



Stock code: 300437



Henan Qingshuiyuan Technology Co., Ltd.

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集团微信公众平台



# 2024

## SUSTAINABLE DEVELOPMENT REPORT

Henan Qingshuiyuan Technology Co., Ltd.

# CONTENTS

About This Report ..... 01

About the Qingshuiyuan ..... 05

Company Profile ..... 05

Corporate Culture ..... 06

Milestones ..... 07

Message from the Chairman 03

Topic: ..... 09

Technology Empowerment and Intelligence  
Navigate the Future, Facilitating Industry  
Intelligent Development

01  
Steering Governance,  
Propelling Long-term Voyage 11

Advancing Sustainable Governance ..... 12  
Reinforcing Compliance Governance ..... 17  
Deepening Investor Relations Management ---- 24  
Upholding Business Ethics ..... 25

02  
Riding the Green Wave,  
Expanding Environmental Vision 27

Response to Climate Change ..... 29  
Compliant Environmental Management ..... 32  
Strategizing Resource Optimization ..... 45  
Refining Material Management ..... 51

03  
Elevating Responsibility's  
Banner, Crafting Shared Success 53

Igniting Innovation-driven ..... 55  
Ensuring Responsible Supply ..... 61  
Enhancing Product Quality ..... 67  
Refining Customer Service ..... 69  
Safeguarding Information Security ..... 72  
Committing to Social Philanthropy ..... 74

04  
Harnessing Workforce Power,  
Fueling Development Momentum 77

Strengthening Talent Foundation ..... 79  
Empowering Career Advancement ..... 85  
Maintaining Safety Standards ..... 87

Appendix ..... 99  
Data Tables ..... 99  
Indicator Index ..... 104



# About This Report

This report is the annual sustainability report released by Henan Qingshuiyuan Technology Co., Ltd. (hereinafter referred to as "Qingshuiyuan", "the Company" or "We"). Prepared in accordance with principles of objectivity, standardization, transparency and comprehensiveness, it details the Company's environmental, social and governance (ESG) practices and performance for the 2024 fiscal year.

## Report Scope

The report scope covers Henan Qingshuiyuan Technology Co., Ltd. as the principal entity, including its subsidiaries and affiliated companies. Unless otherwise specified, the scope of this report aligns with that of the Company's annual financial report.

## Time Range

The reporting period spans from January 1, 2024 to December 31, 2024 (referred to as "the Reporting Period"). To enhance comparability and forward-looking perspective, some contents appropriately reference historical data from previous years or contain forward-looking statements. The publication cycle is annual, synchronized with the fiscal year.

## Report Publication Cycle

The Sustainability Report of Henan Qingshuiyuan Technology Co., Ltd. is an annual publication released yearly.

## Preparation Basis

- *Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 1 – Standard Operation of Main Board Listed Companies*, SZSE
- *Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 17 – Sustainability Report (Trial)*, SZSE
- *China Corporate Sustainability Reporting Guidelines* (CASS-ESG 6.0), China Enterprise Reform and Development Society
- Global Reporting Initiative: *GRI Sustainable Development Reporting Standards (GRI Standards)* (2021 Edition)
- United Nations Sustainable Development Goals (SDGs)

## Data Notes

Data sources include operational raw data, publicly available government statistics, annual financial data, internal statistical reports, third-party questionnaire surveys, and third-party evaluation interviews. All financial data in this report is denominated in RMB. Any discrepancies with financial statements shall be resolved in favor of the official financial reports.

## Report Quality Assurance

The Company commits to ensuring the report's completeness, materiality, balance and comparability, systematically presenting corporate philosophies, systems, practices and performance regarding development, economic growth, ecological protection and social responsibility. We guarantee the objectivity, accuracy and completeness of this report, free from false statements, misleading information or material omissions. Through this publication, we aim to enhance corporate social responsibility management, strengthen stakeholder communication, and promote sustainable development.

Term	Definition
Qingshuiyuan, the Company, We	Henan Qingshuiyuan Technology Co., Ltd.
Qingyuan Water Treatment	Jiyuan Qingyuan Water Treatment Co., Ltd.
Tongsheng Environmental	Henan Tongsheng Environmental Engineering Co., Ltd.
Ande Technology	Shaanxi Ande Technological Industry Co., Ltd.
H2Q	H2Q INC
Siweida	Jiyuan Siweida Environmental Protection Technology Co., Ltd.
Shuiyunzong	Henan Shuiyunzong Intelligent Control Technology Co., Ltd.
Qingshuiyuan Shanghai	Qingshuiyuan (Shanghai) Environmental Technology Co., Ltd.

## Report Acquisition

This report is published in electronic format. You may download the digital version from the Shenzhen Stock Exchange website ([www.szse.cn](http://www.szse.cn)) or the Company's official website (<http://www.qsygroup.cn/>) to access additional corporate information. For inquiries or suggestions regarding this report, please email [bgs@qywt.com.cn](mailto:bgs@qywt.com.cn) or call 0391-6088788.

## Feedback

If you have any comments or recommendations on the Company's sustainability practices, please provide feedback through the contact details below to assist us in continuously improving the report.

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# Message from the Chairman

Time Flies, Witnessing Steadfast Original Aspiration; The Journey is Long, Highlighting a Torch-like Mission. 2024 marked a pivotal year for Qingshuiyuan in practicing the "dual-carbon" goals and deepening green transformation, as well as a fruitful year for the Company to drive high-quality development through technological innovation. As an environmental technology enterprise dedicated to R&D and application of water treatment technologies, we have consistently adhered to our core philosophy of "building a century-old enterprise that benefits society and serves the globe." We have integrated sustainable development into our corporate DNA, continuously advancing in environmental protection, social responsibility, and corporate governance (ESG), striving to achieve symbiotic growth of economic benefits and social value.

## Empowering a Green Future with Technology

In 2024, we focused on intelligent transformation in water treatment, successfully hosting the National Advanced Training Program on Operation, Maintenance, and Intelligent Management of Industrial Circulating Cooling Water Systems. Collaborating with industry experts, we explored new pathways for smart water management. Our independently developed "Water Treatment Industrial Internet Platform" achieved intelligent lifecycle management of industrial water systems, upgrading the industry service model to "Product + Platform + Service." Concurrently, through green process innovation, we pioneered cutting-edge products such as phosphorus-free biodegradable water treatment agents and fluorescent tracers, delivering more efficient and eco-friendly solutions to clients and supporting energy conservation and emission reduction in industrial sectors.

## Fortifying Development Foundations with Responsibility

We strictly uphold compliance as our bottom line, establishing a comprehensive ESG governance system. Through specialized board committees, internal controls, and risk management mechanisms, we ensure transparent decision-making and robust operations. In environmental protection, we continuously optimized energy structures by promoting photovoltaic power applications and implementing energy-saving projects such as condensate water recovery and electric forklift replacements. Throughout the year, we achieved 100% compliance rate in pollutant discharge standards and 100% safe disposal rate for hazardous waste. Additionally, we actively fulfilled social responsibilities through initiatives like the "Ten Thousand Enterprises Revitalize Ten Thousand Villages" campaign, charitable donations, and blood drives, spreading corporate warmth and contributing to social harmony.

## Harnessing Innovation Momentum through Talent

Qingshuiyuan's growth is inseparable from the wisdom and dedication of every employee. We prioritize people-centric values, refining dual career development pathways and organizing activities such as Tai Chi fitness programs and skill training to enhance employee belonging and professional competence. In 2024, the Company's R&D investment continued to grow, securing 72 new authorized patents. We deepened collaborations with Zhengzhou University, the Chinese Academy of Sciences, and other research institutions, cultivating a cohort of innovative talents for the industry.

## Looking Ahead: Toward New Horizons

In 2025, guided by ESG principles, we will anchor our vision to become "a first-class environmental protection enterprise in China and a world-leading player in the industry." We will accelerate deployments in smart water management, ecological restoration, and new energy materials, extending our industrial chain toward high-end and green transformation. We will deepen digital transformation, strengthen industry-academia-research collaboration, and create greater value for clients. By implementing green and low-carbon strategies, we aim to reduce carbon emissions across the entire industrial chain and safeguard our natural environment. We will actively engage in rural revitalization and public welfare initiatives, embodying the responsibilities of a corporate citizen through action.

With unwavering commitment to our mission, we set sail on a new journey, propelling forward with determination. Qingshuiyuan stands ready to collaborate with all sectors of society, leveraging technological prowess and a sense of responsibility to jointly paint a magnificent blueprint for sustainable development. Together, we will contribute even more to building a beautiful China and achieving global carbon neutrality goals!

