supply, wastewater treatment, resource recovery, and water environment management, the Company has developed a "Core-Multibranch" R&D system which delivers competitive technological outputs such as process packages, equipment, and chemical formulations. This forms an integrated "Plant-Network-River" technical framework to enhance core competitiveness.

Talent Development

United Water fully respects employees' creative initiative, continually refines innovation management mechanisms, and implements rewards for innovative outcomes. It encourages employees to explore new ideas and drive business innovation within their roles, fostering a sustained, role-based culture of innovation.



Talent Recruitment and Development

The Company strengthens talent cultivation and recruitment to build an R&D team with global vision and innovation capabilities. A robust talent development system offers diverse training and learning opportunities to enhance expertise and creativity.

Innovation Incentive

The Company has established the *Technology Achievement Transformation and Incentive Reward Measures*, *R&D Personnel Performance Assessment*, *Reward System* and the *Open Innovation and Entrepreneurship Platform Management System*, and "Grow with the Company" internal reward program. These incentivize practical innovations, process improvements, strategic suggestions, and external competition awards through performance bonuses and recognition. In 2024, "Science and Technology Innovation Award" was established to encourage organization-wide innovation and value creation.

R&D Innovations

United Water prioritizes the application of technological achievements, actively integrating R&D outcomes with production and operations to overcome commercialization barriers. Therefore, significant breakthroughs in wastewater treatment and water environment management have been achieved, enhancing the Company's technological operational capabilities.

Shanghai Boruis Environmental Technology Co., Ltd. received:

Shanghai High-Tech Enterprise Certification

Shanghai Innovative SME Certification



Wastewater Treatment

Suqian Gengche Wastewater Treatment Co., Ltd. applied the invention patent "A Composite Carbon Source and Its Preparation Method and Application". Using this patented product has achieved a year-on-year reduction of 32.46% in both per-ton water carbon source consumption and overall carbon source usage, while cutting per-ton carbon source costs and total carbon source expenditure by 46.67% year-on-year. This has resulted in carbon source cost savings of RMB 867,600.

Suizhou United Water utilized the utility model patent "An Automatic Algae-Cleaning Device for Secondary Sedimentation Tank Walls, Effluent Channels, and Weirs", eliminating drowning and fall risks during maintenance and ensuring production safety. As a result, annual labor cost savings reached approximately RMB 100,000, aligning with cost-efficiency and safety goals.

Tongxiang Shenhe Water applied the utility model patent "An Automatic Control Device for Nitrogen and Phosphorus Removal in Wastewater", achieving simultaneous nitrogen-phosphorus removal and advanced denitrification. Using this patented product has achieved total nitrogen and phosphorus levels meeting discharge standards, with energy consumption reduced by 10%, carbon source usage reduced by 15%, and phosphorus removal agent usage reduced by 15%.



The Invention Patent "A Composite Carbon Source and Its Preparation Method and Application".

Water Environment Management Projects

The utility model patent "An In-Situ Purification Device for Coastal Discharges" and design patent "Modular Biofilter Media" were applied in the ecological restoration and supporting project of the Wangjiazhai Lake to Zhangjia Lake section along the Sanba River tributary in the Futou Lake Basin. Post-implementation water quality testing confirmed that the patented technologies improved the basin's water quality from severely substandard Grade V to compliant Grade IV-V surface water standards.

Spotlight

"Water Environment Smart Management Unmanned Surface Vehicle"—a New Chapter of AI-Driven Water Governance

On December 27, 2024, United Water and the Hefei Institutes of Physical Science, Chinese Academy of Sciences, successfully launched the "Water Environment Smart Management Unmanned Surface Vehicle" in Chibi City, Hubei Province. This milestone marks a breakthrough in China's exploration of AI applications for intelligent water environment governance.

United Water conducted in-depth analysis of water environment management needs during the R&D of its smart water management robots, focusing on data accumulation and analysis, water quality diagnostics, and early warning systems. Data-driven models were developed to intelligently guide remediation and maintenance. This new energy unmanned vessel integrates an advanced smart management system with eight core functions: real-time water quality monitoring, discharge source tracing, underwater topography mapping, biodiversity monitoring, aquatic weed harvesting, intelligent security, immersive visualization, and emergency water quality safeguarding. Additionally, the vessel is equipped with four software systems, supporting multi-platform compatibility (mobile/PC) and enabling route planning, autonomous obstacle avoidance, multi-mode operations, and wireless data transmission.

This project involves multiple patents and eight technical systems, achieving milestones through innovation. The development of total phosphorus cruise monitoring technology filled a market gap in continuous phosphorus measurement. The biodiversity monitoring and evaluation system was integrated to align with national ecological policies. Adaptive aquatic weed harvesting technology enables to prevention of equipment damage and over-harvesting via terrain-responsive depth control. Additionally, the vessel is equipped with multiple self-developed products for water quality regulation and algae control solutions, enabling emergency maintenance.



Smart Management



Technological Breakthroughs



The "AI-Powered Multi-Parameter Sensor Fusion-Based Water Environment Smart Management Unmanned Surface Vehicle" project has been approved for funding under the **2024 Shanghai Technology Innovation Action Plan - Technology Innovation Fund for SMEs**.



Moving forward, United Water will leverage its AI expertise to drive industry-wide digital transformation in water environment management, delivering precise technical services to clients and enhancing operational intelligence.

Talent Oriented

Total Training Hours

23,782.35

Overall Employee Training Participation Rate

92.52%

Total Employee Training Investment

RMB **1,022,400**

Total Employees

1,337

Contributing to UN SDGs



Employment and Employee Rights Protection

United Water fosters a shared community ethos, striving to create an equitable and harmonious workplace that enhances employees' sense of belonging, achievement, and well-being, driving mutual growth for the Company and its workforce.

Compliance-Driven Employment Practices

The Company strictly complies with the *Labor Law of the People's Republic of China*, *Labor Contract Law*, and local regulations in overseas operations, aligning with the International Labour Organization (ILO) conventions. Comprehensive labor protection systems are implemented to safeguard employee rights.

