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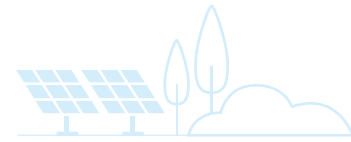
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2024 YINGDE GASES

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

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EXPLANATION OF REPORT PREPARATION: DISCLOSURE STANDARDS AND TRANSPARENCY

REPORT INTRODUCTION

Based on the principles of objectivity, fairness, transparency, and comprehensiveness, Yingde Gaseses discloses to our shareholders and stakeholders Yingde Gaseses' sustainable development practices from January 1, 2024 to December 31, 2024 in three dimensions of environmental, social, and corporate governance. In order to enhance the completeness of the report and to reflect the changing trends, this report also provides relevant data from 2020–2023 as much as possible for the reference of all parties.

REPORT REFERENCE

- This report refers to the guidelines in the "IFRS Sustainability Disclosure Standards" issued by the International Sustainability Standards Board (ISSB).
- Refers to "IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information" and "IFRS S2 Climate-related Disclosures";
 - Refers to "The Ten Principles of the UN Global Compact" and "the United Nations 2030 Sustainable Development Goals (SDGs)";
 - Refers to certain materiality topics from "Sustainable Accounting Standard Board" (SASB) Standards.

DATA SOURCE

The non-financial information in this report is provided by various departments of the headquarters of Yingde Gases and its branches.

REPORT SCOPING

The environmental, social, and governance data in this report covers Yingde Gases's business operations within China and overseas.

TERMINOLOGY EXPLANATION

For the convenience of readers, in this report, unless the context requires otherwise, "Yingde Gaseses" is referred to as "we", "us" or "our".

REPORT ACQUISITION

This report is published in both Chinese and English format in print and online. The electronic version is available on the company's website "www.yingde.com".
If there is any discrepancy, please refer to the Chinese version. If you have any questions or suggestions about Yingde Gases' ESG report, please call 021-3899-8888 and transferred to "Yingde Gases Carbon Asset Management Department".

CORPORATE CULTURE

PHILOSOPHY

We believe in the potential of gases.

MISSION

Empower society through innovative and sustainable industrial gas solutions.

VISION

We take full social responsibility, continually explore the value of gas applications, and strive to be the leading industrial gas and service provider.

CORE VALUES

- Openness: We embrace diversity.
- Progress: We are proactive learners.
- Respect: We treat people equally.
- Accountability: We practice what we preach.



CHAIRMAN'S MESSAGE



Chairman of Yingde Gases
David Wong

In 2024, amid a complex and ever-changing market environment, Yingde Gases overcame challenges, forged ahead with determination, and delivered remarkable results. As a leading industrial gas company in China, Yingde Gases has always adhered to the concept of sustainable development—rooting itself in the Chinese market, expanding overseas operations, and leading the industry’s advancement.

Looking back on Yingde Gases’ 20+ years of endeavor, we have demonstrated resilience and enterprising spirit. Through initiatives such as expanding the business footprint, scaling up professional teams, refining operational management systems, unlocking the value of existing projects, and innovating business cooperation models, the company has accumulated industry experience, consolidated its industrial foundation, and achieved a leap in both business scale and competitiveness.

In 2024, Yingde Gases completed the diversiture of clean energy business, welcomed new investors, and embarked on a new journey toward high-quality development.

To better empower customers, reward shareholders and the society, we are committed to integrating ESG principles into the entire value chain—from strategic planning to business development, and from supply chain collaboration to production management. While creating economic value, we consistently prioritize social and environmental benefits, realizing the organic unity of business objectives and social responsibilities.

We are dedicated to green development, aiming to establish ourselves as an industry benchmark in low-carbon practices and empower customers through green solutions.

With high efficiency and low carbon as our core goals, we have implemented measures to reduce corporate carbon emissions, including improving equipment efficiency, adopting sustainable electricity, and developing environmentally friendly gas products. In 2024, Yingde Huaibei Air Separation Project was fully operational, injecting new impetus into the green development of both our customers and the local community, and setting a leading example for low-carbon operations in the industrial gas industry.

We pursue sustainable value creation guided by an open and transparent governance philosophy.

With the further diversification of Yingde Gases’ shareholders, we are committed to improving the quality of our operations, integrating sustainable development strategies and ESG governance concepts into our operations, and working with our shareholders to promote sustainable development. We provide comprehensive information support for shareholders and management through digital management. We have established three lines of defense, improved the risk governance framework, and created a clean, transparent and fair business ethics system. We have further improved the ESG Committee and ESG Working Group to deepen ESG governance at all levels of the company.

We prioritize people, empower society, and work together to build a community with shared value.

Guided by the values of "Openness, Progress, Respect, and Accountability," we advocate for the harmonious development of the company, its employees, and the society. We have launched talent development programs to support employees’ long-term growth; we have refined welfare program to enhance employees’ workplace experience; we actively engage with the local communities in which we operate—fulfilling our social responsibility by establishing university scholarships and providing targeted donations totaling over RMB 1.8 million, thereby contributing to the cultivation of high-caliber talent.

Yingde Gases practices the sustainable development strategy, responds to the national dual carbon goal, adheres to low-carbon development in the upstream of the industry, and drives industry change with green innovation. Looking forward to the future, Yingde Gases will continue to optimize resource allocation in its core business areas, create long-term value for our customers, partners, employees, society and investors with the concept of sound operation and transparent governance, and move towards a new journey of more resilient and dynamic development!

ESG REPORT OVERVIEW

Thank you for your continued attention to Yingde Gases!

This report provides a detailed account of Yingde Gases’ corporate vision and goals for environmental, social, and governance (ESG) performance, as well as its practices and achievements in these areas over the past year.

Firstly, this report provides a comprehensive overview of Yingde Gases’ ESG management practices and efforts.

In 2024, under the guidance of the company’s management team and the ESG Committee, Yingde Gases remained committed to its "Five-in-One" Sustainable Development Strategy. Low-carbon development and green empowerment are core strategic priorities for Yingde Gases. To better provide green empowerment to its customers, the company has set a clear carbon reduction target: "By 2030, reduce carbon emission intensity per unit of revenue by 30% and drive carbon reduction throughout the entire industrial chain."

To this end, we had achieved a 20% reduction in carbon emission intensity per unit of revenue by 2024 through measures such as optimizing air separation energy efficiency, developing low-carbon business lines, and utilizing sustainable electricity. We have also established corporate carbon footprint accounting standards and norms, conducted product carbon footprint assessments, and passed on our carbon reduction outcomes to customers via low-carbon gas products. Meanwhile, we provide objective and quantifiable information on climate action and carbon reduction, environmental initiatives, employee development, social value creation, and corporate governance to fully demonstrate our results.

Secondly, this report was developed with the support and input of stakeholders.

During the report compilation process, we maintained ongoing communication with stakeholders to address the needs of all parties. This report was finalized by gathering input from stakeholders—including investors, customers, suppliers, employees, and local communities—and organizing these insights to address Yingde Gases’ key ESG priorities. Compared to last year’s report, this version adds a new section on "Sustainable Products."

In 2024, Yingde Gases further expanded its overseas operations, completed divestiture of clean energy business, and successfully brought in diversified shareholders. Accordingly, this report includes additional ESG-related information about NovaAir, our overseas brand in the Southeast Asian region.

Thirdly, this report further enhances the fairness and transparency of information disclosure.

To ensure data authenticity and credibility, we have engaged third-party service providers to conduct comprehensive carbon inventories for Yingde Gases on an ongoing basis since 2020, while publicly disclosing carbon emission data.

To enhance the transparency of information disclosure, we joined the Yangtze River Delta Green Certification Alliance and obtained the AAAA Certification for Enterprise Dual-Carbon Management Information Disclosure in 2024.

To ensure this report objectively and comprehensively discloses Yingde Gases’ achievements and gaps in ESG management, we have engaged the China Quality Certification Center (CQCC) as an independent third party. CQCC will audit aspects such as the report’s benchmarking standards, compilation specifications, and data accounting methods, and issue verification opinions.

Yingde Gases is committed to advancing the sustainable development of the industry, driving the green transformation of the entire industrial chain, and co-creating a better future with all sectors of society.

Thank you again for downloading and reading Yingde Gases’ 2024 ESG Report. Should you require additional information, please feel free to contact us and share your feedback or inquiries.



Shen Wei
General Manager, Management
Center of Yingde Gases

ABOUT YINGDE GASES

COMPANY OVERVIEW

Established in October 2001, Yingde Gases is a large-scale professional gas company which is committed to the development of industrial sectors. Headquartered in the Pudong Free Trade Zone in the Shanghai Pudong Free Trade Zone, China, we also set up our investment headquarter in Hong Kong and Yingde Engineering in Hangzhou. Yingde Gases has built nearly 170 production facilities with over 3,500 employees domestically and abroad.

Yingde Gases, a leading independent manufacturer of industrial gases, will continue to expand its global footprint. Its overseas brand, NovaAir, has already operated air separation plants in countries including Malaysia and Thailand. Yingde Gases focuses on on-site gas supply, bulk liquid, MiniBulk, packaged gases, rare and specialty gases, and Yingde Engineering (design and manufacturing of cryogenic equipment including air separation unit). We supply on-site pipeline gases, liquid gases in tanks and cylinder gases including oxygen, nitrogen, argon, and other high-quality industrial gas products, as well as innovative gas solutions to support the development of industries such as the metallurgy, chemical, electronics, semiconductor, photovoltaic, food product, medical care, new materials, energy and environmental protection. We continue to create value in numerous fields closely related to the national economy and strive towards fulfilling our goal of "empowering society through innovative and sustainable gas solutions".

BUSINESS MODEL

Yingde Gases provides a full range of customized gas supply solutions, supplying a variety of high-quality gas products and services based on customer needs.

Our business model covers: on-site gas supply, liquid gas supply, rare and specialty gases, Yingde Engineering.

ON-SITE GAS SUPPLY

High-quality oxygen, nitrogen, argon and other gas products are provided to customers with pipeline supply through the establishment of air separation units.

LIQUID GAS SUPPLY

The gas products are provided in bulk liquid, MiniBulk or bottled gas to more than 10,000 clients, covering more than 300 cities in over 30 provinces. Customers are widely distributed in 12 major industries, including semiconductor, food and beverage, healthcare, new energy, etc., which are closely connected with national economy development.

RARE AND SPECIALTY GASES

As a leading domestic supplier with top-tier design capacity for rare gases (xenon, krypton, neon), Yingde Gases possesses an annual production capacity of 2,500 Nm³ for xenon and 25,000 Nm³ for krypton. With ultra-high purity and high stability, these products meet stringent requirements in high-end manufacturing fields and are widely applied in chip manufacturing, laser technology, and advanced scientific research to empower "Smart Manufacturing in China".

YINGDE ENGINEERING

Yingde Gases possesses the independent design and engineering capability to provide design, manufacture, installation, commissioning, project management and consulting services for our own gas supply projects and third-party customers in various industries for air separation, cryogenic, green hydrogen and coal gasification plants.