Chairman: Wang Zhiqing



# About the Qingshuiyuan

## Company Profile

Henan Qingshuiyuan Technology Co., Ltd., founded in 1995, is an environmental technology enterprise specializing in the R&D, production, sales, and service of water treatment chemicals. Headquartered in the Jiyuan High-Tech Industrial Development Zone, Henan Province, the Company has subsidiaries in Beijing, Shanghai, Shaanxi, Henan, Hainan, and the United States. Three of its wholly-owned subsidiaries are recognized as National High-Tech Enterprises. The Company was listed on the Shenzhen Stock Exchange Growth Enterprise Market (GEM) on April 23, 2015, with stock code 300437. It has obtained AEO Advanced Certification, and its products are exported to over 60 countries and regions.

The Company focuses on innovative development of the environmental protection industry chain centered on water, building two core business segments: Industrial Water Treatment (chemical R&D, production, sales; Shuiyunzong intelligent services; industrial complex wastewater treatment) and Eco-Environmental Protection (municipal engineering and rural domestic sewage treatment; ecological restoration and river management). With an annual designed production capacity exceeding 200,000 tons, it offers over 60 types of water treatment agents and derivatives across eight series, including scale inhibitors, dispersants, scale and corrosion inhibitors, biocides, oilfield additives, daily chemical additives,



textile and dyeing auxiliaries, and papermaking additives. These products are widely used in industries such as chemical, steel, power, metallurgy, daily chemicals, detergents, textiles, and printing.

Qingshuiyuan is committed to transitioning from traditional chemical production to intelligent terminal services. Leveraging nearly 30 years of water treatment expertise, it integrates sensors, artificial intelligence, and industrial internet technologies to independently develop the Water Treatment Industrial Internet Platform. This platform comprises water quality monitoring sensors, intelligent terminal equipment, cloud service modules, and smart operation systems, enabling online monitoring, intelligent dosing, network transmission, anomaly alerts, and remote control of industrial water systems. It provides clients with full-process intelligent value-added services, delivering the benefits of "Product + Platform + Service" and achieving the effects of "machines replacing labor" and "intelligent hospitals", driving the intelligent transformation of traditional water treatment services. The "Water Treatment Intelligent Service System Based on Industrial Internet Architecture" has reached internationally advanced levels in its technical category.

Qingshuiyuan adheres to water treatment chemical R&D and production as its foundation, supported by water treatment engineering. It emphasizes high-tech cultivation, light-asset operations, and high-quality development, aiming to set benchmarks in the environmental protection industry and among listed companies. In the future, it will evolve into a modern environmental protection group integrating industrial water treatment, green energy conservation, ecological environment governance, new energy material production, intelligent water treatment equipment manufacturing, and digital services, striving to become "a first-class environmental protection enterprise in China and a world-leading industry player".

## Corporate Culture



### Core Philosophy

To be a centurial enterprise benefiting the society and serving the world.



### Corporate Spirit

Diligence, Persistence, Learning and Innovation.



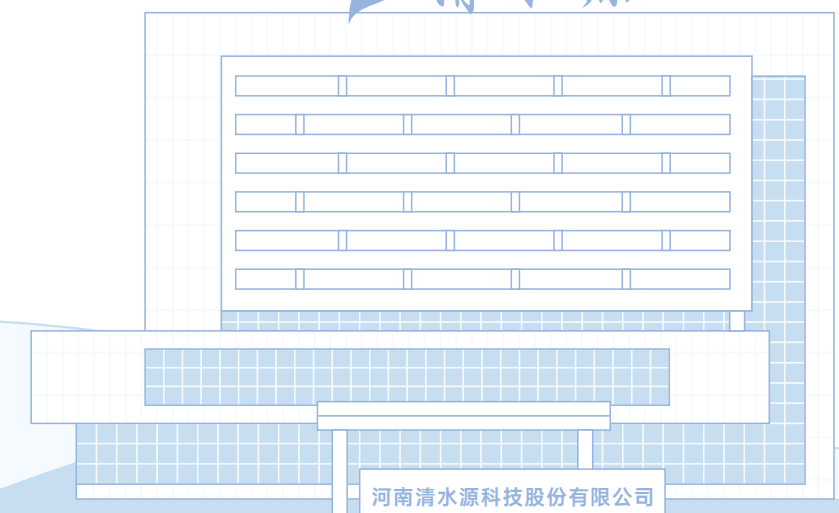
### Vision

To be a domestic first-class and worldleading environmental protection Company.



### Governance Principle

We are making efforts to contribute to the growth of the Company, the happiness of our families, and the cohesion of society.



Milestones

1995

Sustainable Development Report 2024Henan Qingshuiyuan Technology Co., Ltd.

1999

Elected as a member unit of the National Chemical Standardization Technical Committee's Water Treatment Agents Branch.

2008

Henan Qingshuiyuan Technology Co., Ltd. was officially incorporated.

2009

Awarded the title of "National High-Tech Enterprise".

2010

Recognized as the "Henan Provincial Water Treatment Agent Engineering Technology Research Center" and "Henan Provincial Enterprise Technology Center"; awarded the title of "National Torch Program Key High-Tech Enterprise".

2015

Received NSF system certification (USA) for five consecutive years.

Listed on the Shenzhen Stock Exchange.

Established Qingshuiyuan (Shanghai) Environmental Technology Co., Ltd.

2016

H2Q INC was established.

Acquired Henan Tongsheng Environmental Engineering Co., Ltd. as a wholly-owned subsidiary.

2017

Acquired Shaanxi Ande Technology Industrial Co., Ltd. as a wholly-owned subsidiary.

Signed an agreement with the Chinese Academy of Sciences' Ecological Environment Research Center to jointly establish the "Soil Pollution Prevention and Ecological Restoration Engineering Technology R&D Center".

2018

Established wholly-owned subsidiaries:

Jiyuan Qingyuan Water Treatment Co., Ltd.

Jiyuan Siweida Environmental Protection Technology Co., Ltd.

Hainan Qingshuiyuan Environmental Technology Co., Ltd., in the Hainan Free Trade Zone.

2019

A joint venture, Henan Shuiyunzong Intelligent Control Technology Co., Ltd., was established.

The scientific and technological achievements of the Water Treatment Intelligent Service System passed expert review.

Ranked among the "Top 100 Henan Private Manufacturing Enterprises".

2020

Henan Province Smart Water Treatment System International Joint Laboratory Approved

Qingshuiyuan-Zhengzhou University Institute of Ecological Environment Signed and Unveiled

2021

Henan Province Postdoctoral Innovation Practice Base (Qingshuiyuan) Inaugurated

2022

Jiyuan Charity Federation·Qingshuiyuan Fund Launched

2023

Successfully Passed Customs AEO Advanced Certification

2024

Henan Shuiyunzong Intelligent Control Technology Co., Ltd. Relocated to New Premises, Promoting R&D and Application of Intelligent Control Technologies

Ranked 34th in the 2024 Henan Top 100 Strategic Emerging Industry Enterprises

Advanced Unit in the "Ten Thousand Enterprises Revitalize Ten Thousand Villages" Campaign



Topic:

“Technology Empowerment and Intelligence  
Navigate the Future, Facilitating  
Industry Intelligent Development”



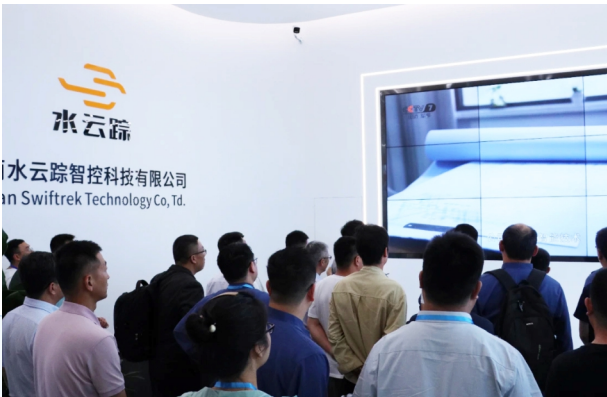
In 2022, six departments including the Ministry of Industry and Information Technology and the Ministry of Water Resources jointly issued the Industrial Water *Efficiency Improvement Action Plan*, emphasizing the need to enhance the digital management level of industrial enterprises, promote deep integration of digitalization and informatization with industrial water systems, achieve rapid, precise, and intelligent control of industrial water efficiency, and continuously improve water-saving efficiency. Realizing intelligent water operation and management has become an inevitable choice for the development of the water treatment industry and technological advancement in the era of high quality.

From May 10 to 12, 2024, the Advanced Training Program on Operation, Maintenance, and Intelligent Management Capability Enhancement for Industrial Circulating Cooling Water Systems, hosted by the Industrial Water Treatment Committee of the Chemical Industry and Engineering Society of China and the National Industrial Water Treatment Information Center, and organized by Qingshuiyuan, was successfully held at the Company. Nearly 100 technical leaders from water treatment industry enterprises across the country participated in the event.