Labor and Human Rights Management

The *Recruitment Management Regulations*, *Employee Handbook*, and *Corporate Culture & Values Manual* explicitly prohibit child labor, forced labor, harassment, and discrimination (gender, ethnicity, religion, age). Occupational health and safety standards are enforced to ensure a fair and respectful workplace.

The Company proactively mitigates human rights risks through regular audits of project companies for non-compliant labor practices. Mandatory *Employee Handbook* training reinforces anti-discrimination, anti-harassment, and anti-child labor policies. Compliance with the *Regulations on Wage Payment to Migrant Workers* ensures lawful protections for migrant employees. In 2024, the Company's project has been recognized with the "Standardized Wage Security Project" honorary title.

Xianning United Municipal Engineering Co., Ltd.
 Xianning United Water Co., Ltd.
 The Renovation Project of Aging Water Supply Pipe Network in Xianning City
Recognized with the "Standardized Wage Security Project" honorary title

Talent Acquisition

The Company has revised its *Recruitment Management Regulations* to streamline hiring processes and diversify talent acquisition channels, including online and offline platforms, external recruitment and internal referrals. Participation in campus recruitment fairs, disabled graduate recruitment events and veteran-specific job fairs, and public hiring events broadens access to qualified candidates.



Overseas Talent Reserves

Aligning with China's Belt and Road Initiative, United Water has actively expanded overseas projects, while its Human Resources department aligns talent strategies with strategic deployments to build robust talent reserves. In May 2024, the Company participated in Yangzhou University's International Student Career Fair, receiving over 20 resumes to strengthen its international talent pipeline for global operations.

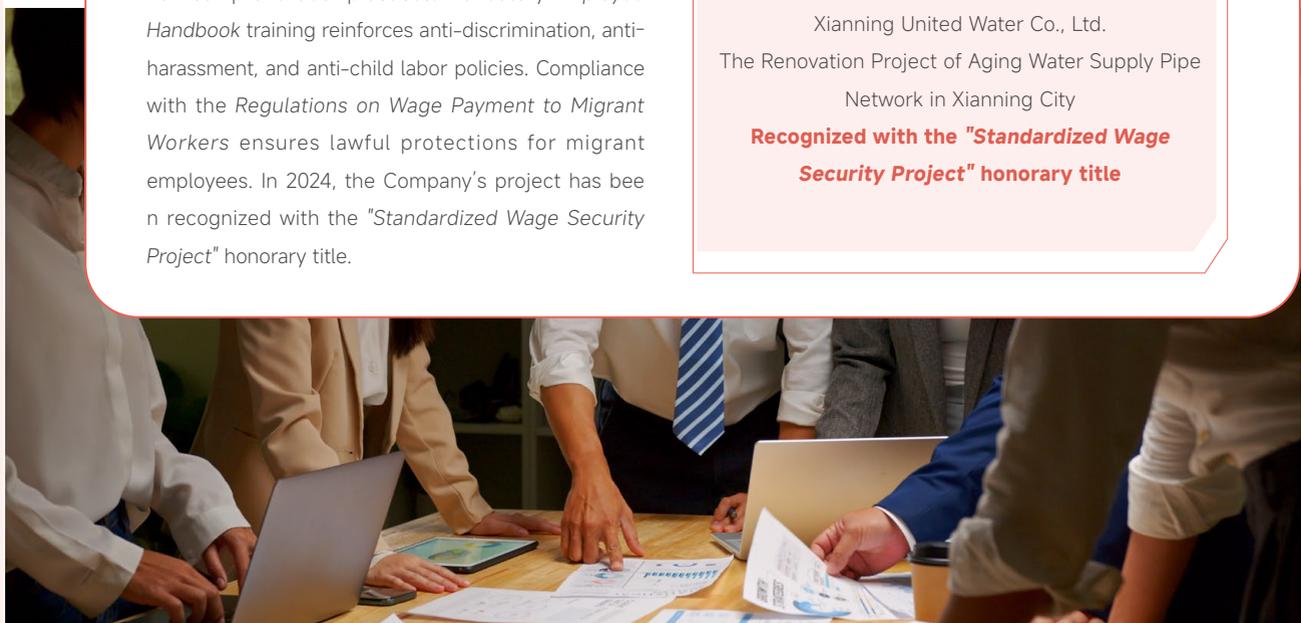


University Partnerships for Talent Development

- Jiangsu United Water Technology collaborates with Shanghai Jiao Tong University's School of Environmental Science and Engineering, organizing summer internships for over 30 undergraduates at its Suqian projects to bridge theory and practice. Shanghai Jiao Tong University has awarded the Company a "Joint Practical Training Base", with plans to deepen talent cultivation and industry-university-research integration.
- Xianning United Water has innovated industry-university collaboration for talent recruitment over the years, adopting a dual strategy of recruiting high-quality specialized talent and stable local talent. The Company maintains long-term partnerships with China University of Geosciences (Wuhan), Hubei University, and Wuhan University of Science and Technology. Through campus recruitment, dedicated seminars, internships, and exchanges, it establishes diverse platforms for knowledge and skills exchange, attracts talent in water supply and drainage science and engineering, environmental engineering, and construction management, building a robust local and specialized talent pool.
- Helan United Water and Ningxia Hongze Water Purification have collaborated with Ningxia Institute of Technology and Ningxia Construction Vocational College to establish training bases. Over 30 students, majoring in disciplines such as water supply and drainage, environmental engineering, and municipal Engineering, have been recruited. As of the end of 2024, 8 students have been retained in technical roles and first-line managers. This tripartite win-win model (students, academia, enterprise) drives corporate and societal progress.