MAIN PRODUCTS AND APPLICATION AREAS

O₂

Metallurgy; Oil refining; Chemical; Medical; Oxygen enriched/Oxygenated Combustion; Oxidation; Biofermentation; Wastewater treatment; Aquaculture; Metal cutting; Welding; Embedding, hardening; Cleaning & melting; Keeping food fresh; Ozone sterilization; Exhaust denitrification.

Ar

Solar wafer; Stainless steel metallurgy; Laboratory research; Semiconductor manufacturing; Heat treated powder; Heat treated quenching; Heat treated aluminum fusion casting; Medical applications; Balloon filling; Welding protection.

He

Metal welding and coating; Maglev trains; Deep-sea diving gas mixtures; Helium leak detection; Laser gas; Atomic reaction coolants; Heat treatment quenching.

Kr

Semiconductor chips; Glass; Lighting.

Xe

Aerospace industry; Lighting; Semiconductors; Glass; Electronics; Healthcare.

N₂

Food packaging, preservation; Food process blowing, edible oil bubbling deoxygenation; Intelligent nitrogen sealing systems; Airbag filling; Cryogenic reactor technology for the pharmaceutical industry; Metal cutting and welding; Semiconductor manufacturing; Laser cutting and welding; Oil recovery; Gas storage; Cleaning and lubrication; Food freezing; Beverage nitrogen drip pressurization; Heat treatment of metals; Cryogenic crushing; Tire vulcanization

CO₂

Welding shield gas; Food freezing; Food transportation cooling; Soft drink carbonation; Grain fumigation; Animal slaughter; Flour cooling; Drinking water pH control; Dry ice cleaning; Wastewater treatment; Greenhouse agriculture; Plant growth; Pulp and paper; Air-conditioned packaging; Blowing agents

H₂

Glass surface polishing; Metal heat treatment; Petroleum & refining; Heat treatment quenching; Heat treatment annealing, brazing; Heat treatment powder metallurgy.

RECOGNITION & AWARDS

CORPORATE AWARDS

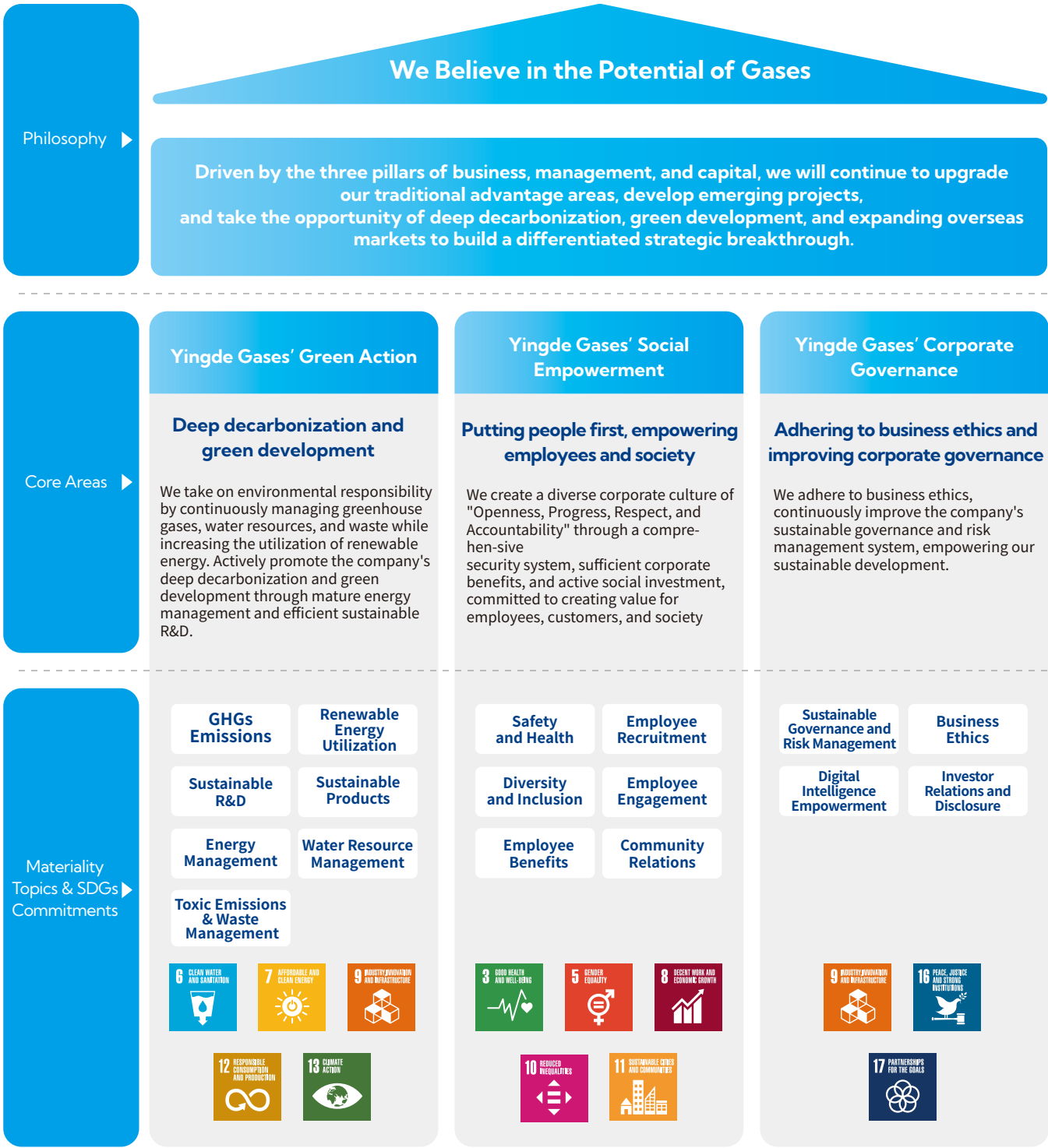
- 2024 Yangtze River Delta Green Certification Alliance Enterprise Carbon Management Information Disclosure AAAA Certification
- Ranked first among China's top 50 gas enterprises during the 13th Five-Year Plan period
- 2023 China Corporate Carbon Neutrality List – Green Supply Chain Management Award
- 2023 "Dingge Award" Enterprise of the Year for Total Data Intelligence
- 2022 Excellent Employer in Greater China
- 2021 Excellent Employer in Greater China

AWARDS TO SUBSIDIARIES

- Jiangsu Yingde awarded "Smart Manufacturing Factory in Jiangsu Province" in 2024.
- Baotou Yingde awarded "Innovative Small and Medium-sized Enterprise in Inner Mongolia" in 2024.
- Lanzhou Yingde awarded "Outstanding Application Scenario in Gansu Province" in the field of intelligent manufacturing in 2024.
- Changzhou Yingde honored as the "Intelligent Manufacturing Factory in Changzhou" in 2024.
- Jiangsu Wanteng Logistics awarded the 2024 Logistics Little Giant TOP 100 and the 2024 China Advanced Freight Operator TOP 100.
- Hebei Yingde awarded "Green Factory" by the Ministry of Industry and Information Technology of China in 2023.
- Yingde Engineering recognized as the "Innovative Small and Medium-sized Enterprise in Zhejiang Province" and the "Specialized, Refined, Distinctive, and Innovative Small and Medium-sized Enterprise in Zhejiang Province" in 2023.
- Baotou Haiding Logistics awarded the 2023 Logistics Little Giant TOP 100 and the 2023 China Advanced Freight Operator TOP 100.

How We Create ESG Value

This image is generated by AI technology.



YINGDE GASES' GREEN ACTIONS

GHGS EMISSIONS

Target:
Committed to reducing the company's carbon emission intensity per unit of revenue by 30% by 2030, compared to the 2020 baseline.

Target Initiative :

- Improve energy efficiency of the air separation units (ASU) .
- Promote high-efficiency air separation alternative projects.
- Develop oxygen recovery business.
- Develop low-carbon hydrogen energy business.
- Increase the use of renewable energy.

Achievements:

- In 2024, the carbon emission intensity per unit of revenue was 8.30 tons of CO₂ per 10,000 yuan, a decrease of approximately 20.3% compared to the 2020 baseline.
- In 2024, the high-efficiency air separation replacement project saved 11 million kWh of electricity, equivalent to a carbon reduction of about 6,300 tons.
- In 2024, 2.45 million Nm³ of oxygen was recycled and utilized, saving 1.26 million kWh of electricity, equivalent to a carbon reduction of approximately 676 tons.
- In 2024, the company was awarded the Enterprise Carbon Neutrality Management Information Disclosure Rating Certificate (Four Stars) by the Yangtze River Delta Green Certification Alliance.
- In 2024, through green financial cooperation, it helped the green transformation of ASEAN business, and jointly developed energy-saving systems to promote emission reduction in international projects, actively practicing energy conservation, emission reduction and green development.



RENEWABLE ENERGY UTILIZATION

Target: Achieving a total utilization of 500 GWh of green electricity and green certificates by 2025.

Target Initiative:

- Implement the group's green power planning.
- Increase renewable energy procurement.
- Explore green power direct connection business.
- Develop green power air separation unit.

Achievements:

- In 2024, Yingde Gases actually purchased 177 million kWh of green electricity and 460,000 green certificates, with the combined utilization of green electricity and green certificates reaching 630 million kWh.



SUSTAINABLE R&D

Target: Through the sustainable R&D of gas applications in multi-technology scenarios, we drive the transformation of clean business and sustainable development, to empower our customers.

Target initiatives:

- No less than 200 million yuan of annual R&D investment.
- Develop and explore hydrogen energy technologies.
- Utilize low-carbon technologies such as CCUS (Carbon Capture, Utilization and Storage).
- Develop sustainable gas application technologies in multiple fields.

Achievements:

- In 2024, investment in energy-saving technology R&D reached 220 million yuan.
- Provided a 6,000 Nm³/h VPSA unit to China Jushi and a 1,500 Nm³/h VPSA unit to Qingshan Iron & Steel, reducing electricity consumption by 4.4 million kWh annually, equivalent to a carbon emission reduction of 2,360 tons.
- The company's excimer laser gas obtained key certifications from Coherent (USA) and Shanghai Integrated Circuit R&D Center Co., Ltd. (ICRD).
- In 2024, over 30 units of Xiandebao and Yudebao were deployed, helping customers save a total of 27.8 million kWh of electricity annually, equivalent to a carbon emission reduction of 14,917 tons.



SUSTAINABLE PRODUCT

Target: By 2030, the revenue from sustainable products will account for 2% of the Group's total revenue.

Target initiatives:

- Promote the development of sustainable product businesses.
- Develop businesses such as low-carbon hydrogen and oxygen recovery.