The event invited renowned experts from universities, research institutes, and environmental protection enterprises to deliver lectures on daily operation, maintenance, and management of circulating cooling water systems; system evaluation and fault analysis; R&D of water treatment chemicals; electrochemical technology applications; and intelligent management. The sessions were highly targeted and practical, aiming to enhance participants' technical capabilities in system operation and maintenance and intelligent management skills, thereby improving the operational management level of industrial water systems and promoting high-quality industry development.

During the event, participating experts and entrepreneurs conducted field visits to the Company's Intelligent Control Center, R&D Center, Qingyuan Water Treatment Huling Intelligent Production Base, and Shuiyunzong Intelligent Manufacturing Base, engaging in in-depth discussions on the intelligent development of industrial water systems.

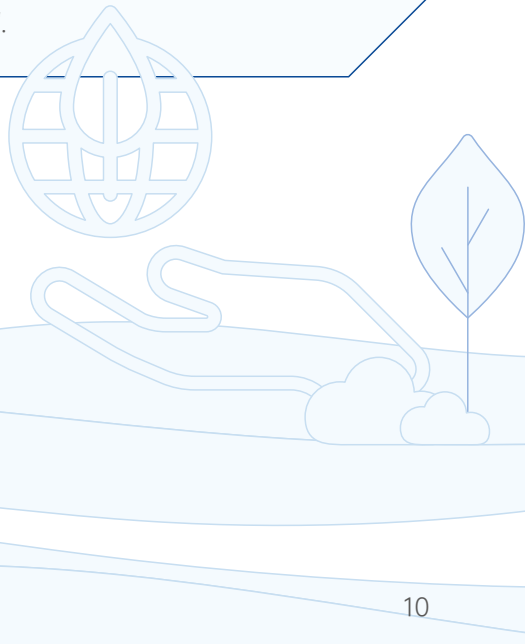


The Company was honored with the title of "Outstanding Organizing Unit for the Advanced Training Program on Operation, Maintenance, and Intelligent Management Capability Enhancement for Industrial Circulating Cooling Water Systems".



Outstanding Organizing Unit for the Advanced Training Program on Operation, Maintenance, and Intelligent Management Capability Enhancement for Industrial Circulating Cooling Water Systems

In recent years, the Company has organized or co-organized multiple national events, including "The 3rd Frontier Forum on Chemical and Environmental Engineering: Industrial Water Pollution Control and Sustainable Development", "2020 China Industrial Water Conference and 40th Annual Meeting", and the "Seminar on Dual-Carbon Goals and Intelligent Water Treatment Technologies".







# 01

## Steering Governance, Propelling Long-term Voyage

- Advancing Sustainable Governance
- Reinforcing Compliance Governance
- Deepening Investor Relations Management
- Upholding Business Ethics





■ Advancing Sustainable Governance

Qingshuiyuan is committed to advancing ESG governance, demonstrating proactive efforts and notable achievements in environmental protection, social responsibility, and corporate governance through the establishment of a robust ESG governance system. Furthermore, the Company places high priority on achieving ESG goals, continuously optimizing governance frameworks, actively fulfilling corporate responsibilities, and promoting sustainable development and social harmony.

Stakeholder Communication

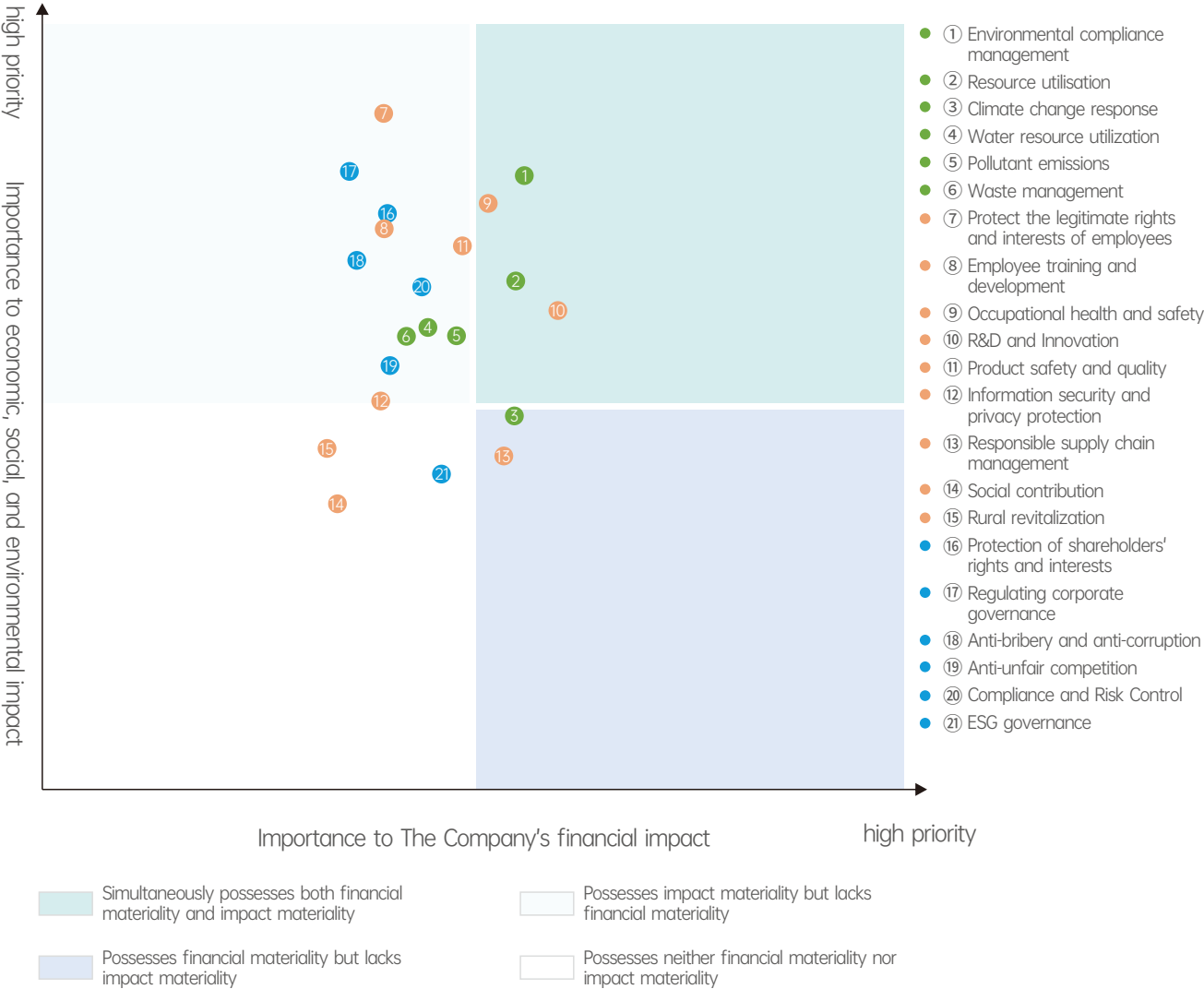
In identifying stakeholders, the Company conducted in-depth exploration and categorized six major stakeholder groups that significantly impact the business. To strengthen engagement with these groups, the Company has built diversified communication channels, actively listening to and effectively addressing their needs and expectations, aiming to collaborate for mutual prosperity.

Stakeholder	Communication Channels & Frequency	Key Concerns	Corresponding Sections
Employees	【Regular】Employee satisfaction surveys 【Regular/Irregular】Staff congresses 【Irregular】Feedback channels	○ Harmonious employee relations ○ Comprehensive compensation & benefits ○ Democratic management ○ Training & development	○ Compliance in employment ○ Career development & training
Customers	【Regular】Customers satisfaction surveys 【Irregular】Customers communication sessions	○ Customers rights protection ○ Product quality & safety ○ Innovation-driven solutions ○ Privacy protection	○ Customers services ○ Product quality & safety ○ Innovation-driven solutions ○ Data security & privacy protection
Shareholders & Investors	【Regular】Financial reports 【Regular/Irregular】Shareholder meetings, public announcements 【Irregular】Earnings briefings, investor surveys, roadshows, analyst meetings	○ Investor rights protection ○ Information disclosure ○ Investor communication ○ Shareholder returns	○ Investor rights
Suppliers & Partners	【Irregular】Supplier conferences, distributor conferences	○ Business ethics ○ Supply chain management	○ Business ethics ○ Supply chain management
Communities	【Irregular】Charitable activities	○ Environmental protection ○ Social welfare	○ Environmental compliance management ○ Social contributions
Government & Regulators	【Irregular】Visits, seminars	○ Compliance governance ○ Tax compliance ○ Party-building guidance ○ Rural revitalization	○ Compliance governance ○ Climate change response ○ Resource utilization ○ Social contributions

Dual Materiality Analysis

Referencing evaluation methodologies from domestic and international disclosure standards such as the *Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 17 – Sustainability Reports (Trial)* and *GRI 3: Material Topics*, the Company adopted impact materiality and financial materiality perspectives. This process identified 6 financially material issues and 14 impact-material issues, which are prioritized in this report.