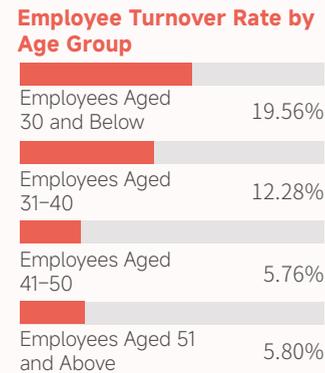
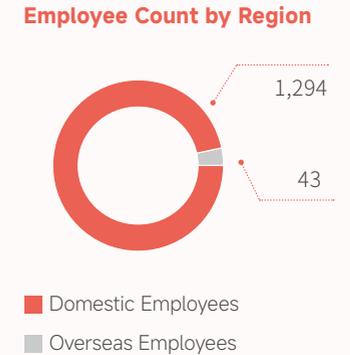
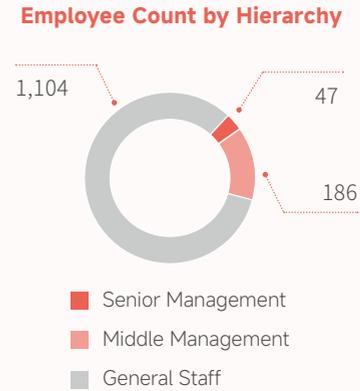
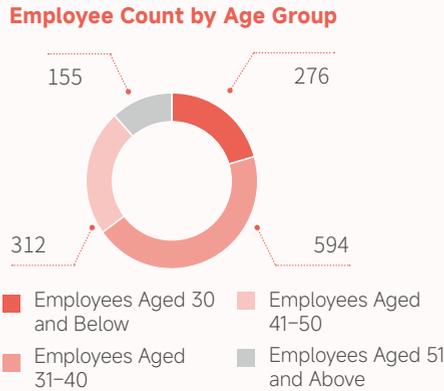
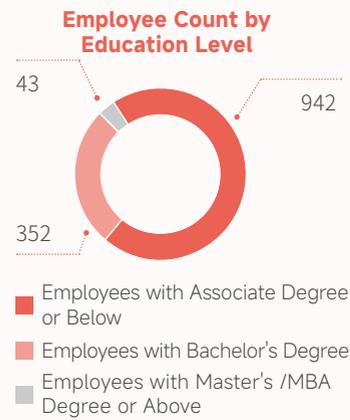
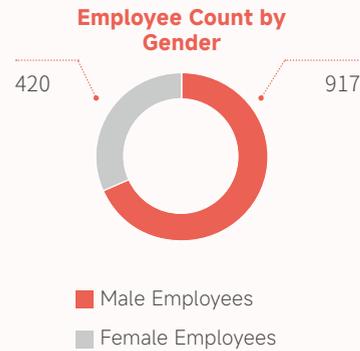
United Water and Shanghai Jiao Tong University: Established a Joint Practical Training Base.



Total Employees
1,337

Total New Hires During Reporting Period
103

Number of Newly Hired Fresh Graduates
9



Compensation and Benefits Incentives

The Company continually develops a differentiated compensation management system aligned with role value, individual competency, and performance contributions. By establishing fair, market-competitive incentive mechanisms and optimizing employee welfare programs, it enhances engagement, drives operational performance, and strengthens competitiveness.

Return-to-work rate after parental leave
100%

Retention rate for post-maternity leave employees
100%

Optimizing Compensation and Benefits

o Performance-Linked Compensation

- A market-competitive and internally equitable salary structure with periodic adjustment mechanisms has been established to motivate employees.
- The Company implemented incentive policies including the "Grow with the Company" Internal Reward Policy, Professional Certification Incentive Program, Employee Referral Reward Scheme, and New Project/Business Development Bonus Scheme to diversify incentive framework.

o Benefits and Safeguards

- The Company fully contributes to employees' social insurance and housing fund ("Five Insurances and One Fund"), and has established the *Employee Accident Insurance Policy*. Employer's liability insurance is provided for engineering, field service and on-site operation employees, travel accident insurance for frequent travelers, and production safety liability insurance for specific roles and regions.
- In addition to statutory holidays, employees enjoy paid annual leave, marriage leave, and bereavement leave. Moreover, holiday benefits, work meals, condolence payments, as well as diversified benefits such as seasonal allowances tailored to their roles, meal subsidies, and transportation subsidies are provided in accordance with the *Employee Benefits Policy for Major Holidays*.
- Health safeguards include regular health checkups, and enhanced medical coverage for overseas and high-risk roles.
- Expatriate welfare under the *Mid-to-long-term Expatriate and Secondment Management Regulations* ensures work-life balance through housing subsidies, monthly paid home leave, and relocation support.
- For overseas assignees in Bangladesh, additional benefits under the *Bangladesh Project Expatriate Compensation and Benefits Regulations* include allowances, performance bonuses, housing and meal subsidies, travel benefits, home leave, commercial insurance, and health checkups.

*Among the 1,337 employees, 2 retired rehired personnel have signed service contracts.

Standardizing Performance Management

The Company regularly optimizes its *Performance Management Regulations*, defining clear evaluation criteria, rigorous indicator and assessment processes. Through continuous improvement mechanisms and streamlined feedback/grievance channels, it ensures accountability and employee engagement. In 2024, the *Operational Management Assessment Standards* were introduced, integrating ESG performance metrics (energy conservation, environmental protection, occupational health, and production safety) into evaluations. This enhances both accountability and sustainable development capabilities.

Closed-Loop Management

A closed-loop performance management system has been established, covering five phases: goal setting, continuous feedback, daily coaching, performance evaluation, and employee development. This framework enables employees to continually refine their work practices and develop professional competencies.

Three-Tier Goal System

A three-tier performance goal framework (company, department, and individual levels) combines KPIs and OKRs, assessing performance outcomes, behavioral conduct, and competency development. This multi-dimensional approach ensures holistic employee evaluation.

Regular Communication

Complementing routine supervisor-subordinate interactions, the Company mandates quarterly reviews and annual performance interviews to provide timely feedback on strengths and improvement areas, ensuring alignment with personal and organizational goals.

Quarterly Strategic Priorities (OKR)

All regions, subsidiaries, and departments define annual and quarterly OKR priorities aligned with strategic goals. This approach enhances execution agility and team collaboration, stimulates employee potential, and fosters a high-performance culture by cascading goals across all levels.