Achievements :

- In 2024, Yingde Gases produced approximately 60 million Nm³ of hydrogen (with the newly added Baoqing Hydrogen Plant), an increase of about 40% compared to 2023.
- In 2024, a new contract was signed for the Lanxin Iron & Steel coke oven gas recovery project, which recovers 46,000 Nm³/h (dry basis) of tail gas, converting it into 70,000 tons/year of LNG and 100,000 tons/year of synthetic ammonia, with an additional reserved hydrogen capacity of 36 million Nm³/year.



ENERGY MANAGEMENT

Target: To achieve industry-leading energy efficiency level through continuous efficiency improvement.

Target initiatives:

- Conduct ongoing diagnostic processes for efficiency improvement.
- Optimize technical transformations of low-efficiency equipment.

Achievements :

- In 2024, the company's energy consumption intensity per unit of output decreased by 5.8% compared to 2023.
- In 2024, a total of 138,000 tons of CO₂ emissions were reduced through energy efficiency improvements.



WATER RESOURCE MANAGEMENT

Target: Continue to reduce the dependence on natural water resources and reach the industry-leading level in the recycling and utilization of water resources.

Target initiatives:

- The amount of condensate water recovered in 2030 will increase by 40% compared with that in 2020.
- Increase the amount of reclaimed water recycling, and the total utilization is expected to reach more than 4 million tons per year by 2030.
- The circulating water utilization rate of air separation units (ASU) will continue to be above 98.80%

Achievements :

- In 2024, the condensate water recovery volume of air separation plants reached 0.87 million tons.
- In 2024,the average recycled water utilization rate of air separation plants will reached 98.95%.



TOXIC & WASTE MANAGEMENT

Target: Continuously reduce the generation and landfill of waste, and continuously maintain 100% compliance in the disposal of hazardous waste.

Target initiatives:

- 28 business units achieve "zero waste to landfill".
- Maintain the compliance management of hazardous waste continuously and achieve compliant disposal.

Achievements:

- Keep 100% hazardous waste compliance in 2024



YINGDE GASES' SOCIAL EMPOWERMENT

SAFETY AND HEALTH

Target: Committed to continuously improving our safety and health performance, taking responsibility for the safety of our employees, customers, contractors, and communities, and striving to achieve zero accidents and zero injuries.

Target initiative:

- Continue to promote the improvement of safety culture, the implementation of safety management systems and the construction of safety standards.
- Through intelligent driving monitoring and smart construction site, we will continue to explore and apply digital intelligence technology to improve safety risk management and control capabilities.

Achievements:

- In 2024, the average lost-work days accident rate was lower than the level of AIGA (Asia Industrial Gases Association) in the same industry.
- In 2024, the accident rate of product vehicle decreased by 40% compared to the 2020 baseline.



EMPLOYEE ENGAGEMENT

Target: By fostering a diverse and equitable work environment, we strive to address and remove barriers of employee engagement.

Target initiative:

- The group will offer no fewer than 10 public training courses annually, with an overall course satisfaction score of no less than 4.5/5;
- Encourage factories to independently conduct professional training and explore diverse employee participation methods.

Achievements:

- 2024 year, the group conducted a total of 159,556 hours of training, averaging 47.59 hours per person.
- 2024 year, a total of 12 public courses were offered to all employees to enhance their skills, while the second phase of the Navigator Program was launched to cultivate outstanding management talents.



NEW EMPLOYEES RECRUITMENT

Target: Regard the recruitment as talent development program to reserve the talent and intelligence and support the development of company and society.

Target initiative:

- The information of all vacant positions in the company is open to both internal employees and the public.
- Eliminate any discriminatory and biased language, behaviour and decisions in the recruitment process

Achievements:

- The number of dispatched workers in the company decreased by 72% in 2024 compared to 2023.



EMPLOYEE BENEFITS

Target: To bring a high-quality life and working experience, we implemented an employee benefits system focusing on "Employee Centered" and "Employee Care".

Target initiative:

- Provide competitive programs to provide employees with health, financial and life support.
- Provide team building, birthday parties, long-term service awards and other benefits aiming to help employees to feel being respected and recognized

Achievements:

- 100% FTE enjoyed group insurance, annual check-up, benefit allowance.
- Build 'Employee Care Fund' to help employees or their relatives who unfortunately have critical disease.
- Annual seminars are held to improve employees' health awareness.
- Set up Long-term Service Award to employees who have served for 5 years, 10 years, 15 years and 20 years.



DIVERSITY & INCLUSION

Target: Create a diverse and inclusive workplace culture where every person or group is welcomed, respected, supported, valued, and empowered to contribute.

Target initiative:

- Establish diverse and inclusive corporate values.
- Provide inclusive and fair development and promotion opportunities for employees of different ethnicities, ages, genders, and cultural backgrounds.

Achievements:

- The proportion of female employees in middle and senior management reached 25.7%, and the overall proportion of female employees was 18%.
- In 2024, employees under 30 accounted for 13.9%, those aged 30 to 50 accounted for 75.6%, and those over 50 accounted for 10.4%.



COMMUNITY RELATIONS

Target: Fulfill corporate social responsibility by focusing on community development and educational initiatives to create sustained social value.

Target initiative:

- Actively engage in community service and public welfare programs, supporting the disadvantaged groups.
- Promote local employment and economic growth.
- Collaborate with universities to advance industry-academia-research innovation.

Achievements:

- Deepened partnerships with Xi'an Jiaotong University to achieve breakthroughs in gas applications and low-carbon technologies. Yingde Engineering, serving as one of the university's internship bases, mutually enhances talent cultivation and technological innovation.
- Conducted in-depth discussions on hydrogen energy applications to share international technical expertise to delegates from the Belt and Road countries who studied at East China University of Science and Technology (ECUST).
- Established a university-specific scholarship program, with cumulative donations exceeding 1.8 million yuan for targeted educational initiatives.



YINGDE GASES' CORPORATE GOVERNANCE

SUSTAINABLE GOVERNANCE

Target: Continuously improve the company's sustainable governance and risk management system, empower company's sustainable development.

Target initiative:

- Establish a sustainable development governance framework.
- Continuously improve the risk control system.
- Regularly hold ESG committee meetings to supervise and make decisions on the company's ESG matters.

Achievements:

- Develop various ESG goals.
- Establish the "Shareholders' Meeting – Board of Directors – Management" management system.
- 2023 ESG report was officially released on the Group's official website.



DIGITAL INTELLIGENCE EMPOWERMENT

Target: Utilize digital technology to accelerate a deeper integration of digitalization and business, to further enhance global operational management compliance capabilities, and to help the corporation achieve overall business development strategies and goals.

Target initiatives:

- Consolidate system integration to connect core business links.
- Promote technological innovation, assist in data-driven, and improve infrastructure layout.
- Enhance digital organizational capabilities.

Achievements:

- Build a AI project based on big data, achieving industry-leading digital transformation for the company.
- Established a comprehensive digital system including intelligent management, smart algorithms, smart operations, and intelligent customer service.



BUSINESS ETHICS

Target: Strongly adhere to business ethics and compliance standards, and create a clean, transparent, and fair business ethics system.

Target Initiatives:

- Continuously update the anti-corruption system.
- Enhance the level and duration of employee business ethics training.

Achievements:

- Published a total of 10 policies, including the "Anti-Fraud Management System" and "Anti-Corruption Compliance Policy".
- Employee average annual business ethics training coverage rate 100%.



INVESTOR RELATIONSHIPS & INFORMATION DISCLOSURE

Target: Establish a clear, transparent, and organic communication mechanism for information exchange between the company and investors.

Target Initiatives:

- Disclose the company's achievements and strategic information to stakeholders through regular communication meetings and diversified media channels.

Achievements:

- Establish monthly and quarterly information disclosure mechanisms with shareholders.
- Developed diversified information disclosure channels such as the official website and WeChat public accounts.



STAKEHOLDERS AND MATERIAL ISSUES

STAKEHOLDER ENGAGEMENT

Yingde Gases' sustainable development strategy is a strategy co-constructed with various stakeholders of the company. The company's stakeholders include: customers, suppliers, employees, shareholders, government and regulatory agencies, universities and research institutions, industry associations, communities and the public, etc. The company has always attached importance to the concerns and demands of stakeholders. We have established communication mechanisms with all stakeholders, understand the needs of all parties through various communication channels, and take timely actions to continuously improve and perfect our path in sustainable development.

STAKEHOLDERS	FOCUS TOPICS	PARTICIPATION IN ACTIONS
Customers	Energy management,product safety, circular economy	Face-to-face communication; Daily Communication Meeting
Suppliers	Product Design to Enhance Practical Efficiency in the Product Development Phase	Supplier Communication Meeting
Employees	Health and safety,diversity, employee benefits	Annual employeesurvey, team-building activities, internal training, reading forum
Shareholders	Circular economy, greenhouse gas emissions, health and safety	Shareholder communication meeting; quarterly review meeting
Government and regulatory agencies	Greenhouse gas emissions, air pollution control, water resource management, toxic and waste management,	Annual supervision and inspection; Sustainability report; Policy communication meeting
Universities and research institutions	Opportunities in clean technology, utilization of renewable energy	University-enterprise communication meeting; technology evaluation meeting;
Industry associations	Greenhouse gas emissions, utilization of renewable energy,opportunities in clean technology, health and safety, energy management	Relevant sectors including the Shanghai Gas Association, China Gas Association, and Asia Gas Association
Community and Public	Community Relations, Toxic and Waste Management	Company Open Day Activities, Community Donation Activities.

MATERIALITY TOPICS ASSESSMENT

Yingde Gases conducted an internal evaluation of various materiality topics related to the chemical industry in SASB standards, focusing on the relationships between various units in the industry and relevant parties. Based on the identification of topics, stakeholder research, evaluation of materiality importance, and ranking of topics, Yingde Gases formed a systematic ESG management structure, which provided action guidelines for various ESG work. Thus, we have summarized a total of 17 materiality topics as follows:

E:Environment	S:Social	G:Governance
Climate Action	Employee Health	Corporate Governance
Greenhouse gas emissions	Safety and health	Sustainable governance
Utilization of renewable energy	Talent Development	Business Ethics
Sustainable R&D	Employee Recruitment	Digital Intelligence Empowerment
Sustainable products	Diversity and inclusion	Investor relations and information disclosure
Energy Management	Employee Involvement	
Environmental Protection	Employee Benefits	
Water Resource Management	Social Responsibility	
Toxic and Waste Management	Community Relations	

Green Action

YINGDE GASES' CLIMATE PERSPECTIVE

To address the global climate challenge, China proposed a national strategy in 2020 to peak carbon emissions by 2030 and achieve carbon neutrality by 2060.

At the company level, as a responsible gas company, Yingde Gases actively responds to the national "Dual Carbon Goals" and proposes a business development strategy of "Deep Decarbonization and Green Development". To this end, the company set a carbon reduction target in 2021: "Committed to reducing the company's carbon emission intensity per unit of revenue by 30% by 2030, compared to the 2020 baseline." To this end, we take on environmental responsibility by continuously monitoring GHGs emissions, water resource utilization, and waste disposal, while increasing the use of renewable energy. We utilized mature energy management optimization processes and put in continuous investment in sustainable R&D to achieve proactive carbon reduction and actively promoted the implementation of the company's carbon reduction goals.