Issue Assessment Process	Analytical Methods
<b>Step 1:</b> Understand Corporate Context	Conducted value chain analysis to identify ESG-related impacts, risks, and opportunities across operations;  Applied AA1000 to identify stakeholders and respond to their demands and expectations.
<b>Step2:</b> Preliminary Issue Screening	Adjusted the 2024 corporate issue pool by referencing global frameworks (GRI, UN SDGs, SASB, MSCI, Wind) and benchmarking against industry peers.
<b>Step 3:</b> Issue Materiality Assessment	<b>Impact Materiality Assessment</b>  Evaluated potential or actual positive/negative impacts of issues on the environment, society, and economy. Conducted stakeholder surveys (107 valid questionnaires) to identify 14 impact-material issues.  <b>Financial Materiality Assessment</b>  Analyzed risks and opportunities through impact, dependency, and expert judgment. Assessed likelihood, magnitude, and timeframe of risks/opportunities. After board discussions, identified 6 financially material issues.
<b>Step 4:</b> Issue Validation & Approval	Finalized impact and financial materiality issue lists. Ensured transparent, balanced, and comprehensive disclosure through internal departmental approvals.



## Sustainable Development Goals

The Company deeply recognizes and actively implements the United Nations Sustainable Development Goals (SDGs), integrating them into corporate development strategies. We are fully committed to advancing green and low-carbon transformation, fostering harmonious co-creation, and pursuing high-quality development, contributing to global sustainable development through concrete actions.

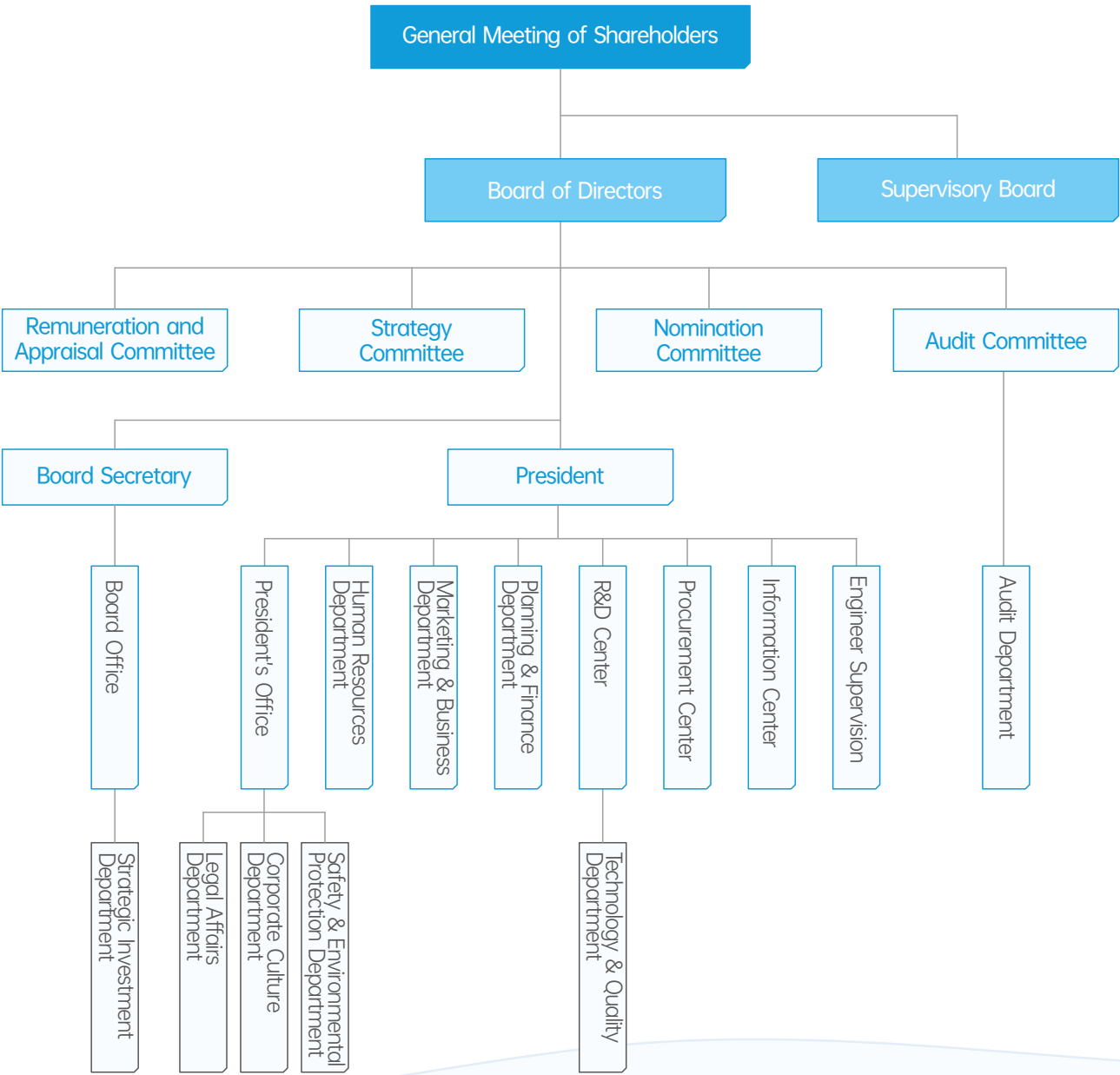
Report Chapter	Material Issues	Our Goals	Corresponding SDGs
Corporate Governance	ESG Governance	Improve the ESG governance system	
	Compliance Governance	Reduce operational risks	
	Investor Rights	Ensure timely, accurate, and complete information disclosure; maintain strong investor relations	
	Business Ethics	Zero incidents of commercial bribery or corruption	
Environmental Protection	Climate Change Response	Reduce carbon emissions	
	Environmental compliance management	Achieve 100% pollutant discharge compliance; zero environmental violations	
	Resource Utilization	Conserve energy and reduce consumption	
	Circular Economy & Ecological Protection	Avoid damage to surrounding ecosystems	
Industrial Value	Innovation-Driven	Complete R&D projects on schedule	
	Supply Chain Management	Zero incidents of supply chain disruptions or safety issues	
	Product Safety & Quality	Ensure product quality meets national standards	
	Customers Services	Increase customer satisfaction	
	Data Security & Privacy Protection	Zero data breach incidents	
Employee Rights	Compliance in Employment	Zero incidents of employment discrimination	
	Career Development & Training	Ensure unimpeded employee development pathways	
	Occupational Health & Safety	Zero safety incidents or new occupational disease cases	
Social Contribution	Philanthropy	Enhance public well-being through sustained charitable donations and initiatives	



## Reinforcing Compliance Governance

Qingshuiyuan strictly adheres to the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Shenzhen Stock Exchange Listing Rules* and other relevant laws and regulations. Guided by Party-building principles, the Company has established a robust governance system comprising the Shareholders' Meeting, Board of Directors, Supervisory Board, and Executive Management (the "Three Meetings and One Tier"), creating a governance framework of checks and balances and collaborative operations. It has implemented comprehensive risk management and internal control mechanisms, strengthened internal audit oversight, continuously improved corporate governance efficiency, and driven corporate transformation and upgrading toward a new stage of high-quality development.

Organizational Structure Chart



## Party Organization Development

The Company has established a comprehensive Party organization development system, strengthening organizational and execution capabilities to ensure the effective implementation of Party policies across all business areas. It continuously enhances the cohesion and combat effectiveness of Party members, providing robust political and organizational support for healthy corporate development, while fostering corporate culture and team spirit.

### Key Performance

In 2024, the Company's Party General Branch comprised **53** Party members, including **25** female members, **17** probationary members, and **41** Party membership activists.

During the reporting period, the Company actively organized and implemented Party discipline education and Party-building activities to enrich members' spiritual and cultural lives, strengthen Party consciousness and team cohesion, and cultivate a dynamic organizational atmosphere.

### Case Study

#### Study and Implementation of the Third Plenary Session of the 20th CPC Central Committee

On September 20, 2024, the Secretary of the Party Leadership Group of the Demonstration Zone Bureau of Industry, Information, and Science & Technology, a member of the Demonstration Zone Party Working Committee's propaganda group, delivered a lecture at the Company on the spirit of the Third Plenary Session of the 20th CPC Central Committee. The lecture provided high-level political guidance and incisive analysis, offering profound insights for Party members to understand and apply the session's principles.