Performance Grievance Resolution

A transparent grievance resolution channel allows employees to submit feedback on evaluations. A dedicated review panel analyzes cases and renders fair decisions.

Strengthening Democratic Management

United Water prioritizes employees' central role in fostering harmonious labor relations. It promotes the establishment of labor unions across operating subsidiaries, encourages employees to voice concerns through union activities, and ensures their rights to information, participation, expression, and oversight are fully protected.

Union Members

976

Union Membership Rate

73%

Staff Congress Sessions Held

4

All-Employee Meetings Conducted

2

Transparent Communication

Public notice boards serve as official channels for policy dissemination, enabling employees to stay informed about company updates and facilitating internal policy implementation and employee oversight.

Multi-Channel Feedback Mechanisms

The Company has implemented diverse feedback platforms, including staff forums, Staff Congress meetings, and suggestion boxes. Dedicated teams regularly compile and address feedback, ensuring actionable suggestions are adopted to enhance engagement.

Democratic Surveys

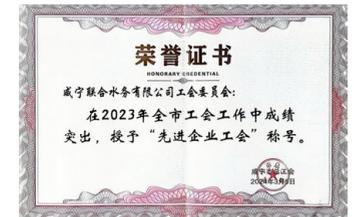
Surveys on cafeteria services and other employee matters are conducted to align operational adjustments with employee needs.

Case Protecting Employee Rights and Enhancing Sense of Belonging

United Water actively promotes initiatives across its operating units to enhance employees' sense of responsibility, belonging, and well-being, firmly upholding their legal rights and interests.

Suizhou United Water has conducted annual employee satisfaction surveys on cafeteria services for three consecutive years, refining meal offerings based on feedback. Additionally, public notice boards have been established to ensure transparent communication of company policies, enabling effective implementation and employee oversight.

Xianning United Water leverages its labor union leadership to organize safety workshops, legal awareness campaigns, and knowledge seminars, safeguarding employees' professional and personal lives. Furthermore, the union prioritizes mental and physical health by conducting regular visits to employees in need, addressing urgent concerns, and fostering harmonious labor relations.



In 2024, Xianning United Water's Labor Union was awarded "2023 Outstanding Enterprise Union" at the municipal level.

Diverse Workplace and Employee Care

United Water upholds a talent-oriented philosophy, emphasizing employee well-being, respect for legal rights, work-life balance, and fostering a supportive and inclusive corporate culture.

Promoting Equality and Inclusion

The Company strictly complies with the *Employment Promotion Law of the People's Republic of China* and other regulations, ensuring fair recruitment practices based on principles of transparency, meritocracy, and equal treatment for employees of all genders, religions, and cultural backgrounds. Equal opportunities are guaranteed across the entire employee lifecycle—hiring, compensation, training, and promotions—to build an equitable, inclusive, and open workplace. Additionally, localized hiring initiatives boost regional employment and community development.



Supporting Female Employees

Jingzhou Shenlian Water provides targeted training and career development programs for women. Shanxi region subsidiaries of United Water provide age- and role-specific health checkups for female employees, adjust workloads for pregnant staff, assist with maternity subsidies, and negotiate flexible lactation breaks to ensure physical and mental well-being.

Overseas Employee Support

The Bangladesh project actively implements localized employment policies, focusing on the recruitment and development of local talent. In the early stage, dispatched employees provide one-on-one mentoring and training to local employees, enhancing technical capabilities. Meanwhile, the Company launched a Bangladeshi Student Recruitment Program and provides tailored training for international assignees on local customs, language skills, and business practices, supported by multilingual resources. Additionally, the Company has established an Employee Assistance Program (EAP), which offers counseling for personal or professional challenges.



Employee Care and Support Initiatives

The Company conducts regular visits and provides assistance for employees with special needs and those facing financial hardship due to illness. During extreme weather conditions (e.g., heatwaves, storms), it implements protective measures to safeguard frontline staff, ensuring all employees feel the warmth and solidarity of the corporate community.

Employees assisted under hardship

1



United Water distributed cooling supplies to employees during extreme heat.



Xianning United Water organized visits to frontline flood prevention staff.

Xianning United Water organized visits to ailing Party members in hardship.



Jingzhou Shenlian Water conducted the "August 1st Veterans Day Salute" for retired military personnel.



Work-Life Balance

The Company promotes a "Happy Work, Healthy Life" philosophy by regularly organizing employee sports events, birthday celebrations, and outdoor team-building activities. These initiatives foster an uplifting work environment, alleviate stress, and strengthen cohesion, enhancing both personal well-being and organizational unity.



United Water Organized the 2023 Outstanding Employee Honorary Tour



Jiangsu region of United Water organized a Staff Fun Sports Day.



In Hubei region, United Water's subsidiaries—Xianning United Water and Xianning Siyuan Water—held the 2024 Annual Staff Sports Event.



Suizhou United Water organized an Outdoor Hiking Event.



Jingzhou Shenlian Water organized the 2024 Autumn Team-Building Activity.



Xinjiang Jinhua and Xinjiang Guolong (Shanxi Region) organized team-building activities

Talent Cultivation and Development

United Water regards employees as drivers of growth and partners in progress. It vigorously cultivates highly skilled and competent professionals aligned with strategic goals, leveraging talent to lead and sustain long-term organization development.

Deepening Talent Development

The Company continually improves long-term talent development mechanisms by providing diverse internal and external training opportunities to enhance technical expertise and overall capabilities, and meet the career development needs of employees. During the reporting period, it formulated an annual prioritized training plan for subsidiaries, tailoring programs to different roles and groups. A total of 202 training sessions were conducted, including 26 key programs, while headquarters hosted 15 specialized training and thematic meetings.

Career Launch and Growth

Young Talent Development Program

Aimed at strengthening the pipeline of internal young professionals, the Young Talent Development Program offers systematic training, including cross-functional rotations, technical skill enhancement workshops, seminars, and applied research projects. These efforts are designed to build a robust talent pool of future leaders and technical experts. As of the end of 2024, 2 phases had been conducted, with 18 participants actively engaged.