At the industry level, "gas is the lifeblood of industry", and we provide bulk gases services such as oxygen, nitrogen, argon, etc. for China's core industries such as steel, chemical, petrochemical, and electronics. Yingde Gases will strive to provide downstream customers with low-carbon and green gases products through our own carbon reduction and low-carbon transformation actions. The results of carbon emission reduction will be transmitted through the supply chain to the entire industry chain, thereby empowering downstream enterprises. Yingde Gases aims for low-carbon development, actively addresses the risks of climate transition, embraces the opportunities brought by sustainable development, and strive for the sustainable transformation of society.

GHGS EMISSIONS

Target: Committed to reducing the company's carbon emission intensity per unit of revenue by 30% by 2030, compared to the 2020 baseline.

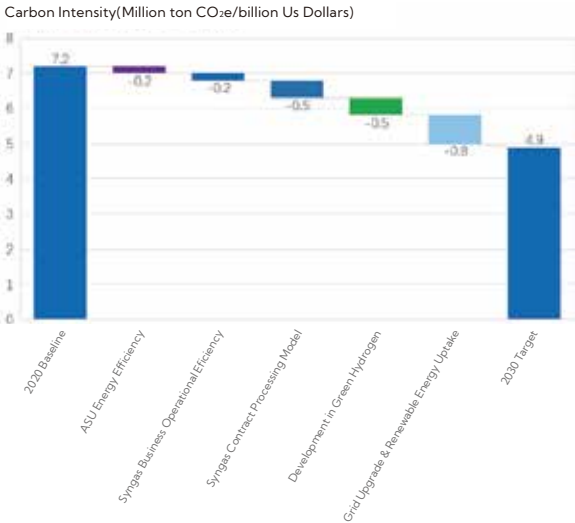
Based on calculations, the company's emissions in 2024 (*excluding emissions from clean energy business units) were 1,461.6 million tons, with a carbon intensity of 8.30 per 10,000 yuan of output value. The company achieved a 20.3% reduction in carbon intensity compared to the 2020 baseline, bringing it closer to the 2030 target.

ITEM	2020	2022	2023	2024
CO ₂ Absolute Emission (t)	20,220,764	19,614,045	19,203,066	14,616,104
Scope One Emissions (t)	4,242,220	4,105,014	4,358,641	19,208 (*)
Scope Two Emissions (t)	16,021,128	15,509,032	14,844,426	14,596,896
Carbon Emission Intensity(t/10,000 RMB Revenue)	10.41	8.41	8.31	8.30

In the field of carbon emission reduction and risk management, the company faces dual pressures. On one hand, the gas production process determines high energy consumption intensity, with the separation of oxygen, nitrogen, argon, and other products from air separation units driven by electricity and steam resulting in consistently high carbon footprints per unit product, becoming a core obstacle to advancing product decarbonization; on the other hand, the energy supply structure faces significant constraints, with the company relying on customer redistribution for over 80% of its energy supply, making it difficult to independently carry out energy decarbonization reforms and the replacement of low-carbon green energy, thereby intensifying the execution difficulty for the company to achieve carbon neutrality goals in the energy sector. We have therefore developed a greenhouse gas emission reduction strategy for Yingde Gases.

Based on the company's emission reduction targets, we are advancing our emission reduction goals through the following strategies: 1. Enhancing the energy efficiency of air separation units; 2. Divesting coal chemical business; 3. Increasing hydrogen business; 4. Increasing the use of renewable energy.

At the specific emission reduction measures level, the Group has established a Carbon Asset Management Department, jointly with the Group Procurement Department, Operation Center, etc., to implement emission reduction projects from multiple dimensions under the guidance of management. In the energy procurement stage, green certificate and green power procurement on a large scale directly increase the proportion of green power utilization; in the energy supply side, investing in and building distributed renewable energy power projects enhances self-sufficiency in clean energy; at the same time, actively participating in regional green power grid supply projects such as "source-grid-load-storage" to optimize the energy configuration structure. Additionally, for high-energy-consuming air separation units, vigorously promoting the transition from steam to electricity, developing efficient air separation equipment, and innovatively applying various oxygen recovery devices, systematically reduce carbon emissions in the production process, comprehensively advancing the company's and assisting customers in achieving carbon emission reduction strategic goals.



EFFICIENT AIR SEPARATION ALTERNATIVE

In the field of industrial gas equipment, Jiangsu Binxin 60,000 Nm³/h air separation project and Yunnan Copper 80,000 Nm³/h-grade air separation project have achieved remarkable results. These projects innovatively apply core technologies, create customized processes, and establish differentiated energy-saving systems. The newly built units perform excellently, with a comprehensive oxygen single consumption below the contract-guaranteed value under test conditions. Among them, the Jiangsu Binxin project saves over 8 million kW h of electricity annually, while the Yunnan Copper project saves over 3 million kWh annually. Together, they reduce carbon dioxide emissions by 6,300 tons, becoming a new benchmark for energy conservation and emission reduction in the industry and leading the direction of green development.

OXYGEN RECOVERY TECHNOLOGY APPLICATION

Yinge Yunfu achieved cold energy replacement through liquid nitrogen backfilling and successfully recovered 2.458 million Nm³ of oxygen in 2024, saving 1.26 million kW h of energy and reducing 680 tons of carbon emissions.

YINGDE GASES OBTAINS FOUR-STAR CERTIFICATION FOR DUAL CARBON MANAGEMENT INFORMATION DISCLOSURE FROM THE YANGTZE RIVER DELTA GREEN CERTIFICATION ALLIANCE

On June 5, 2024, during the concurrent activities of the 2nd Shanghai International Carbon Neutrality Expo organized by the Shanghai Market Supervision Administration, Yingde Gases (Shanghai) Co., Ltd. was awarded the Enterprise Dual Carbon Management Information Disclosure Rating Certificate (Four Stars) by the Yangtze River Delta Green Certification Alliance for its outstanding performance in dual carbon management.



YINGDE GASES ALIGNS WITH INTERNATIONAL STANDARDS, EMPOWERING GREEN BUSINESS IN SOUTHEAST ASIA

On November 8, 2024, during the 7th China International Import Expo, Yingde Gases signed a Green Finance Cooperation Memorandum with China Construction Bank (Malaysia) Limited, jointly creating a new path for green transformation and promoting low-carbon sustainable development in Southeast Asian countries. The Construction Bank will provide comprehensive financial services for Yingde Gases' sustainable projects in Southeast Asia through its unique green finance solutions and cross-border service platform, including the construction of green factories, industrial energy savings, renewable energy, and energy efficiency improvement projects, which will strongly support Yingde Gases' business development in Southeast Asian countries.

JOINT R&D DRIVES INTERNATIONAL PROJECT EMISSION REDUCTION

Malaysia's integrated steel plant's air separation project, in collaboration with local clients based on traditional design solutions, jointly researched "Energy-saving steam regeneration system for sustainable waste nitrogen heating", after the application of this system, it is expected to save 8 million degrees of electricity annually, according to Malaysia's local emission factors, reducing 5,600 tons of carbon emissions, jointly promoting local carbon emission reduction.

RENEWABLE ENERGY UTILIZATION

Target: Achieving a total utilization of 500 GWh of green electricity and green certificates by 2025.

Yingde Gases, as a company specializing in gas supply and energy solutions, actively responds to carbon reduction requirements. Through forward-looking strategic planning, continuous technological innovation, energy management, and procurement, it further optimizes the energy structure and the utilization of renewable energy. This is a key initiative for the green transformation of the company's major air separation plants. In 2024, the comprehensive usage of green electricity and green certificates by the company has already reached 6.3 billion degrees.

ITEM	2020	2022	2023	2024
Absolute Electricity Usage (MWh)	14,928,410	14,552,404	14,112,990	14,372,923
Total Renewable Energy Usage (MWh)	0	95,443.53	114,977	177,000
Proportion of Renewable Energy Use in total Electricity Consumption (%)	0	0.66	0.79	1.23
Year on year Change in the Proportion of Renewable Energy Usage (%)	0	30.50	20.05	51.16

The company has achieved its 2024 renewable energy utilization target through initiatives such as actively developing green electricity-based air separation projects, participating in green electricity trading, and purchasing green certificates. This achievement is attributed to the rapid maturation of China's green electricity and green certificate market, as well as the firm implementation of the company's sustainable supply chain strategy.

GREEN POWER AND GREEN CERTIFICATE PROCUREMENT

- Purchased 177 million kW h of green electricity in 2024, based on the national power emission factor of 0.5366 tons CO₂/MWh, which can offset 95,000 tons of carbon emissions and strengthen carbon reduction at the production level.2e.
- In 2024, the group purchased and retired a total of 460,000 green certificates, equivalent to 460 million kW h of electricity, achieving carbon reduction at the group's operational level and providing experience for the industry's green certificate trading.

SUSTAINABLE R&D

Target: Through the sustainable R&D of gas applications in multi-technology scenarios, we drive the transformation of clean business and sustainable development, to empower our customers.

In 2024, Yingde Gases achieved accomplishments in technologies such as VPSA (Pressure Swing Adsorption), sustainable application technologies, and excimer laser gas.

ITEM	2020	2022	2023	2024
Investment in Energy-Saving Technology (10,000 RMB)	-	21,965.74	20,578.24	22,259.79
Proportion of Energy-Saving Technology Investment to Total Technology Investment (%)	-	51	46	54
Low Carbon Product R&D Investment (10,000 RMB)	-	273.11	140.91	441.20

To promote the company's sustainable R&D, Yingde Gases has established "Application and Innovation Research Institute" to coordinate the company's technology R&D in gas application technology, low-carbon technology application, non-low-temperature gas separation and other fields, to address future low-carbon development trends in the gas industry and enhance technical capabilities to cope with carbon neutrality.

APPLICATION OF LOW-ENERGY CONSUMPTION VPSA TECHNOLOGY

Yingde Gases has applied a 1,500Nm³/h VPSA unit in the Qingshan Project, providing customers with 1,200 million Nm³ oxygen annually. Compared to traditional air separation, it reduces energy consumption by 20%, saving 144 million kilowatt-hours of electricity, equivalent to reducing carbon emissions by approximately 773 tons.

EXPANSION OF APPLIED R&D TECHNOLOGY

Yingde Gases Applied and Innovation Research Institute has established an industrial gas application matrix, covering areas such as aquaculture and food processing.

In aquaculture, Yudebao integrates three modules, increasing unit water volume productivity by 40% compared to extensive farming, achieving a water resource recycling rate of 92%. Without electricity for oxygen supply, it reduces carbon emissions by nearly 300 tons annually for medium-sized aquaculture farms.