#### On-Site Study of the Third Plenary Session of the 20th CPC Central Committee



Case Study

July 1st Themed Party Day Activity

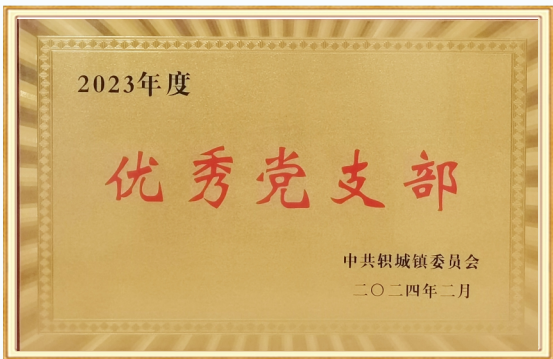
On July 1, 2024, the Company's Party General Branch organized the themed Party Day activity "Passing the Torch to Hone Original Aspirations; Riding the Winds to Continue the Glorious Chapter". Activities included renewing Party membership oaths, revisiting the Company's entrepreneurial journey, and retracing the footsteps of predecessors, reinforcing ideals and convictions to uphold the Party's original mission and revolutionary traditions.

July 1st Themed Party Day Activity



Case Study

Awarded "Outstanding Party Branch"



In February 2024, the Company was recognized as an "Outstanding Party Branch for 2023" by the Zhicheng Town Committee of the CPC and the Zhicheng Town People's Government.



2023 Outstanding Party Branch

Board of Directors

The Board of Directors is responsible for setting corporate strategy, deciding major operational and investment matters, and overseeing daily management. The Company has established regulations such as the *Board Meeting Rules*, *Independent Director Working Guidelines*, and *Board Secretary Work Procedures* to ensure goal achievement and shareholder value maximization, while driving innovation and maintaining sound governance.

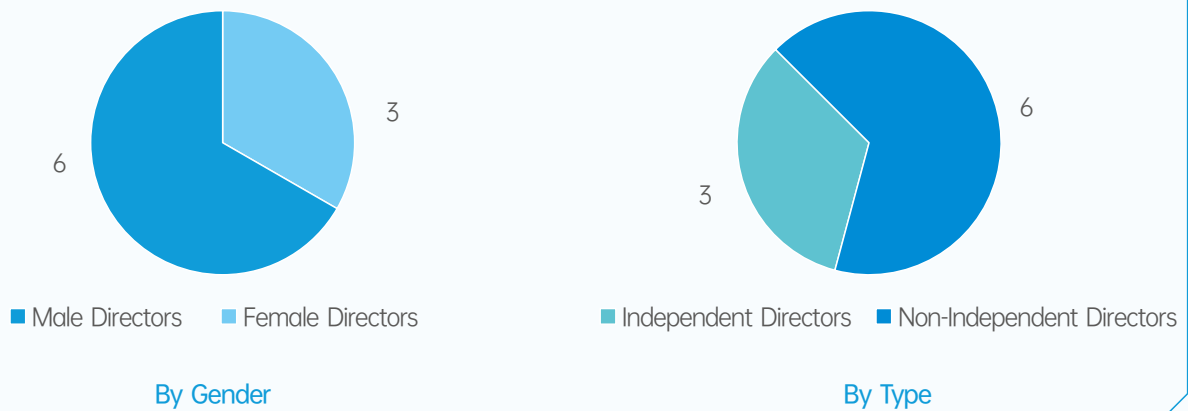
The Board has four specialized committees: Audit Committee, Remuneration and Appraisal Committee, Strategy Committee, and Nomination Committee, ensuring compliant and efficient operations, reasonable incentives, scientific strategic planning, and controlled risks.

Key Performance

Specialized Committee	Independent Director Ratio	Meetings Held	Proposals Reviewed
Audit Committee	3/3	5	19
Remuneration & Appraisal Committee	2/3	2	2
Strategy Committee	2/5	1	1
Nomination Committee	2/3	/	/

The Company emphasizes diversity in Board composition to enhance decision-making comprehensiveness, foster innovation, and reduce bias, ensuring alignment with diverse market demands.

Key Performance





Independent directors, guided by the *Independent Director Management Measures*, provide independent oversight, protect minority shareholder rights, and offer strategic, innovative, and industrial insights to enhance decision-making quality.

Key Performance

In 2024, the Board comprised **9** members. The Board convened **6** meetings, passing **34** resolutions with **100%** average attendance rate.

Shareholders' Meeting

As the supreme authority, the Shareholders' Meeting decides major matters, elects and supervises directors/supervisors, reviews financial reports and charter amendments, and ensures compliance and shareholder value. Directors, supervisors, and senior executives attend meetings to engage with shareholders on critical issues.

Key Performance

In 2024, the Company held **4** Shareholders' Meetings, approving **18** proposals.

Supervisory Board

The Company's supervisory board fulfills its supervisory duties to ensure the transparency of the Company's finances and compliance with its operations. The supervisory board follows regulations such as the Supervisory Board Meeting Rules and is responsible for monitoring the behavior of directors and senior executives, safeguarding the legitimate rights and interests of shareholders and employees. It also evaluates the effectiveness of the Company's governance to promote the healthy development and continuous improvement of the Company.

Key Performance

In 2024, the Supervisory Board comprised **5** members, held **4** meetings, reviewed **22** proposals, with **100%** average attendance rate.

Executive Compensation Management

The Company's board of directors has established a Compensation and Assessment Committee, which serves as the core management body for the compensation distribution and performance evaluation of senior executives, and has also formed a corresponding leadership group. According to the Company's regulations, senior executives are on an annual salary system. Their annual compensation structure is balanced, with the base salary and performance-based salary each accounting for half. The base salary is distributed evenly on a monthly basis according to the attendance of the senior executives, while the performance-based salary is closely linked to the Company's annual operating performance and the achievement of individual annual target responsibility statements.

Internal Control

The Company has established a comprehensive internal control system and risk management framework in accordance with the *Audit Law of the People's Republic of China*, the *Basic Standards for Enterprise Internal Control*, and other relevant laws and regulations. This system covers risk identification, early warning, tracking, and control, providing holistic guidance for risk management processes to ensure timely detection and strict mitigation of various risks.

The Company has formulated regulations such as the *Internal Control Management Measures* and the *Internal Control Evaluation System* to ensure the effective operation of its internal control framework, enhance internal control and operational management capabilities, and promote healthy and sustainable development. Additionally, an Internal Control Management Group has been established, led by the Chairman, with members adhering to a recusal system during departmental internal control evaluations.

During the reporting period, the Company actively conducted compliance-focused training programs to embed compliance awareness across the organization and foster a robust compliance culture.

Corporate Governance Training



Specialized Training on Strengthening Supervision of Listed Companies



Corporate Compliance Training





## Internal Audit

The Company's audit operations adhere to the 12-character principle: "Provide Services, Prevent Risks, Enhance Efficiency". By implementing the *Internal Audit System* and *Financial Audit Management Regulations*, the Company strengthens internal audit oversight to ensure healthy and orderly economic activities, uphold national financial regulations and corporate policies, reinforce integrity, improve self-discipline and self-supervision capabilities, and elevate operational management standards and economic benefits. The Supervision and Audit Department, under the leadership of the Audit Committee, independently conducts internal audit operations.

## Tax Management

The Company strictly complies with tax laws, ensuring all tax declarations and payments meet local legal requirements. It has established the *Financial Management System* and *Tax Management System* to standardize tax-related operations.

- Conduct regular tax compliance self-inspections to ensure adherence to tax laws and legally claim tax incentives.
- Monitor tax policy updates to enhance tax management capabilities and address potential audit risks.
- Engage external professional tax audit agencies to verify tax accuracy.
- Maintain proactive communication with tax authorities, promptly consulting on ambiguities and staying informed of policy and regulatory changes.

## Risk Management

The Company is dedicated to refining institutional processes, reconstructing compliance and legal frameworks, and driving the establishment of comprehensive risk control systems across all organizational levels. Simultaneously, it strengthens contract management through system upgrades and rigorous reviews to improve the quality and efficiency of contract administration.

### Key Performance

In 2024, the Company conducted 4 legal training sessions.

## Deepening Investor Relations Management

The Company adheres to the principles of compliance, equality, proactivity, and integrity in formulating the *Investor Relations Management System*. This system is designed to maintain the Company's image of integrity, fairness, and transparency, enhance communication of information with investors, promote their understanding and recognition of the Company, and better serve the interests of investors.

## Information Disclosure

The Company fulfills its information disclosure obligations in a timely and lawful manner. The disclosed information is required to be true, accurate, and complete, presented in a concise, clear, and easily understandable manner. The Company has established the Information Disclosure Management System to ensure that all investors have equal access to the Company's financial status, operating results, and significant events. Regular and interim reports are published through official channels and platforms designated by regulatory authorities to maintain good communication with investors and enhance market trust.

### Key Performance

In 2024, the Company disclosed four regular reports and 65 interim reports, and did not receive any penalties for violations related to information disclosure.