Management Trainee Program

This program includes tailored training modules such as "Becoming a Corporate Professional" (focusing on workplace competencies), *Water Quality Engineering* (industry-specific knowledge), and rotational assignments across departments. Through these initiatives, trainees gain hands-on exposure to business operations, enabling them to apply theoretical knowledge in practice. In 2024, the Company trained 12 new management trainees, bringing the cumulative total to 30 trainees cultivated to date.

"Rising Star" Talent Cultivation Program

To optimize the young talent pipeline in the Jiangsu region of United Water, the "Rising Star" Talent Cultivation Program has been launched, which combines targeted development with overall capabilities improvement. This program integrates a multifaceted approach, such as team development, rotational assignments, specialized workshops, outward bound, and e-learning, effectively improving the overall capabilities and competencies of outstanding young employees.

**Career Advancement
and Mastery**

**Key "Talent
Rotation"
Program**

As an extension of the "Rising Star" Talent Cultivation Program, the 2024 Suqian Key "Talent Rotation" Program focused on holistic talent development through rotational assignments, technical skill enhancement, professional competency training, outward bound, and periodic progress reviews. Through these activities, the program cultivated 5 high-potential employees.

**Leadership
Development
Program**

To strengthen comprehensive leadership capabilities, the tiered training sessions have been organized for management personnel, including courses such as "Replicable Influence," "Practical Tactics for Middle Management," "Leadership Communication Bootcamp," and "Collaborative Leadership." These programs targeted critical areas such as self-management, team development, and strategic execution. In 2024, the "Leadership Communication Bootcamp" alone recorded 420 cumulative training participants.

**"LeBanBan"
E-Learning**

Leveraging the "LeBanBan" digital learning platform, 10 specialized courses were curated. These courses were tailored to diverse employee groups, and delivered via video and audio formats. To maximize learning effectiveness, regular on-site interactive sessions were conducted across the organization. In 2024, the initiative recorded 329 e-learning participations.



Professional Training & Exchange

Technical Skills Development Program

Aimed at enhancing competencies among employees with technical gaps in production, the Technical Skills Development Program was launched, including book-based learning, thematic workshops, group discussions, phased assessments, and final evaluations. In 2024, the program recorded 132 training participants.

Safety Management & Experience Exchange

To strengthen risk mitigation capabilities, the President, Chief Executive Officer, Senior Vice Presidents, operational management teams, and full-time/part-time safety officers participated in Safety Management & Experience Exchange sessions. These sessions focused on improving capabilities for hazard identification and risk control in production across project subsidiaries. Through skills and experience sharing, the initiative directly improved operational safety management.

Project Management Training & Exchange Seminar

The Senior Vice President and project management teams from the Construction Management Center participated in this seminar, which included activities such as post-project reviews, project management experience exchanges, and discussions on innovative approaches to project execution. These initiatives comprehensively improved the professional expertise and management capabilities of project management teams.

Annual HR Best Practices Exchange Conference

Bringing together 28 members from the corporate headquarters and six regional HR teams, the conference focused on aligning HR practices with rapid organizational growth. Participants exchanged experiences, brainstormed, and discussed strategies to leverage professional capabilities in order to drive organizational vitality into the organization amid the group's rapid growth momentum.

Annual Finance Training Conference

Focused on the theme "Finance & Operations Integration, Management Upgrading, and Uniting New Strengths", 42 finance professionals from 20 project subsidiaries explored strategies to build high-performing finance teams and further boost departmental efficiency in the Annual Finance Training Conference.



Specialized Talent Development Mechanisms

In-house Trainer Management

To strengthen mechanisms for trainer selection, development, incentives, and evaluation, the *In-House Trainer Management Policy* was revised. During the reporting period, three new certified courses—"Standardized Safe Construction Practices," "Beyond Superficial Performance Management," and "Pump Unit Performance, Installation, Operation, and Maintenance"—were developed. As of the end of 2024, the Company had 20 certified in-house trainers delivering 51 certified courses.

Mentorship Program Management

Guided by the *United Water Group Mentorship Management Guidelines (Trial)*, subsidiaries have continually advanced mentorship programs based on needs. As of the end of 2024, 15 mentor-mentee pairs had been established, cultivating high-skill young talent for project subsidiaries in areas such as production, electromechanical operations, and laboratory testing.

Innovative Industry-University Collaboration

To bridge talent development with academic excellence, the Company deepened partnerships with universities through regular exchanges, internship programs, and joint talent cultivation. A notable example is the collaboration between Xianning United Water and Wuhan University of Science and Technology's Drainage Science & Engineering Program. By designing tailored internships for 13 third-year students, the initiative ensured graduating students received comprehensive on-the-job training to bridge academic knowledge and practical application.



Phase Reporting on Suqian Key Talent Rotation-Based Development Program

Annual Internal Training Sessions for the Finance Department

Internal Trainer Certification Review

Internship Launch Ceremony for Drainage Engineering Students at Wuhan University of Science and Technology

Smooth Career Progression

The Company prioritizes talent development by optimizing career pathways, refining promotion mechanisms, and implementing robust incentive policies. These efforts provide a strong talent foundation and intellectual support for high-quality, sustainable growth.

Talent Inventory Initiative

In 2024, the Company launched a group-wide talent inventory project to identify key roles, assess incumbents' competencies and potential, and evaluate succession pipelines. Mature and high-potential talent pools were established across all business and functional areas. By analyzing talent gaps and organizational needs, targeted succession plans were formulated to drive internal talent mobility, resulting in a comprehensive talent management plan. This initiative strengthens the Company's core talent workforce to support new project expansions and builds strategic talent reserves for emerging business demands.

Advancing Dual Career Path Development

The Company enhanced its dual career development path system by piloting technical roles (e.g., drainage engineers, electromechanical positions) in Suqian. This initiative involves defining competency frameworks, qualification criteria, and promotion standards to meet diverse employee development needs and optimize talent allocation across the organization.