For food processing, Xiandebao provides a full-chain liquid nitrogen rapid freezing solution. Liquid nitrogen shortens the freezing cycle by 67%, and the energy consumption per unit is reduced by 42%, with a reduction of 550- 680 tons CO₂equivalent per 10,000 tons of food material processing. Yingde Gases drives innovation to help multiple fields move forward to a green and efficient way.

EXCIMER LASER GAS

Yingde Gases is deeply committed to the research and development of excimer laser gas, fully empowering the medical and semiconductor fields, and practicing the concept of sustainable development. In medicine, its excimer laser gas assists in precise corneal cutting during ophthalmic surgery, improving surgical success rates, accelerating patient recovery, reducing medical resource waste, and creating dual value for medical institutions and patients.

In semiconductor etching, Yingde's excimer laser gas ensures high-precision laser beam output, improving chip yield, reducing raw material loss, while optimizing energy consumption, helping businesses reduce costs and increase efficiency, and promoting the green upgrade of the semiconductor industry.

SUSTAINABLE PRODUCTS

Target: To promote the transformation of clean business and sustainable agricultural development through sustainable R&D such as green hydrogen and gas application technology.

Yingde Gases' sustainable products are an industry benchmark, empowering customers with reliable technology and green concepts. They are centered on optimizing production and transportation technologies, converting various raw materials into hydrogen, synthetic ammonia, LNG, and other products in projects such as COG recovery at Yingbao Coke Oven Gas in Jin ing and Lanxin COG recovery among others. These products are not just physical entities but also carriers of our mission to empower customers in green production, symbolizing Yingde Gases' determined exploration and responsibility in leading the industry toward sustainable development.

ITEM	2020	2022	2023	2024
Sustainable product sales volume (10,000Nm³)	-	3,073	4,457	6,228
Percentage of sustainable Product output value (%)	-	0.58%	0.71%	1.05%

NEWLY SIGNED LAXIN COG RECYCLING PROJECT

Yingde Gases, leveraging its engineering expertise, has signed a new COG coke oven tail gas recovery project using the coke oven gas as raw material, as registered by Laxin Iron and Steel Group Co., Ltd. This initiative promotes the clean and efficient utilization of coke oven gas, reduces pollutant emissions from coking enterprises, and can process 46,000 Nm³/h (dry basis) of coke oven gas, producing 70,000 tons/year of LNG, 100,000 tons/year of synthetic ammonia, and additionally reserves 36 million Nm³/yr of hydrogen.

PROFESSIONAL HIGH-PURITY HYDROGEN PROCESSING CAPABILITIES

Changzhou Baohydro Tianchen Gas Co., Ltd. boasts a team of experienced gas industry professionals with extensive expertise in technology, equipment, transportation, and emergency response. Currently equipped with a full set of automated filling equipment, the hydrogen filling capacity reaches 3,000Nm³/h, with a well-developed transportation fleet. Raw materials undergo scientific compression treatment, and the filling process is precise and standardized, supplying hydrogen to multiple industries such as electronics and power. It is a renowned and scale-leading professional hydrogen company in China, demonstrating Yingde Gases' exceptional professionalism in hydrogen processing. In 2024, the sales of hydrogen cylinders and cylinders exceeded 10,000,000Nm³ .

ENERGY MANAGEMENT

Target: To achieve industry-leading energy efficiency level through continuous efficiency improvement.

Energy management and the improvement of energy efficiency levels are core to the long-term sustainable development of the company, reducing carbon emissions, and enhancing corporate benefits. The company's "Efficiency Improvement Department" and "Operations Technology Department" conduct top-down management of energy management on a year-round basis.

Investment in technological transformation funds does not directly reflect in the factory's revenue level, but it provides significant efficiency improvement benefits for energy usage optimization and carbon emission reduction. The company has a mature energy efficiency improvement process through P&ID (Process & Instrument Diagram) diagnostics, KPI analysis, problem identification, and ultimately, targeted technological transformation initiatives. On the bottom-up side, the company implements a comprehensive CI (Continuous Improvement) efficiency improvement system coverage, allowing all employees to submit a series of suggestions to the headquarters, including energy management, efficiency improvement, and technical improvements through the system. This truly achieves full-scale management of energy efficiency improvement.

ITEM	2020	2022	2023	2024
Total Energy Consumption (GJ)	167,241,079	157,291,447	157,699,208	112,485,600
Percentage of Grid Power Supply (%)	100	100	100	100
Total CO ₂ Emissions Savings from Energy Efficiency Improvement (t)	–	161,698	128,474	138,000
Total Technological Transformation Investment (10,000 RMB)	3,106	6,213	8,800	4,919

ENERGY EFFICIENCY IMPROVEMENT

The project team significantly improved the equipment operation efficiency and effectively reduced the energy consumption of the unit by redesigning, manufacturing and replacing core components such as the high-pressure section impellers of the medium-pressure oxygen compressor. After the renovation, the hourly energy consumption of the oxygen compressor has been reduced by 600–800kW, and the factory saves 5.65 million kWh of electricity annually, which is equivalent to an annual carbon emission reduction of 4,353 tons of CO₂. This has set a model for energy conservation, carbon reduction and green development in the industrial field.

WATER RESOURCE MANAGEMENT

Target: Continue to reduce the dependence on natural water resources and reach the industry-leading level in the recycling and utilization of water resources.

We adhere to the basic national policy of conserving resources, attaches great importance to water-saving management, and actively promotes the development of energy-saving work. We attaches importance to water-saving innovation and transformation, and actively explores water-saving ways to achieve sustainable utilization of water resources through the water-saving strategy by means of condensate recycling, reclaimed water reuse and improvement of circulating water rate.

ITEM	2020	2022	2023	2024
Total Water Use (10,000 Tons)	–	2,366.09	2,543.08	2,455.49
Total Amount of Reclaimed Water (10,000 Tons)	–	1,557.35	1,596.42	1,569.00
ASU Condensate Recovery Amount (10,000 Tons)	–	85.66	87.01	87.21
ASU Circulating Water (%)	–	98.81	98.93	98.95

WATER RESOURCE RECYCLING IN PLANTS

In the 48,200 Nm³/h Air Separation Technical Transformation and Capacity Expansion Project of Jiangsu Yingde, through optimized design, the generated waste water is centrally filtered and then replenished into the original circulating water tank for reuse. This measure not only reduces sewage discharge but also lowers the amount of fresh water replenishment. The comprehensive utilization rate of the factory's waste water has been significantly improved, saving approximately 120,000 tons of water annually. It has notably reduced water resource consumption and sewage discharge, contributing to the green development of the air separation industry.

TOXIC & WASTE MANAGEMENT

Target: Continuously reduce the generation and landfill of waste, and continuously maintain 100% compliance in the disposal of hazardous waste.

Our main wastes include: chemicals, wastes containing metals, and gas cylinders. If these wastes are not disposed 100% in compliance, they will have a huge negative impact on the environment, residents' lives and the corporate image. Therefore, Yingde Gases follows the principle of "green low-carbon, energy-saving and consumption-reducing", and strictly implements environmental protection countermeasures and measures to achieve cleaner production. We will continue to implement the source reduction and resource utilization of solid waste to minimize the impact to the environment.

ITEM	2020	2022	2023	2024
Hazardous Waste(Ton)	–	417.30	690.99	481.74
NO _x Emission Intensity (tons/million USD)	–	0.018	0.023	0*
SO _x Emission Intensity (tons/million USD)	–	0.003	0.008	0*
VOC Emission Intensity (tons/million USD)	–	0.007	0.010	0*
PM (HAP) Emission Intensity (tons/million USD)	–	0.003	0.005	0*
Compliant Disposal Rate of Hazardous Waste (%)	–	100	100	100

* Divestiture of clean energy business leads to 0 emission intensity.

Our work is driven by a commitment to sustainability, environmental regulations and higher standards of environmental performance. In terms of the disposal of hazardous and non-hazardous waste, we have taken the following measures:

- Strengthen staff training to raise their awareness of environmental protection to conserve resources.
- Through continuous efforts to reduce waste generation, we adopt circular processes wherever possible.
- Adopt environmentally friendly methods to dispose unavoidable waste in order to comply with local laws and regulations.
- In accordance with national laws and regulations, the company implements waste classification storage and treatment.

SKID-MOUNTED HAZARDOUS WASTE TEMPORARY STORAGE CABINET

In 2024, Tongling Yingde installed several skid-mounted hazardous waste temporary storage cabinets to solve the problem of waste lubricating oil storage. These storage cabinets are equipped with different alarming and handling systems according to actual needs, and are equipped with a variety of compliant explosion-proof devices as standard, which are used for gas leakage monitoring, automatic alarm, automatic ventilation, temperature alarm, temperature adjustment and other functions. This measure not only ensures personnel safety and protects the ecological environment, but also improves work efficiency and compliance management level, promoting the enterprise to a new height of sustainable development in the hazardous waste disposal link.



Empower society

This image is generated by AI technology.

YINGDE GASES' SOCIAL PERSPECTIVE

Employees are the most important asset of a company. The essences of the profitability and operation of a company are also aimed at empowering its internal employees and the external society. In 2023, we introduced a future oriented corporate culture that emphasizes "Openness, Progress, Respect, and Accountability". We believe that a diverse and open corporate environment will undoubtedly stimulate more creativity. We believe that employees are the driving force behind a company's innovation and creativity. Multiculturalism is the cornerstone of innovation, and only in the context of multiculturalism can companies generate a continuous stream of innovative driving forces. In order to maximize employees value, enterprises should adhere to the bottom line in terms of employee safety and health, create a healthy, inclusive, comfortable, and sustainable working environment, provide comprehensive corporate benefits, and actively participate in social activities to fulfill the company's values. Only by achieving these, enterprises can face the ever-changing market and embrace new opportunities with a more international perspective, and contribute more social value while creating economic value.

SAFETY AND HEALTH

Target: Committed to continuously improving our safety and health performance, taking responsibility for the safety of our employees, customers, contractors, and communities, and striving to achieve zero accidents and zero injuries.

Safety performance: Combined with the enterprise's own safety level and stage, we carry out various activities to build an open safety culture guided by the apparent leadership style and full participation. The accident rate of personnel lost-working days and the accident rate of product vehicles of Yingde Gases show a downward trend year by year. During 2024, we achieved zero fatalities, zero first-level process safety incidents, zero serious product vehicle accidents, and zero environmental pollution incidents. The accident rates of personnel lost working days and product vehicle accidents remained at the industry-leading level. The effectiveness of safety management continues to be evident.

ITEM	2020	2022	2023	2024
Lost Time Injury Rate (lost time injuries and illnesses per million hours)	0.68	0.62	0.29	0.19
Product Vehicle Accident Rate (per million km accident rate)	0.17	0.13	0.05	0.1

Safety risk is the company's highest risk management priority. Yingde Gases always regards the occupational health and safety of employees as the first element. We believe that all accidents can be prevented, and we will persevere in our efforts to improve the strategy of system construction, risk identification and control, and safety culture to continuously enhance organizational resilience and protect the safety of our employees, customers, contractors and communities.