On-site Vocational Skill Certification Exams for technical roles.

Growth and Development Incentives

The Company implemented the long-term "Grow with the Company" program, encouraging employees to pursue skill enhancement, practical innovations, and participation in external competitions. Monetary rewards are granted annually to eligible individuals and teams. In 2024, over 100 employees received cash incentives for exceptional contributions.

Academic and Certification Support

The Company has revised *Professional Title and Certification Management and Incentive Policy*. This policy motivates employees to engage in specialized knowledge learning and skill enhancement, and to obtain externally accredited titles and certifications, offering monthly or annual cash incentives. The Company holds nationally recognized vocational skill certification authority, offering junior, intermediate, and senior certifications for water treatment operators, electromechanical installers, and pipefitters. In 2024, 147 employees in the Jiangsu region of United Water obtained junior certifications in water treatment and equipment installation roles.

About This Report

This report is the Environmental, Social, and Governance (ESG) Report publicly released by Jiangsu United Water Technology Co., Ltd. (hereinafter referred to as "this report"). It aims to disclose the Company's philosophy, practices, and key performance in sustainable development, fully addressing critical concerns raised by stakeholders.

Terminology Note:

For clarity and readability, "Jiangsu United Water Technology Co., Ltd." may also be referred to as "United Water," "the Company," or "we" throughout this report.

Partial List of Subsidiary Abbreviations

Region	Subsidiary	Abbreviation
Jiangsu Region	Suqian Minxin Water Quality Testing Co., Ltd.	Suqian Minxin Water Quality Testing
	Suqian Gengche Wastewater Treatment Co., Ltd.	Suqian Gengche Wastewater Treatment
	Suqian United Municipal Engineering Co., Ltd.	Suqian United Municipal Engineering
Hubei Region	Jingzhou Shenlian United Water Co., Ltd.	Jingzhou Shenlian United Water
	Jingzhou Shenlian Environmental Technology Co., Ltd.	Jingzhou Shenlian Environmental Technology
	Suizhou United Water Co., Ltd.	Suizhou United Water
	Xianning United Water Co., Ltd.	Xianning United Water
	Xianning Siyuan Water Co., Ltd.	Xianning Siyuan Water
South China Region	Xianning United Municipal Engineering Co., Ltd.	Xianning United Municipal Engineering
	Tongxiang Shenhe Water Co., Ltd.	Tongxiang Shenhe Water
	Ruichang United Water Co., Ltd.	Ruichang United Water
Shanxi Region	Sanmenxia United Water Co., Ltd.	Sanmenxia United Water
	Jishan United Water Co., Ltd.	Jishan United Water
	Xinjiang Jinhua Ecological Environment Engineering Co., Ltd.	Xinjiang Jinhua
	Xinjiang Guolong Wastewater Treatment Co., Ltd.	Xinjiang Guolong
Zhangzhou Region	Pinghe United Water Co., Ltd.	Pinghe United Water
Ningxia Region	Ningxia Hongze Water Purification Co., Ltd.	Ningxia Hongze Water Purification
	Helan United Water Co., Ltd.	Helan United Water

Reporting Period

The Report primarily covers the period from January 1, 2024, to December 31, 2024. Certain content is extended appropriately to prior and subsequent years for contextual completeness. This Report is an annual publication.

Reporting Boundary

All textual and numerical data disclosed in this Report derive from to United Water and its subsidiaries.

Reliability Assurance

The Company commits that this Report contains no false records, misleading statements, or material omissions. We assume full responsibility for the authenticity, accuracy, and completeness of its content.

Data Sources

All information and data in this Report are sourced from the Company's official documents, statistical reports, financial statements, and sustainability practices compiled and verified by the Company's ESG Task Force. Unless otherwise specified, all monetary figures are denominated in RMB.

Reporting Standards

This Report is prepared in accordance with the *Global Sustainability Standards Board (GSSB) – Global Reporting Initiative (GRI) Standards*, *Shanghai Stock Exchange – Guidelines for Self-Regulation of Listed Companies No. 1 – Standardized Operations (2023)*, *Shanghai Stock Exchange – Guidelines for Self-Regulation of Listed Companies No. 14 – Sustainability Reporting (Trial)*, *Shanghai Stock Exchange – Guidance for Self-Regulation of Listed Companies No. 4 – Preparation of Sustainability Reports*, and the *United Nations Sustainable Development Goals (SDGs)*.

Accessibility

This Report is available in both Chinese and English on the Company's official website: <http://www.united-water.com>. In case of discrepancies between the two versions, the Chinese version shall prevail.

Feedback

To continuously enhance the quality of our reporting, we welcome your feedback. For inquiries or suggestions, please contact us via:

Email: IR@united-water.com

Telephone: +86-021-62370178.

Key Performance

Economic Performance

Indicator	Unit	2023 Metrics	2024 Metrics
Total assets	Million RMB	3,635.14	3,715.24
Operating revenue	Million RMB	1,127.81	1,140.40
Operating profit	Million RMB	214.44	190.98
Total tax	Million RMB	109.87	112.41
Contractual capacity	Million tons per day	2.70	2.70
Completed capacity	Million tons per day	1.40	1.43

Governance Performance

Indicator	Unit	2023 Metrics	2024 Metrics
Proportion of Independent Directors	%	33.33	33.33

Environmental Performance

Environmental management

Indicator	Unit	2023 Metrics	2024 Metrics
Environmental protection investment ¹	Million RMB	141.74	69.82
Number of environmental training	Times	22	18
Environmental training personnel	/	301	168

Notes: 1. The scope of environmental protection investment includes expenditures on environmental protection facilities and equipment, environmental monitoring, environmental remediation, fixed assets for water environment management, environmental protection taxes, etc.

Energy Consumption

Indicator	Unit	2023 Metrics	2024 Metrics
Gasoline Consumption	Liters (L)	154,466.54	89,921.11
Diesel Consumption	Liters (L)	55,535.46	54,745.04
Natural Gas Consumption	Cubic meters (m ³)	135,137.28	132,954.00
LPG Consumption	Kilograms (kg)	5,463.00	6,770.00

Indicator	Unit	2023 Metrics	2024 Metrics
Electricity Consumption	Kilowatt-hours (kWh)	130,418,203.00	134,330,988.60
Total Energy Consumption ¹	Tons of standard coal equivalent	16,451.62	16,860.92
Energy Consumption Density	Tons of standard coal equivalent per RMB 10,000 of revenue	0.15	0.15

Notes: 1. Total Comprehensive Energy Consumption: Calculated in accordance with GB/T 2589-2020 General Rules for Comprehensive Energy Consumption Calculation (issued by the State Administration for Market Regulation and Standardization Administration of China), converted into standard coal equivalent (tce).

Greenhouse Gas Emissions¹

Indicator	Unit	2023 Metrics	2024 Metrics
Greenhouse Gas Emissions (Scope 1)	Tons of CO ² equivalent	799.38	651.10
Greenhouse Gas Emissions (Scope 2)	Tons of CO ² equivalent	74,377.50	72,082.01
Total Greenhouse Gas Emissions	Tons of CO ² equivalent	75,176.88	72,733.11
Greenhouse Gas per Unit of Output	Tons of CO ² equivalent per RMB 10,000 of revenue	0.67	0.64

Notes: 1. Greenhouse Gas (GHG) Emissions refer exclusively to carbon dioxide (CO₂) emissions, excluding methane (CH₄), nitrous oxide (N₂O), and other GHGs. Scope 1 GHG Emissions: Emissions from fossil fuel combustion (diesel, gasoline, natural gas, LPG) and industrial processes. Emission factors are based on the Guidelines for Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises (Trial) issued by the National Development and Reform Commission (NDRC).

Scope 2 GHG Emissions: Indirect emissions from purchased electricity and heat. Electricity emission factors reference the 2022 Power Sector CO₂ Emission Factors (Announcement No. 33, 2024) jointly issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

Water Resource Management

Indicator	Unit	2023 Metrics	2024 Metrics
Freshwater withdrawals	Million tons	224.96	245.08
Water plant self-consumption	Million tons	4.40	5.79
Water plant self-consumption rate	%	1.96	2.45
Recycled water output	Million tons	49.94	24.33
Wastewater treatment volume	Million tons	144.19	151.52
Reduction in pollutants, quantified by Chemical Oxygen Demand (COD)	Tons	44,894	49,079.30

Wastewater Discharge

Indicator	Unit	2024 Metrics
Ammonia nitrogen emissions	Tons	77.25
Total nitrogen emissions	Tons	1,048.98
Total phosphorus emissions	Tons	22.05
Suspended solids emissions	Tons	800.21

Exhaust Emissions¹

Indicator	Unit	2023 Metrics	2024 Metrics
Total exhaust gas emissions ²	Cubic meters (m ³)	/	1,628,821,263.68
Volume of Nitrogen Oxides Emitted	Tons	0.25	0.26
Volume of Sulfur Oxides Emitted	Tons	0.12	0.03
Volume of Particulate Matter and Suspended Particles Emitted	Tons	0.03	0.04
Emissions of Volatile Organic Compounds	Tons	0	0

Notes: 1. As the water plant was operated by a third party prior to April 2023, and due to subsequent changes in management personnel, the 2023 data has been recalculated and updated.

2. Exhaust gas refers to collected odorous gas from wastewater treatment plants, which is treated and discharged through organized systems after deodorization.

Waste Management

Indicator	Unit	2023 Metrics	2024 Metrics
Volume of Hazardous Waste ¹	Tons	12.72	14.67
Volume of Non-hazardous waste	Tons	/	120,580.85
Volume of Waste Recycled and Reused ²	Tons	94,891	/

Notes: 1. Hazardous waste mainly consists of used engine oil and laboratory waste liquids.

2. Recycled waste mainly refers to sludge, which was used in 2023 for vermiculture and brick-making. Due to environmental compliance requirements, such waste was handed over to a qualified third party for disposal in 2024 and is therefore not included in the recycling volume.

Social Performance

R&D Innovation

Indicator	Unit	2023 Metrics	2024 Metrics
R&D Investment	RMB	1,763,000	3,147,900
R&D Personnel	Persons	7	6
New registered patents added in 2024	/	5	6
Cumulative registered patents	/	14 ¹	18
Cumulative software copyrights	/	10	12

Notes: 1. A total of 12 patents remained valid as of the end of 2023, increasing to 14 by the time of ESG report disclosure in April 2024.

Customer Rights and Interests

Indicator	Unit	2023 Metrics	2024 Metrics
Jiangsu region of United Water			
Customer complaint resolution rate	%	100	100
Customer satisfaction rate	%	98	99.4
Xianning United Water Co., Ltd.			
Customer complaint resolution rate	%	100	100
Customer satisfaction rate	%	96	99.9

Supply Chain Management

Indicator	Unit	2023 Metrics	2024 Metrics
Suppliers obtained quality management system certification	%	41.96	38.58
Suppliers obtained occupational health and safety management system certification	%	22.69	35.67
Suppliers obtained environmental management system certification	%	22.69	36.14

Employment

Indicator	Unit	2023 Metrics	2024 Metrics
Total Employees	Persons	1,407	1,337
Total New Hires During Reporting Period	Persons	198	103
Number of Newly Hired Fresh Graduates	Persons	14	9
Labor Contract Signing Rate	%	100	100
Union Membership Rate	%	56	73
Employee Count by Gender			
Male Employees	Persons	961	917
Female Employees	Persons	446	420