SAFETY PRINCIPLES

- In accordance with the national policy of "safety first, prevention first, comprehensive management" and the principle of "who is in charge, who is responsible", combined with the safety management experience of Yingde Gases for many years, in 2020, the six safety principles of Yingde Gases were re-released:
- All accidents and injuries are preventable.
 - Safety is a prerequisite of work and employment.
 - Safety performance is the responsibility of the person in charge.
 - Our employees and contractors take ownership and obligation for their own safety and that of others.
 - Incident reporting as well as root cause analysis and sharing are effective means to continuous improvement.
 - Commitment to safety and sustained efforts will yield results.

SAFETY TECHNICAL STANDARDS

Society is the fertile soil for the sustainable and healthy development of enterprises. Yingde Gases actively integrates social responsibility into its corporate mission.

We participate in the formulation of national, industrial, local, and association safety technical standards, such as: GB/TXXX "Requirements for Use of Stationary vacuum insulated Cryogenic Containers", GB/TXXX "Requirements for Use of mobile vacuum insulated Cryogenic Containers", AQ XXX-202X "Specification for safety management of cryogenic air separation unit of chemical industrial enterprises", DB31/T1282-2021 "Safety Technical Conditions for Hydrogen Filling of Vehicle Gas Cylinders", T/CCGA 90001 "Fire Hazards in Oxygen and oxygen-rich atmospheres", T/CCGA 10004 "Technical Code for Safe Operation of perlites ", T/CCGA 90002 "Hazards in anoxic Atmospheres", T/CCGA 90003 "Classification of Mixed Gases: Oxidation classification". To make contributions to better promote social security technology and management.

DIGITAL INTELLIGENT SAFETY MANAGEMENT

In 2024, Yingde Gases deeply integrated digital intelligence with safety management, and comprehensively improved the level of safety risk management through a series of digital intelligence projects.

In the transportation link, the TMS system APP is combined with the hazardous chemicals map and equipped with G7 driving intelligent monitoring. AI accurately identifies high-risk behaviors such as fatigued driving and speeding, provides real-time feedback, and links with offline rectification to reduce the risk of transportation accidents. During the construction of construction projects, the "Smart Construction Site" uses AI recognition technology to conduct 24-hour monitoring of seat belt and safety helmet wearing, hoisting areas, etc., ensuring the safety of the construction site. For chemical process safety analysis, the HAZOP analysis cloud platform is utilized to realize digital analysis, accumulate experience, cultivate professional talents, and improve process safety.

Meanwhile, numerous digital and intelligent projects provide strong support for safety management. Projects such as the "Five-in-One" factory and intelligent liquid inspection have strengthened factory production safety. The cylinder gas management system enables full life cycle tracking of cylinders, ensuring the safety of gas storage and transportation. CRM system optimization and SRM mobile mini-program facilitate supply chain collaboration to ensure the security of raw material supply. The eight major safety databases constructed provide rich data for AI-empowered employees, enhance their safety awareness and skills, enable digital intelligence to play a greater role in safety management, and lead the new direction of industry safety development.

BEHAVIORAL SAFETY ENHANCEMENT

Every year, Yingde Gases will hold a safety month theme activity covering the whole group according to the stage of the company's own safety culture and safety management basic promotion needs. We set different safety themes, use theme videos to explain the practice of safety principles in each business unit to involve the group's senior management and all staff in order to remove risk barriers, constantly improve organizational behavior safety culture, and enhance organizational resilience.



NEW EMPLOYEES RECRUITMENT

Target: Regard the recruitment as talent development program to reserve the talent and intelligence and to support the development of company and society.

For the recruitment of talents, we adhere to the principles of fairness and transparency, equal competition and merit-based selection. In the recruitment activities, we always fully respect different types of talents, and avoid discriminatory issues caused by religious beliefs, native places, gender and other factors, as well as biased recruitment practices and hiring decisions. We always take knowledge, ability, achievement and character as the basis for hiring decisions. Every year, talents from various industries, different enterprise nature, different age stages and different educational backgrounds join the company. In the future, the company will continue to optimize the talent competency and talent evaluation system to reduce the inaccuracy of the traditional talent ability evaluation caused by the excessive weight of the recruiter's personal will, and further strengthen the fairness and justice of talent recruitment.

TARGET	2020	2022	2023	2024
FTE Because of Acquisition	0	0	76	0
New Hire	0	191	22	100
Total Employee	3,656	4,861	4,959	3,663*
Full-time Employee	3,557	4,772	4,854	3,627
Contractor	75	72	64	18
Retirement Engagement	24	16	41	17

* Divestiture of clean energy business leads to a decrease in total employee.

INTEGRITY AND TRANSPARENT IN TALENT RECRUITMENT

We have established a variety of recruitment channels to attract talents, and when there is an opening internally, we will publish information on internal and external websites. Through external channels, we will work on job posting, application screening, interview and offering. We have all hiring process be online through system, which assures the whole recruitment flow is open and transparent.

TALENT RECRUITMENT IS BASED ON JOB REQUIREMENTS

We are using different recruitment channels to reach diverse talents. For front-line positions with high demand, we choose a combination of website recruitment and regional on-site recruitment. For professional and technical positions, in addition to the website, we also hold campus recruitment activities to attract outstanding students with professional skills to join. A resume database has been established for some general positions that the company needs in the long term or for positions in the air separation industry that require high skills and are scarce in the market. In addition, the company also encourages employees to make talent recommendations.

DIVERSITY AND INCLUSION

Target: Create a diverse and inclusive workplace culture where every person or group is welcomed, respected, supported, valued, and empowered to contribute fully.

Yingde Gases is a company in chemical industry, but our employees come from various industries such as Manufacturing, New Energy, IT, and Finance. We fully recognize the importance of diversity, not only reflected in objective factors such as employees' age structure, gender structure, educational background and working area, but also in individual factors such as their working methods, personal abilities and ways of thinking. At the same time, we are even actively addressing such problem as "compared with other industries, the proportion of women workers is low ", and "how to better promote the diversification of the age and educational structure of the company's employees, and do a better job in talent reserve".

ITEM	2020	2022	2023	2024
Board Members (person)	5	5	5	7
Female Board Members (person)	0	0	0	0
Middle and Senior Management (person)	95	140	138	70
Female in Middle and Senior Management (person)	19	34	33	18
Female in Middle and Senior Management (%)	20.0	24.2	23.9	25.7
Total of Full Time Employee (person)	3,656	4,861	4,959	3,663
Male Employee (%)	79	82	82	82
Female Employee (%)	21	18	18	18
Employee Below Age of 30 (%)	24.3	21.1	19.7	13.9
Employee Between Age 30~50 (%)	69.1	70.8	69.9	75.6
Employee Above Age 50 (%)	6.6	8.1	10.3	10.4
Employee with Master Degree (%)	3.3	4.1	4.0	4.8
Employee with Bachelor Degree (%)	34.1	33.6	33.3	43.6
Employee Turnover (%)	4.77	6.54	5.49	4.39
Regular Performance and Career Development (%)	100	100	100	100

Yingde Gases' HR & Administration Department provides HRBP and business units with policy, solution, methodology, and resource support in professional areas such as corporate structure, corporate culture, employee training, and talent development. To better empower the company's female employees and staff across all age groups, the Department utilizes the internal training platform "Yingde Academy" to facilitate employee learning and communication.

COMMUNICATION AND LEARNING

The Multi-Empowerment of "Yingde Academy"

Yingde Gases' internal training platform, "Yingde Academy," provides professional training plans and communication platforms for every new employee. The platform includes face-to-face exchanges for new employees, talent development programs, manager capability enhancement plans, employee open courses, the "Pilot Program" for senior management, and technical training courses for work software—comprehensive empowerment programs and communication platforms tailored to various types of employee requirements.

Abundant Career Advancement Channels

When there are vacancies, we post them on the internal recruitment platform, "Huoshui Platform," making them publicly available to all employees. If internal employees apply, compared to external candidates, we prioritize considering the individual career development aspirations of employees and give preference to suitable internal candidates.

FACILITATION AND INTEGRATION

"INSPIRATION" – a Half-Yearly Journal

As the company's internal journal, "INSPIRATION" is issued once every six months, covering the company's recent information on business progress, sustainable development, management improvement, QHSE, talent & culture development, employee highlights, etc., to help employees understand the company and cultural integration.



EMPLOYEE ENGAGEMENT

Target: By creating a diverse and equitable workplace environment, we strive to identify and eliminate barriers to full employee participation.

Active employee involvement in group and local plant activities is of great significance in enhancing team cohesion. The company places high importance on employee development, focusing on two key aspects: first, fostering an excellent working environment to lay a solid foundation for employees' peace of mind at work; second, meticulously planning and offering a series of professional courses covering a wide range of dimensions, including professional knowledge, work methods, workplace skills, and life skills, to support employees in achieving comprehensive capability enhancement and career growth. At the same time, employee feedback serves as a core metric for evaluating the company's operational effectiveness. The company has established a robust and objective employee engagement mechanism, encouraging employees to actively express their ideas and share their genuine opinions. Through in-depth research across various scenarios, the company accurately identifies employees' key concerns regarding the management system, thereby formulating targeted improvement measures. This approach effectively addresses misunderstandings of company policies, continuously optimizes process efficiency, and strengthens internal communication and collaboration.

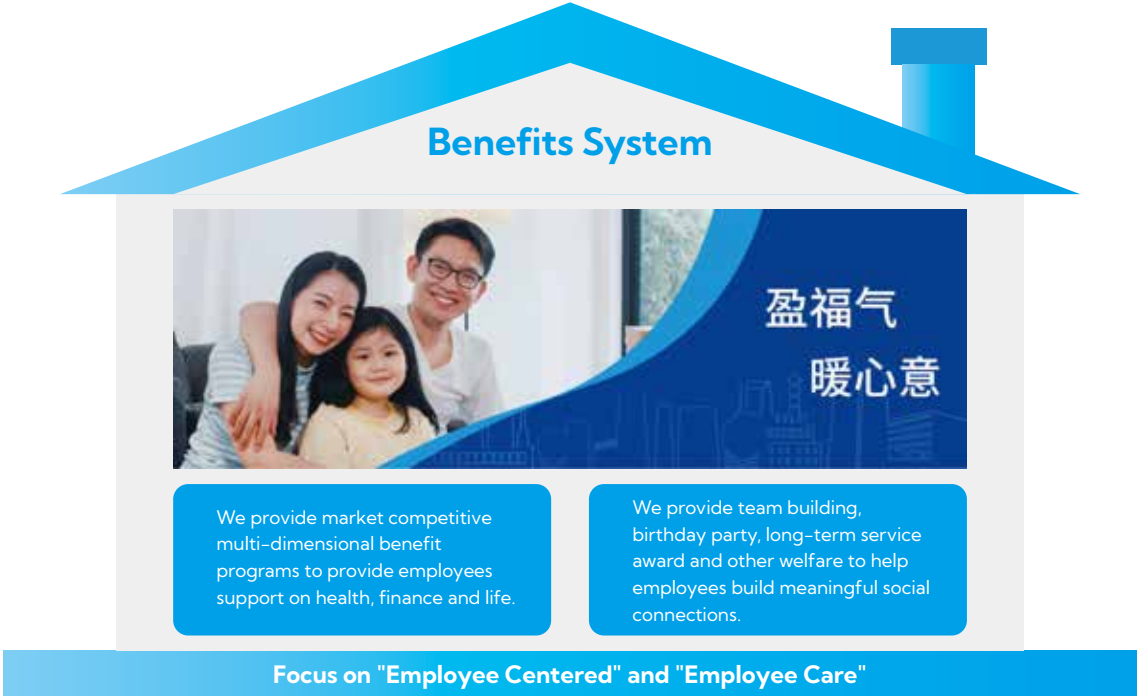
ITEM	2020	2022	2023	2024
Training Courses	-	-	37	42
Total Training Hours (h)	-	-	151,418	159,556
Employee Average Training Hours (h)	-	-	30.96	47.59

PILOT PROGRAM

Yingde Gases officially launched the "Pilot Program" in 2021, a strategic talent cultivation initiative. In November 2024, the second phase of the program was successfully concluded. During its implementation, 32 key elites from business and functional departments actively participated. Participants systematically studied 10 meticulously designed courses, delving into critical areas such as leadership development and the essence of strategic management, significantly expanding their managerial cognition. Focusing on six core business topics, project teams spent 12 months conducting in-depth discussions, field research, and other activities, ultimately formulating a series of highly practical and high-quality solutions that effectively assisted the group in overcoming business challenges. Two team integration activities successfully broke down communication barriers between departments, enhancing collaboration efficiency. Notably, 29 director-level participants maintained full attendance. Ultimately, the "Pilot Program" cultivated a group of outstanding talents for the company, driving significant progress in strategic planning, business expansion, and management efficiency enhancement.

EMPLOYEE BENEFITS

Target: To bring a high-quality life and working experience, we implemented an employee benefits system focusing on "Employee Centered" and "Employee Care".



To improve work and life experience, we continuously optimize benefit management. We always pay attention to 'how to let employees understand the benefit policy better' and 'how to provide necessary benefit programs to employees'. We provide comprehensive care and protection for employees and their families with three pillars: statutory benefits, enterprise benefits and employee care.

BENEFIT TYPE	DETAILS
Statutory Benefits	• Social insurance and housing provident fund including endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident fund • Statutory paid holidays: New Year's Day, Spring Festival, Qingming Festival, Labor Day, Dragon Boat Festival, Mid-Autumn Festival, National Day • Statutory paid leave: annual leave, marriage leave, bereavement leave, maternity leave, maternity leave, paternity leave, etc
Enterprise Benefits	Group insurance (supplementary medical insurance, term-life insurance, critical illness insurance, accident insurance), annual check-up, high temperature allowance and supplies, heating allowance, shuttle bus or transportation allowance, communication expenses, meal allowance or canteen, holiday welfare allowance, etc
Employee Care	Holiday and birthday celebrations, condolence 'employee care fund'

EMPLOYEE CARE FUND

We have set up an employee protection fund to relieve the economic pressure of employees timely when they encounter sudden and major difficulties, The fund covers all employees, their spouses and children. We aim to enhance employees’ sense of security and belongings. Every year, there are a few employees or their family members who suffer from big accidents can benefit from the ‘Employee Care Fund’

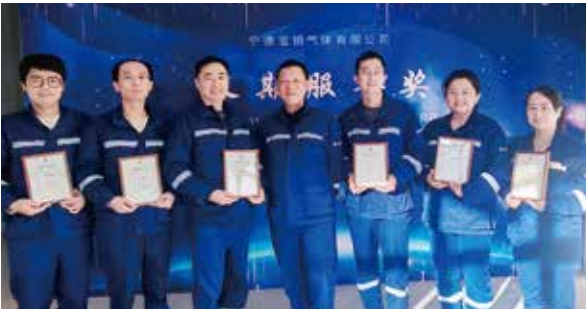
PAY ATTENTION TO THE EMPLOYEE WELLNESS

The company organizes employees to have a check-up every year, and invites doctors from hospitals to interpret the check-up report in detail for employees annually. At the same time, we hold online and offline wellness seminars about the abnormal check-up items to improve employee wellness awareness.



LONG-TERM SERVICE AWARD

Talents are Yingde Gases' most valuable asset and the driving force behind the company's continuous growth. At Yingde Gases, over 35% of employees have been serving the company for 10 years or more. In 2024, the company presented "Long-Term Service Award" to employees who have served for 5, 10, 15, and 20 years (totaling 746 individuals), expressing sincere respect and encouragement to those who have contributed through their long-term dedication.



COMMUNITY RELATIONS

Target: Fulfill corporate social responsibility, focus on the community and education, and continue to contribute value to the society.

Society is the fertile ground for the sustainable and healthy development of an enterprise. Yingde Gases proactively integrates social responsibility into its mission and is committed to empowering society with innovative and sustainable gas solutions. The majority of our factories are located in China's third- and fourth-tier cities and regions, supplying industrial gases to customers as well as creating diversified employment opportunities and contributing to local economic growth. We actively undertake social responsibilities by supporting public welfare initiatives and engage in university collaborations, focusing on long-term cooperation in areas such as technological R&D and talent cultivation. We have established a dedicated university scholarship program and have cumulatively donated over 1.8 million RMB in targeted contributions to colleges and universities.

Yingde Gases-Xi'an Jiaotong University Joint Innovation Institute Discusses Future Development

On May 28, 2024, the second council meeting of the Yingde Gases and Xi'an Jiaotong University Joint Innovation Institute was held. Representatives from Yingde Gases and university leaders, including Vice President Yan Junjie of Xi'an Jiaotong University, engaged in discussions on deepening cooperation. The aim is to integrate the resources, industrial, and market advantages of both parties, accelerate the transformation of scientific and technological achievements, and promote China's low-carbon development. Both sides have achieved remarkable results in the fields of gas applications and low-carbon technologies, making key progress in several national key R&D projects. In the future, the two parties will focus on cutting-edge technologies, further explore industrial applications of technology, empower the transformation and upgrading of traditional industries such as metallurgy and chemical engineering, and drive the high-quality development of emerging industries like semiconductors and new energy.



Yingde Gases and Zhejiang University Jointly Cultivate Future Engineering Talents

On July 8, 2024, over 40 faculty members and students from Zhejiang University visited Yingde Gases' ASU manufacturing factory for a one-day internship. Yingde Gases' technical experts led the delegation on an in-depth tour of the modern manufacturing base located in Deqing, Huzhou. They provided detailed explanations on the air separation pipeline design process and container equipment manufacturing techniques, showcasing Yingde Gases' technical know-how and innovative achievements in the industrial gases sector. Yingde Gases places high importance on talent development and university-industry collaboration. This event not only offered students an opportunity to integrate theoretical knowledge with practical experience but also laid a solid foundation for future cooperation between the two parties.



Delegates from East China University of Science and Technology Visited Yingde Gases

On May 22, 2024, a delegation from the East China University of Science and Technology's Advanced Engineering Technology and Management Training Program, visited Yingde Gases. We hosted representatives from enterprises and universities in Kazakhstan, Vietnam, Pakistan, and other "Belt and Road" countries, engaging in in-depth discussions on topics such as hydrogen energy applications.



Corporate Governance

YINGDE GASES' GOVERNANCE PERSPECTIVE

Yingde Gases pursues efficient governance and insists on integrating ESG concepts into corporate development, striving to work together with internal and external stakeholders to build a harmonious, green, and sustainable governance structure. To this end, we established an ESG committee to optimize the company's top-level governance structure. We also established a comprehensive company risk management system and continuously evaluate and reduce identified risks. At the same time, we hold on to business ethics, increased employee ethics training and institutional construction, upheld integrity, and deepened trust from multiple parties. We supported business integration and transformation innovation through a digitalization strategy, enhanced customer experience externally, gained data insights internally, improved data security, which in all helped the company achieve overall business development.

SUSTAINABLE GOVERNANCE & RISK MANAGEMENT

Target: Continuously improve the company's sustainable governance and risk management system, empower company's sustainable development.

YINGDE GASES' SUSTAINABLE GOVERNANCE

The new board of directors consists of seven directors (including independent directors), which oversees the company's values and strategies, provides advice on the company's prospects and business plans annually, and offers suggestions to the management on strategic issues. The board has established a Nomination and Remuneration Committee.

In terms of ESG governance, under the leadership of the CEO, the company has set up an ESG Committee as a management body that coordinates the company's environmental, social, and governance (ESG) work. Its responsibilities include formulating ESG strategic plans and goals, supervising and guiding the implementation of ESG management, and promoting communication and coordination among internal and external stakeholders.

Meanwhile, an ESG Working Group has been established. Under the guidance of the ESG Committee, it specifically implements ESG management work, improves the company's ESG performance, and compiles and releases the annual ESG report.



COMPANY RISK MANAGEMENT

To better improve the company's risk management system, Yingde Gases has established a sound risk management framework: utilizing the strategic principle of information transparency, abnormal monitoring, reporting, and handling in a three-step approach for management.



The company regularly assesses various identified risks, including risks and opportunities related to the environment, society and governance (ESG), proposes recommended solutions for risk mitigation, supervises the implementation of these solutions, and ensures that all risks in the company's business operations and sustainable development are controllable and preventable.

BUSINESS ETHICS

Target: Strongly adhere to business ethics and compliance standards, and create a clean, transparent, and fair business ethics system.

Macro level business ethics is the creation and realization of commercial value on a reasonable and legal basis. The mid-level business ethics come from the internal management of the company. Micro level business ethics come from the values that companies assign to their employees. At the level of comprehensive compliance operation, the board of directors and core management are the main bodies responsible for establishing business ethics standards and implementing them. At the level of employee business ethics training, we have implemented 100% training on the principles of business ethics in the Employee Handbook for new employees. 100% of department managers and above have completed the 'Conflict of Interest Management Training' and exams.

METRICS	2020	2022	2023	2024
Annual average number of hours of employee ethics training (hour)	-	15.6	24.6	37.7
Proportion of department managers and above who receive business ethics training (%)	100	100	100	100
Number of participants in conflict-of-interest training and examination (person)	496	522	573	-
Number of business ethics standard in the company (number)	8	9	9	9

- The company's business ethics policy include: Ethical Issue Supervision Policy: "Anti-Fraud Management System", "Employee Handbook"
- Bribery and Anti-Corruption Policy: "Anti-Corruption Compliance Policy"
- Regular Review of Ethical Standards: such as the "Employee Handbook"
- Employee Ethics Training Standards: Training on "Code of Business Conduct and Ethics for Employees", "Conflict of Interest Management Training for Employees", and relevant exams.