Indicator	Unit	2023 Metrics	2024 Metrics
Employee Count by Age Group			
Employees Aged 30 and Below	Persons	336	276
Employees Aged 31-40	Persons	593	594
Employees Aged 41-50	Persons	329	312
Employees Aged 51 and Above	Persons	149	155
Employee Count by Hierarchy			
Senior Management	Persons	50	47
Middle Management	Persons	225	186
General Staff	Persons	1,132	1,104
Employee Count by Education Level			
Employees with Associate Degree or Below	Persons	1,001	942
Employees with Bachelor's Degree	Persons	369	352
Employees with Master's /MBA Degree or Above	Persons	37	43
Employee Count by Region			
Domestic Employees	Persons	1,367	1,294
Overseas Employees	Persons	40	43

Equality Diversity

Indicator	Unit	2023 Metrics	2024 Metrics
Proportion of female employees	%	31.70	31.41
Ethnic Minority Employees	%	1.28	1.12
Employees with Disabilities	%	0.14	0.22
Return-to-work rate after parental leave	%	95.65	100

Employee Training

Indicator	Unit	2023 Metrics	2024 Metrics
Total Employee Training Investment	RMB	845,000	1,022,400
Total Training Participants	/	3,338	5,965
Total Training Hours	Hours	23,768.02	23,782.35
Average Annual Training Hours per Employee	Hours	17.01	17.79
Male Employees' Average Training Hours	Hours	30.21	17.27

Indicator	Unit	2023 Metrics	2024 Metrics
Female Employees' Average Training Hours	Hours	15.78	18.91
Senior Management's Average Training Hours	Hours	9.49	20.50
Middle Management's Average Training Hours	Hours	20.90	35.62
General Staff's Average Training Hours	Hours	16.34	14.65
Overall Employee Training Participation Rate	%	83.36	92.52
Male Employee Training Participation Rate	%	85.33	94.66
Female Employee Training Participation Rate	%	81.06	87.86
Senior Management Training Participation Rate	%	60.00	74.47
Middle Management Training Participation Rate	%	57.73	95.16
General Staff Training Participation Rate	%	89.50	92.84

Occupational Health and Safety

Indicator	Unit	2023 Metrics	2024 Metrics
Safety production investment	RMB	6,179,800	2,468,400
Work-related fatalities	Persons	0	0
Safety inspections conducted	Times	294	759
Emergency drills conducted	Times	61	85
Occupational health and safety training participations	/	2,742	2,836
Total duration of occupational health and safety training	Hours	589.25	377.50
Occupational disease incidence rate	%	0	0
Total work-related injury rate	%	0.21	0.30
Workdays lost due to work-related injuries	Days	85	318
Days lost per RMB 10,000 of revenue due to work injuries	Days	0.08	0.28

Community Engagement

Indicator	Unit	2023 Metrics	2024 Metrics
Charitable contributions	RMB	1,543,300	1,883,300
Volunteer hours	Hours	1,390	1,087
Employee volunteer Participants	/	459	549

Index of Indicators

Reporting Compliance Statement

United Water disclosed the information referenced in this index for the period from January 1, 2024, to December 31, 2024, in accordance with the Shanghai Stock Exchange – Guidelines for Self-Regulation of Listed Companies No. 14 – Sustainability Reporting (Trial), and aligned with the Global Reporting Initiative (GRI) Standards.

Report Structure	Sustainability Reporting Guidance	GRI Standards
Chairman's Message	/	/
About United Water	/	2-1/2-6/2-23
Sustainable Development Management	Section 12.1, Section 12.2, Section 12.4, Section 12.5, Section 13, Section 14.1, Section 15.3, Section 17, Section 18.1, Section 18.2, Section 18.3, Section 18.4, Section 51, Section 52, Section 53.1, Section 53.2	2-9/2-12/2-13/2-14/2-16/2-17/2-22/2-24/2-29/3-1/3-2/3-3
Special Feature: Benefiting Thousands of Households—a New Chapter of Water Accessibility	Section 39.1, Section 39.2, Section 39.3, Section 47.1	203-1/203-2
Green Planet		
Water Resource Management	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 34, Section 36.1, Section 36.2	3-3/303-1/303-3/303-5
Eco-Environmental Protection	Section 32.2, Section 32.3, Section 42.4	3-3/101-2/101-5/101-8/304-1/304-3
Responding to Climate Change	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 20, Section 21, Section 22.1, Section 22.2, Section 22.3, Section 23.1, Section 23.2, Section 23.3, Section 23.5, Section 24, Section 25.3, Section 26, Section 27, Section 28, Section 35.1, Section 35.2, Section 35.3	3-3/201-2/302-1/302-3/302-4/302-5/305-1/305-2/305-4
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Collaborating for a Green Future	Section 35.3, Section 37.2, Section 38, Section 40	203-2
Reliable Partner		
Water Supply Resilience	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 44, Section 47.1, Section 47.2, Section 47.3	3-3/203-1/203-2
Premium Services	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 44, Section 47.4, Section 48.3	2-6/3-3/203-1/203-2
Community Involvement	Section 38, Section 40	3-3/203-1/203-2
Excellence in Operations		
Corporate Governance	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 53.1, Section 53.2	2-9/2-10/2-12/3-3/207-2/405-1
Business Ethics	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 54, Section 55.1, Section 55.4, Section 56.1, Section 56.2	2-27/3-3/205-2/205-3/206-1
Supply Chain Management	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 44, Section 45.1, Section 45.2	2-6/2-23/3-3/308-1/308-2/414-1/414-2
Safety Prevention Measures	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 48.1, Section 48.2, Section 48.4, Section 49, Section 50.2	2-27/3-3/401-2/403-1/403-2/403-5/403-6/403-7/403-9/403-10
Advanced Technology		
Digital Intelligence Empowerment	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 42.4	3-3/203-2
R&D Innovation and Intellectual Property Protection	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 41, Section 42.1, Section 42.2, Section 42.3, Section 42.4, Section 43.1, Section 43.2, Section 43.4	3-3/201-4
Talent Oriented		
Employment and Employee Rights Protection	Section 49, Section 50.1	2-7/3-3/401-1/401-2/401-3/405-1/406-1
Diverse Workplace and Employee Care	/	401-2/405-1
Talent Cultivation and Development	Section 49, Section 50.3	3-3/404-1/404-2