"Employee Handbook"

Explanation of the definition of "conflict of interest"; Conflict of interest situations; Principles for handling conflicts of interest. Integrity and discipline; Confidentiality discipline; Disciplinary action, etc.

"Internal Audit Charter"

As an independent risk management organization, the audit department is responsible for investigating, reporting, and proposing improvement plans for risk issues.





"Employee Reward and Punishment Management Measures" and "Punishment Implementation Rules"

Specific rules for employee rewards and punishments, including the circumstances of rewards and punishments, handling procedures, measures, etc.

"Employee Code of Conduct"

Comprehensively elaborated on the code of conduct for all employees of Yingde Gases, as well as the reporting and handling procedures for violations of the code of conduct.





"Anti-Corruption Compliance Policy" and "Conflict of Interest Management System"

Identification, Disclosure, and Exemption of Conflicts of Interest Prevention of Conflicts of Interest and Related Management Measures Identification, Prevention, Investigation, and Handling of Corruption Matters

"Management Measures for Confidentiality of Trade Secrets" and "Internal Matters Yingde Gases Confidentiality Management Measures, 4th Edition"

Comprehensively elaborated on the scope of trade secrets, management responsibilities, management processes, and non-competition regulations.



DIGITAL AND INTELLIGENT EMPOWERMENT OF CORPORATE GOVERNANCE

Target: Utilize digital technology to accelerate a deeper integration of digitalization and business, to further enhance global operational management compliance capabilities, and to help the corporation achieve overall business development strategies and goals.

The digital transformation of Yingde Gases is an important part of the company's "Leap" Strategy. The company has established a digital unified base centered on big data, achieving ten end-to-end core business loops including planning, budgeting, business execution, performance, and feedback. In order to address the issues of "how to reduce the cost of digital system learning for employees at all levels of the company", "how to better obtain customer experience", and "how to obtain better data insights", the company has formulated a "3-Step" digital transformation strategy: Firstly, foundation integration and consolidation; Secondly, comprehensive coverage and key breakthroughs; Finally, data-driven leading innovation.



Image: Yingde Gases' Digitalization Strategy Layout

DIGITAL AND INTELLIGENCE INFORMATION SECURITY

Yingde Gases highly values network and information security under digital and intelligence construction, designating the fourth week of November each year as "Information Security Week." On November 25, 2024, the company launched the annual Information Security Week as scheduled. Supported by AI technology, the event deeply integrates information security, data security tiered protection, and access control systems.

Through expert lectures, interactive experiences, and themed poster campaigns, it enhances employees' awareness of information security. Additionally, practical projects such as simulated phishing email exercises were conducted to improve the entire workforce's ability to address cyber security risks, further reinforcing the information security defense line for the company's digital and intelligence development.

YINGDE GASES' FIRST DATA ASSET VISUALIZATION AND ANALYSIS APPLICATION COMPETITION SUCCESSFULLY CONCLUDED

On March 13, 2024, Yingde Gases held a kick-off meeting for the Data Asset Management Project. This project aims to enhance the intelligence of the company's data asset element management and help Yingde Gases fully enter the era of big data. Huang Siying, Vice President of Yingde Gases and Deputy Leader of the Digital Construction Committee, Zhen Rixin, Vice President of Alibaba Lingyang Intelligent Technology, and other representatives attended the meeting and delivered speeches.

On September 12, 2024, Yingde Gases Group held the finals and award ceremony of the first "Shuying Future" Competition at its headquarters. Focusing on data asset visualization and adhering to the purpose of "promoting learning through competition", the competition attracted 83 participants from various fields such as retail and procurement, who submitted 41 innovative scenarios, with 10 works advancing to the finals. Through cooperation with Alibaba and other partners, the competition has improved employees' data awareness and promoted the refinement of business analysis. Its successful holding has cultivated data talents, enhanced the competitiveness of data applications, helped Yingde Gases deepen its digital strategy, and moved towards high-quality development.



BUSINESS OPPORTUNITY MANAGEMENT PLATFORM EMPOWERS GROUP OPERATIONS

The Operation Center of Yingde Gases, in collaboration with the Digital Management Department, has successfully launched a Business Opportunity Management Platform. Relying on the digital management system and custom-developed based on the industry characteristics of Yingde Gases, this platform is committed to driving the sustainable growth of the business. It effectively integrates potential business opportunities, improves the capitalization of sales leads, helps the Operation Center manage sales leads and activities, enhances the performance of the sales team, provides key technical support for the business development of Yingde Gases, promotes the improvement of the group's digital and intelligent capabilities, and facilitates the efficient expansion of the group's business in a complex market environment.

INVESTOR RELATIONS AND INFORMATION DISCLOSURE

Target: Establish a clear, transparent, and organic communication mechanism for information exchange between the company and investors.

At the end of 2024, PAG, the former shareholder of Yingde Gases, introduced leading domestic investment institutions such as Ping An Life Insurance and Sunshine Life Insurance as shareholders of Yingde Gases. The clean energy segment was officially divested from Yingde Gases and began operating as an independent entity.

SUMMARY AND OUTLOOK

Yingde Gases adheres to the sustainable development strategy, deeply focuses on the core business of industrial gases, and creates green value for customers!

We believe in the potential of gases. By collaborating with universities and connecting with customers, we jointly promote industry-academia-research innovation, respond to the national mass entrepreneurship and innovation strategy with practical actions, and expand the future through innovation.

Facing the increasingly fierce market competition, Yingde Gases develops sustainable businesses, conducts R&D on gas recovery technologies, and explores new business growth opportunities in the circular economy field; we actively explore green power air separation through low-carbon technology innovation, continuously reduce carbon emissions per unit of revenue, and fulfill the commitment to low-carbon development; we drive decision-making efficiency improvement through digital and intelligent means, making transparency and efficiency the solid foundation for sustainable development.

Looking ahead, as a leading industrial gas and service provider, Yingde Gases will continue to be led by innovation, continuously deepen the integration of the ESG strategy with the entire value chain, and create greater value for shareholders and stakeholders.

ESG KEY METRICS INDEX

ITEM	2020	2022	2023	2024
CO ₂ Absolute Emission (t)	20,220,764	19,614,045	19,203,066	14,616,104
Scope One Emissions (t)	4,242,220	4,105,014	4,358,641	19,208
Scope Two Emissions (t)	16,021,128	15,509,032	14,844,426	14,596,896
Carbon Emission Intensity (t/10,000 RMB Revenue)	10.41	8.41	8.31	8.30
Absolute Electricity Usage (MWh)	14,928,410	14,552,404	14,112,990	14,372,923
Total Renewable Energy Usage (MWh)	0	95,443	114,977	177,000
Proportion of Renewable Energy Use in total Electricity Consumption (%)	0	0.66	0.79	1.23
Year on year Change in the Proportion of Renewable Energy Usage (%)	0	30.39	20.05	51.16
Investment in Energy-Saving Technology (10,000 RMB)	-	21,965.74	20,578.24	22,259.79
Proportion of Energy-Saving Technology Investment to Total Technology Investment (%)	-	51	46	54
Low Carbon Product R&D Investment (10,000 RMB)	-	273.11	140.91	441.20
Sustainable product sales volume(10,000Nm ³)	-	3,073	4,457	6,228
Percentage of sustainable Product output value (%)	-	0.58	0.71	1.05
Total Energy Consumption (GJ)	167,241,079	157,291,447	157,699,208	112,485,600

ITEM	2020	2022	2023	2024
Percentage of Grid Power Supply (%)	100	100	100	100
Total CO2 Emissions Savings from Energy Efficiency Improvement (t)	–	161,698	128,474	138,000
Total Technological Transformation Investment (10,000 RMB)	3,106	6,213	8,800	4,919
Total Water Use (10,000 Tons)	–	2,366.09	2,543.08	2455.49
Total Amount Of Reclaimed Water (10,000 Tons)	–	1,557.35	1,596.42	1569.00
Condensate Water Recovery (10,000 Tons)	–	85.66	87.01	87.21
ASU Circulating Water Rate Hazardous Waste(%)	–	98.81	98.93	98.95
Hazardous Waste (Ton)	–	417.30	690.99	481.74
Nitrogen Oxides (NO _x) Emission Intensity (tons permillion USD)	–	0.018	0.023	0
Sulfur Oxides (SO _x) Emission Intensity (tons per million USD)	–	0.003	0.008	0
Volatile Organic Compounds (VOCs) Emission Intensity (tons per million USD)	–	0.007	0.010	0
Particulate Matter (PM) Emission Intensity (Non-Hazardous Air Pollutants (HAPs) Emission Intensity) (tons per million USD)	–	0.003	0.005	0
Compliant Disposal Rate of Hazardous Waste (%)	–	100	100	100
Product Vehicle Accident Rate (per million km accident rate)	0.68	0.62	0.29	0.19

ITEM	2020	2022	2023	2024
Product Vehicle Accident Rate (per million km accident rate)	0.17	0.13	0.05	0.1
FTE Because of Acquisition (person)	0	0	76	0
New Hire (person)	0	191	22	100
Full-time Employee (person)	3,557	4,772	4,854	3,627
Contractor (person)	75	72	64	18
Retirement Engagement (person)	24	16	41	17
Board Members (person)	5	5	5	7
Female Board Members (person)	0	0	0	0
Total Middle and Senior Management Members (person)	95	140	138	70
Female in Middle and Senior Management Members (person)	19	34	33	18
Female in Middle and Senior Management (%)	20.0	24.2	23.9	25.7
Total Employee	3,656	4,861	4,959	3,663
Male Employee (%)	79	82	82	82
Female Employee (%)	21	18	18	18

ITEM	2020	2022	2023	2024
Employee Below Age of 30 (%)	24.3	21.1	19.7	13.9
Employee Between Age 30~50 (%)	69.1	70.8	69.9	75.6
Employee Above Age 50 (%)	6.6	8.1	10.3	10.4
Employee with Master Degree (%)	3.3	4.1	4.0	4.8
Employee with Bachelor Degree (%)	34.1	33.6	33.3	43.6
Employee Turnover (%)	4.77	6.54	5.49	4.39
Regular Performance and Career Development (%)	100	100	100	100
Training Courses	-	-	37	42
Total Training Hours(h)	-	-	151,418	159,556
Employee Average Training Hours(h)	-	-	30.96	47.59
Annual average number of hours of employee ethics training (hour)	-	15.6	24.6	37.7
Proportion of department managers and above who receive business ethics training (%)	100	100	100	100
Number of participants in conflict-of-interest training and examination (person)	496	522	573	-
Number of business ethics standard in the company (number)	8	9	9	9

ESG REPORT DISCLOSURE STANDARDS INDEX

Yingde Gases is an advocate of the "International Sustainability Disclosure Standards" (ISSB). Therefore, in the disclosure of this report, Yingde Gases refers to "IFRS Sustainability Disclosure Standards No. 1" (IFRS S1) and "IFRS S2—Climate-related Disclosures."

Specific disclosure requirements can be found on the ISSB official Website

<https://www.ifrs.org/sustainability/tcfd/>

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