## Communication and Engagement

The Company has strengthened communication with investors by hosting multiple investor engagement activities to enhance corporate transparency and investor confidence. These efforts aim to attract more capital attention and support the Company's long-term stable development and innovative transformation.

### Case Study

#### 2024 World Investor Week

From October 18 to 25, 2024, the Company conducted the 2024 World Investor Week. The event focused on the themes of "Technology and Digital Finance" and "Sustainable Finance." It was held in the form of thematic seminars, investor education, and online publicity, with a total of two sessions attended by 56 participants.

#### World Investor Week 2024



Key Performance

In 2024, the Company interacted with investors **82** times on the Interactive Easy platform and organized an investor open exchange meeting.

The Company answered over **200** investor calls, conducted **2** communications via social platforms, and achieved a **100%** response rate to investor inquiries.

Upholding Business Ethics

The Company places high importance on business ethics governance, strictly adhering to relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, and the *Interim Provisions on Prohibiting Commercial Bribery*. It continuously refines integrity systems to eliminate illegal activities such as fraud, money laundering, and commercial bribery, ensuring the realization of business objectives, sustainable and stable development, and the protection of corporate and shareholder rights.

Integrity Building

To prevent fraud, strengthen corporate governance and internal controls, reduce risks, and standardize operations, the Company has formulated the *Regulations on Anti-Fraud and Reporting Mechanisms*, designating the Supervision and Audit Department as the permanent anti-fraud body responsible for organizing, independently evaluating anti-fraud efforts, assisting in anti-fraud awareness campaigns, and reviewing the establishment and implementation of anti-fraud control mechanisms.

To protect corporate and minority investor interests, the Company further strengthened integrity building, safeguarding its reputation, reducing operational risks, fostering a clean and efficient work environment, enhancing self-discipline awareness, promoting legal compliance, and regulating the conduct of key personnel through the *Integrity in Professional Conduct Management Regulations*. During the reporting period, no incidents of commercial bribery or corruption occurred.

To standardize the behavior of procurement staff and ensure high-quality procurement at fair market prices, the Company established the *Procurement Staff Integrity and Self-Discipline Management System*, maintaining a procurement process that is efficient, accurate, timely, service-oriented, and compliant, preventing illegal activities and commercial bribery, and safeguarding corporate interests.

Complaints & Reporting

The Company has established the principle of "strict management and timely handling" and formulated the *Regulations on the Management of Reports and Complaints*. This regulation aims to promptly identify and address behaviors that violate the Company's rules and work discipline, and to timely educate individuals who show signs of potential violations or disciplinary offenses, thereby enhancing their self-discipline. It also promotes lawful administration and integrity among management personnel at all levels. Reports and complaints must adhere to the principle of strict corporate governance. In addition, the personnel handling reports and complaints are required to strictly keep confidential the personal information of the reporters and complainants, including their names, workplaces, home addresses, and phone numbers.

Reporting Channels

  
Hotline  
0391-6082008

  
Email  
qsysjb@qywt.com.cn

  
Address  
集团监察审计部

Fair Competition

The Company attaches great importance to building and maintaining a fair and just market competition environment. It has formulated documents such as the *Letter of Initiative on Lawful and Compliant Operations* and the *Letter of Commitment on Lawful and Compliant Operations*, pledging to actively participate in market competition under the principle of fairness, resolutely oppose imposing unreasonable restrictions on partners, comprehensively eliminate customer discrimination in any form, and commit to fostering a healthy and orderly market ecosystem. During the reporting period, the Company did not face litigation or major administrative penalties due to unfair competition practices.

关键指标	单位	2022年	2023年	2024年
反垄断与公平竞争的培训活动次数	次	2	2	4
反垄断与公平竞争参与人数	人	54	55	93
反垄断与公平竞争培训总时长	小时	3	3	6
因公司不正当竞争行为导致诉讼或重大行政处罚的涉案金额	万元	/	/	/

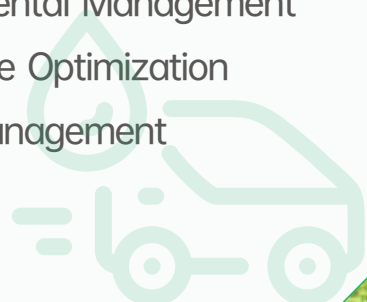




# 02

## Riding the Green Wave, Expanding Environmental Vision

- Response to Climate Change
- Compliant Environmental Management
- Strategizing Resource Optimization
- Refining Material Management





■ Response to Climate Change

Qingshuiyuan actively addresses the challenges of climate change, regarding it as an important opportunity to drive the Company's transformation and upgrading and to move towards an environmentally friendly development path. We are committed to enhancing our emergency response capabilities to climate risks, reducing our carbon footprint, proactively exploring low-carbon technologies, and contributing our efforts to global climate governance.

Governance

The Company deeply understands the significant impact of climate change on its operations and considers addressing climate change as a key issue in daily management and operations. We plan to establish a dedicated climate change response team and develop relevant systems to be responsible for the comprehensive planning and execution of related work.

Strategy

The Company comprehensively evaluates the risks and opportunities associated with addressing climate change and formulates strategies to ensure steady progress, accelerate green growth, consolidate market position, and enhance competitiveness within the industry.

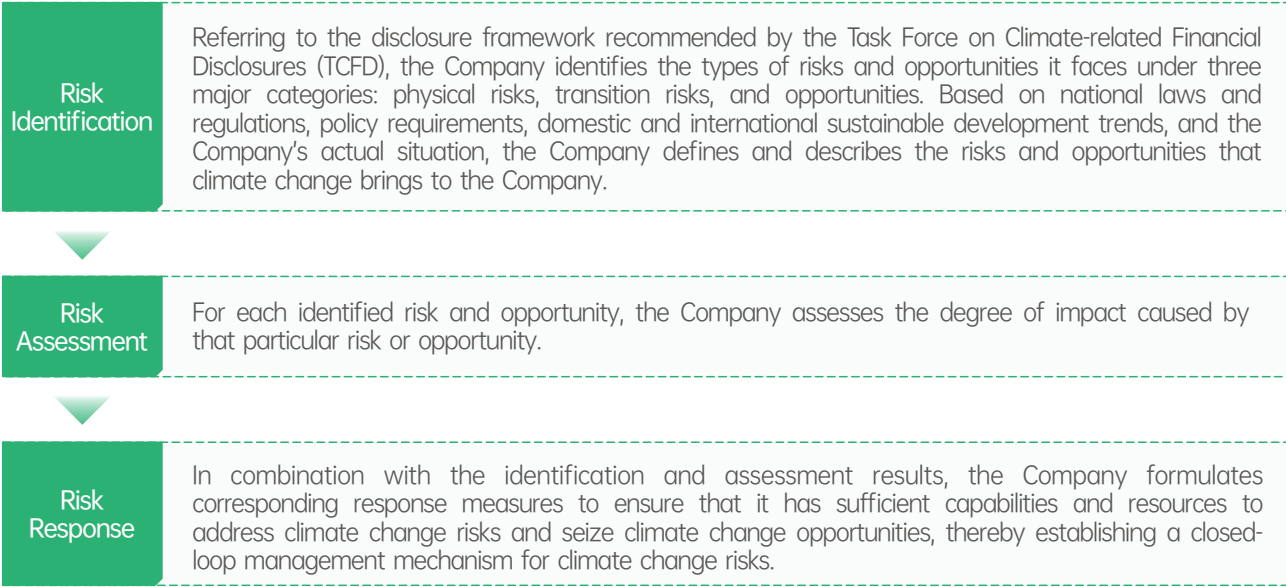
Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Technology Risk	Climate change may lead to an increase in extreme weather events, which poses higher demands on the Company's water treatment technology.	Market share decline and revenue reduction	Medium to long-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Establish a technology research and development team to continuously track and update water treatment technologies.</li><li>○ Strengthen cooperation with research institutions and universities to jointly develop new technologies to address climate change.</li></ul>
	Physical Risk	Climate change may lead to an increase in extreme weather events (such as floods and droughts), which can cause physical damage to the Company's production facilities.	Direct economic losses from production interruptions and equipment damage.	Short-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Strengthen disaster prevention and mitigation infrastructure to enhance the ability to cope with extreme weather events.</li><li>○ Develop emergency response plans to ensure timely response and recovery of production in the event of extreme weather.</li></ul>
	Policy and Legal Risk	Governments may introduce stricter carbon pricing policies to address climate change. If the Company fails to comply with these regulations, it may face legal risks such as fines and suspension for rectification.	Direct economic losses from fines and suspension for rectification	Medium to long-term	High	Medium	<ul style="list-style-type: none"><li>○ Strengthen communication and coordination with government departments to keep abreast of changes in policies and regulations.</li><li>○ Establish a compliance management system to ensure the Company complies with relevant regulations.</li></ul>

Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Market Risk	Climate change may lead to changes in market demand. If the Company fails to adjust its market strategy in a timely manner to address these changes, it may result in a decline in market share.	Reduction in revenue and profit.	Medium to short-term	Medium	High	<ul style="list-style-type: none"><li>○ Strengthen market research and analysis to keep abreast of changes in market demand.</li><li>○ Adjust market strategies and develop new products and services that meet market demand.</li></ul>
Opportunity	Technological Innovation	Climate change drives companies to continuously seek more efficient and environmentally friendly technologies and solutions. The Company can seize this opportunity to enhance the efficiency and environmental performance of its water treatment technology through technological innovation and industrial upgrading, thereby strengthening its market competitiveness.	Reduced production costs, increased production efficiency, and higher profits.	Long-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Increase R&amp;D investment, attract excellent talents and technological resources to promote technological innovation and industrial upgrading.</li><li>○ Strengthen cooperation with universities and research institutions to jointly develop new technologies and products.</li></ul>
	Market Expansion	With the increasing frequency of extreme weather events caused by global climate change, water resource management and protection have become increasingly important, driving significant growth in the water treatment chemicals market.	Revenue growth and enhanced profitability.	Short-term	High	High	<ul style="list-style-type: none"><li>○ Increase the production scale of water treatment chemicals, improve product quality and service levels to meet market demand.</li></ul>
	Policy Support	Governments around the world have introduced a series of policies to encourage the research and application of environmental protection technologies to address climate change. As a leading Company in the water treatment field, the Company is expected to benefit from these policies.	Obtain government subsidies, tax incentives, and other policy support to reduce operating costs.	Medium-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Actively monitor policy dynamics, strengthen communication and cooperation with government departments to seek more policy support and funding assistance.</li></ul>

Note: The Impact Duration for short-term, medium-term, and long-term are defined as 1-3 years, 3-5 years, and over 5 years, respectively. The severity of impact is categorized as high, medium, and low, representing significant, moderate, and minor impacts on the Company's production and operations, respectively. The likelihood of occurrence is categorized as high, medium, and low, representing a high probability, a moderate probability, and a low probability of occurrence, respectively. The same definitions apply below.

Impact, Risk, and Opportunity Management

Relying on a scientific climate risk identification mechanism, precise assessment methods, and efficient response strategies, the Company effectively mitigates potential climate-related risks and enhances its competitive advantages in the market.



Indicators and targets

Key Indicators	Unit	2022	2023	2024
环保培训				
Total Greenhouse Gas Emissions	Tons of CO <sub>2</sub> equivalent	11,404.27	13,370.33	13,948.80
Greenhouse Gas Emissions per Million in Revenue	Tons of CO <sub>2</sub> equivalent	6.32	11.78	12.78

Compliant Environmental Management

Qingshuiyuan adheres to the environmental protection principle of "prevention first, combining prevention and control," strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and ensures that corporate operations meet high-standard environmental protection requirements through the implementation of comprehensive environmental management systems, systematic training programs, and other measures. This demonstrates the Company's proactive attitude and practical achievements in environmental responsibility.

Governance

To enhance environmental governance effectiveness and promote continuous progress in environmental protection, the Company has established a robust environmental management system. It has formulated regulations including the *Environmental Protection Management System*, *Environmental Protection Assessment*, *Reward and Penalty Management System*, "Three Wastes" (Wastewater, Waste Gas, Industrial Residue) Management System, and *Hazardous Waste Management System*. These measures reinforce environmental protection accountability, implement the "Three Simultaneities" system for construction projects, and designate the Environmental Protection Department as responsible for the concrete implementation of environmental protection tasks.

The Company has obtained ISO 14001 Environmental Management System certification, achieving 100% coverage across its certified systems.



Henan Qingshuiyuan Technology Co., Ltd ISO 14001 Environmental Management System Certification Certificate



Henan Shuiyunzong Intelligent Control Technology Co., Ltd ISO 14001 Environmental Management System Certification Certificate



Jiyuan Qingyuan Water Treatment Co., Ltd Water Treatment ISO 14001 Environmental Management System Certification Certificate



Henan Tongsheng Environmental Engineering Co., Ltd ISO 14001 Environmental Management System Certification Certificate



Qingshuiyuan (Shanghai) Environmental Technology Co., Ltd ISO 14001 Environmental Management System Certification Certificate



Shaanxi Ande Technology Industrial Co., Ltd ISO 14001 Environmental Management System Certification Certificate

In accordance with the *Environmental Protection Training and Education System*, the Company conducts regular environmental protection training and requires new employees to complete environmental knowledge training before commencing work, thereby enhancing overall environmental awareness.

Case Study

Environmental Knowledge and Legal Regulations Training

On July 1, 2024, Jiyuan Qingyuan Water Treatment Co., Ltd organized an environmental knowledge and legal regulations training session for the phosphorus trichloride workshop. The training covered laws and standards such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the Standard for Pollution Control of Hazardous Waste Storage. This strengthened employees' awareness of environmental protection and improved the Company's hazardous waste management capabilities.

Training Session Scene ▶



Strategy

The Company conducts in-depth assessments of risks and potential opportunities in environmental management, aiming to formulate forward-looking strategies that ensure economic benefits while contributing to the sustainable development of the planet.

Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Technology Risk	New technologies or processes may have negative environmental impacts, such as exceeding standards for wastewater or exhaust gas emissions, leading to environmental penalties or reputational damage.	Facing environmental fines and increased operating costs.	Medium-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Conduct thorough environmental impact assessments before introducing new technologies or processes to ensure compliance with environmental regulations and standards.</li><li>○ Strengthen the construction and operation management of environmental protection facilities to ensure that pollutants are discharged within the permitted limits.</li><li>○ Establish environmental monitoring and emergency response mechanisms to detect and address environmental issues in a timely manner and prevent escalation.</li></ul>

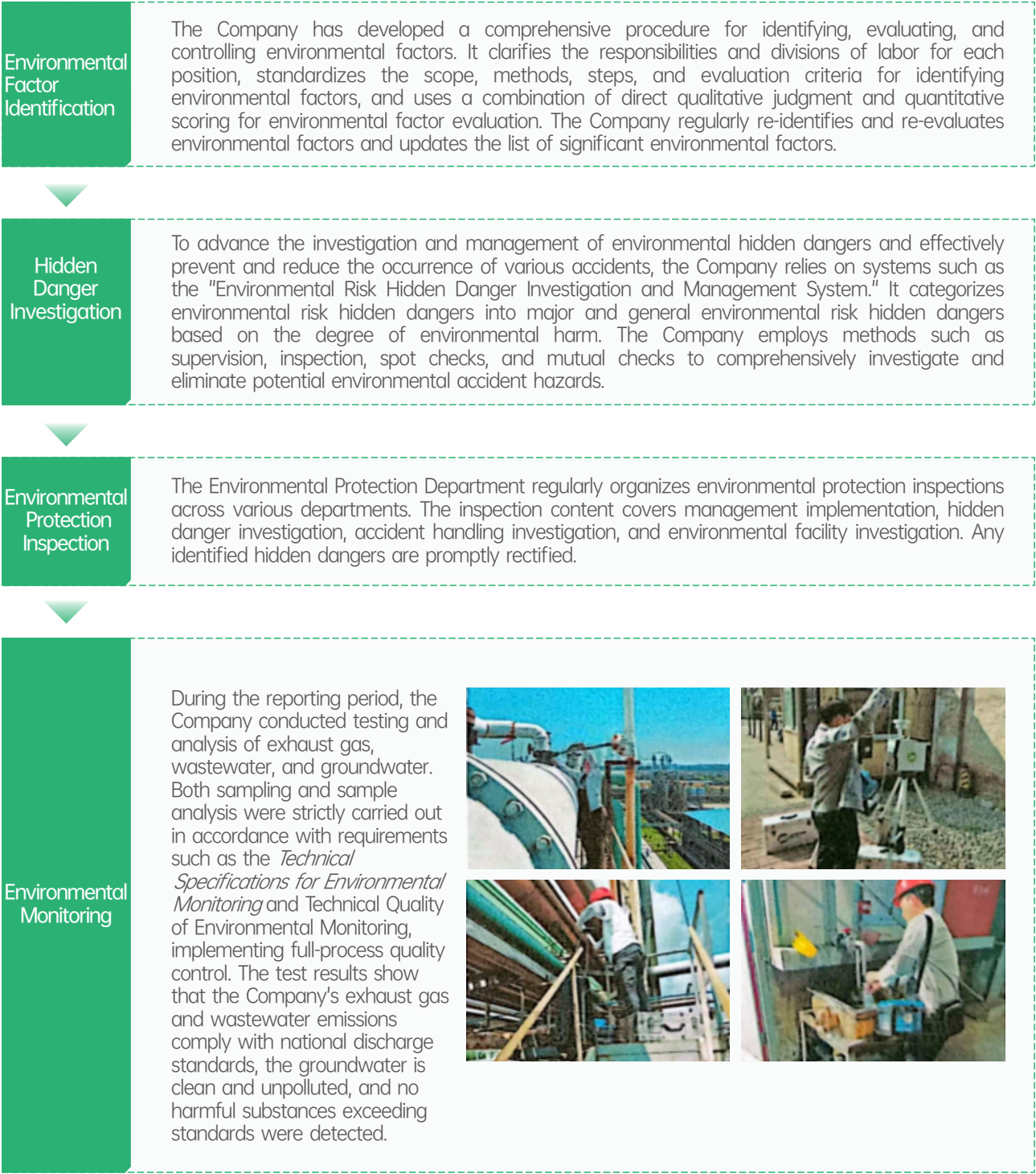
Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Reputation Risk	Environmental issues or safety accidents may damage the Company's reputation, affecting customer trust and market share.	Customer loss leading to reduced sales revenue.	Medium to long-term	High	Medium	<ul style="list-style-type: none"><li>○ Strengthen environmental and safety management to ensure that the Company's operations comply with environmental and safety requirements.</li><li>○ Establish a crisis response mechanism to promptly address and respond to environmental issues and safety accidents, preventing escalation.</li><li>○ Enhance communication and cooperation with all sectors of society, actively participate in environmental protection public welfare activities, showcase the Company's environmental image and sense of responsibility, and improve social recognition.</li></ul>
	Policy and Legal Risk	Changes in environmental policies may increase the Company's operating costs (e.g., stricter emission standards, higher pollution fees) or expose the Company to risks of legal litigation and fines.	Increased operating costs and reduced profits.	Medium-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Strengthen policy research and closely monitor changes in environmental policies to ensure that the Company's operations comply with the latest regulations and standards.</li><li>○ Improve the compliance system, establish and perfect environmental management systems and processes, and ensure that the Company's operations are legal and compliant.</li><li>○ Actively participate in the formulation of environmental policies and industry standards to contribute to industry development while reducing the Company's policy risks.</li></ul>
	Market Risk	Intensified market competition, changing customer needs, and fluctuations in raw material prices may lead to decreased product prices and reduced sales volumes.	Reduced revenue and profits, increased operating costs.	Medium to short-term	High	High	<ul style="list-style-type: none"><li>○ Strengthen market research, closely monitor industry dynamics and competitor situations, and flexibly adjust product structures and market strategies.</li><li>○ Deepen customer relationship management, improve customer satisfaction and loyalty, and stabilize market share.</li><li>○ While ensuring product quality, reduce product prices through technological innovation and cost control to enhance competitiveness.</li></ul>



Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Opportunity	Technological Innovation	With the continuous progress and innovation of environmental protection technologies, more efficient and environmentally friendly water treatment technologies are emerging, providing opportunities for the Company to upgrade and innovate its technology. By upgrading and innovating its technology, the Company can enhance its water treatment efficiency, improve the environmental performance of its products, and boost its market competitiveness.	Increased production efficiency, reduced production costs, and higher profits.	Long-term	High	Medium	<ul style="list-style-type: none"><li>○ Increase R&amp;D investment, attract excellent talents and technological resources.</li><li>○ Strengthen cooperation with universities and research institutions to jointly develop new technologies and products.</li><li>○ Promote and apply new technologies and products to enhance market competitiveness.</li></ul>
	Market Expansion	With increased national support for the environmental protection industry and rising public environmental awareness, the demand for environmental protection is growing. As a leading Company in the water treatment field, the Company can expand its market share and improve profitability by meeting market demand.	Increased revenue and profits	Short-term	High	High	<ul style="list-style-type: none"><li>○ Strengthen market research and analysis to understand market demand and trends.</li><li>○ Expand production scale and increase capacity to meet market demand.</li><li>○ Strengthen marketing and brand building to improve product visibility and reputation.</li></ul>
	Policy Support	With increased national support for the environmental protection industry, a series of environmental policies have been introduced. As a leading Company in the water treatment field, the Company is expected to benefit from these policy dividends, gaining more market opportunities and financial support.	Obtain government subsidies and tax incentives to reduce operating costs	Medium-term	Medium	High	<ul style="list-style-type: none"><li>○ Actively monitor policy dynamics and strengthen communication and cooperation with government departments.</li><li>○ Increase R&amp;D efforts in environmental protection technologies to improve product environmental performance and meet market demand.</li><li>○ Expand into new environmental business areas and participate in more environmental projects to enhance market competitiveness.</li></ul>

## Impact, Risk, and Opportunity Management

To effectively address environmental risks, the Company has established a risk management mechanism that covers the identification of environmental factors, hidden danger investigation, environmental protection inspection, and environmental monitoring.



Indicators and targets

Environmental Work Objectives for 2024

No occurrence of general or above-level sudden environmental incidents.	100% implementation rate of the environmental monitoring plan.
Effective operation of the environmental management system with continuous improvement, and no serious or recurring non-conformities.	100% environmental protection education and training rate for employees on the job.
Effective control of significant environmental factors with a 100% rectification rate for environmental hidden dangers.	100% compliance rate for exhaust gas emissions.
Solid waste and hazardous waste disposal in compliance with national requirements, with a 100% safe disposal rate.	100% compliance rate for the discharge of production wastewater, initial rainwater, and accident water.

Key Indicators	Unit	2024
Environmental Investment	10,000 CNY	86.05

Key Indicators	Unit	2022	2023	2024
Environmental training				
Number of Environmental Training Sessions	Sessions	28	28	28
Number of Environmental Training Participants	Participants	756	752	755
Duration of Environmental Training	Hours	56	56	56

Waste Gas Emissions				
Total Exhaust Gas Emissions	Tons	0.81	1.10	1.00
Volatile Organic Compounds (VOC)	Tons	0.81	1.10	1.00

Wastewater Discharge				
Total Wastewater Discharge	Tons	52,938.09	48,647.00	51,431.40
Chemical Oxygen Demand (COD)	Tons	0.510	0.409	0.615
Ammonia Nitrogen (NH3-N)	Tons	0.035	0.015	0.016
Total Phosphorus (as P)	Tons	0.006	0.007	0.008

Key Indicators	Unit	2022	2023	2024
Solid Waste Disposal				
Hazardous Waste Generation	Tons	90.28	96.54	95.74
Hazardous Waste Disposal	Tons	70.23	116.21	96.47
Waste Engine Oil (HW08)	Tons	0	1.06	1.43
Spent Activated Carbon (HW37)	Tons	67.80	115.15	92.00
Phosphorus Slag (HW37)	Tons	0	0	2
Sludge (HW37)	Tons	2.43	0	0.60
Waste Filter Cloth (HW37)	Tons	0	0	0.20
Online Monitoring Waste Liquid (Hw49)	Tons	0	0	0.24

Waste Management

The Company strictly complies with the requirements of the *General Industrial Solid Waste Storage and Disposal Site Pollution Control Standard (Gb18599)*. In accordance with the *Regulations on Comprehensive Utilization of Resources*, the Equipment Department is designated to manage construction waste, while the Administration Office oversees daily supervision and inspection of domestic waste storage points. Production waste is classified at the source into recyclable, non-recyclable, and polluting categories to ensure full tracking from generation to disposal.

The Company has established the *Hazardous Waste Management System*. Solid hazardous waste generated is classified according to the *National Hazardous Waste Inventory (2025 Edition)*. A temporary hazardous waste storage facility, compliant with the *Hazardous Waste Storage Pollution Control Standard (GB18597)*, has been constructed with anti-leakage, airtight, and recycling treatment facilities. Hazardous waste is promptly transported, and its labeling, transfer, and classified storage are standardized to ensure rational utilization and harmless disposal. Additionally, preventive measures and emergency plans for hazardous waste pollution accidents are formulated, with regular drills conducted.

Wastewater Management

The Company is committed to reducing wastewater pollutant discharge. It continuously strengthens production wastewater management by assigning dedicated personnel to oversee operations and strictly prohibiting any illegal discharge. Waste acid and alkali solutions generated during production and equipment maintenance are either recycled or properly treated. Maintenance wastewater, domestic sewage, and initial rainwater are directed to the wastewater treatment station and discharged only after meeting standards. Chemical waste liquids from experiments are collected in appropriate containers, stored in secure locations, or discharged to chemical wastewater pools for treatment.



Waste Gas Management

The Company recycles usable tail gas generated during processes or treats it through purification facilities to ensure compliance with emission standards. Toxic gases produced in experiments are absorbed via solutions before discharge.

Emergency Emission Reduction Measures  
Notice Board for Heavy Pollution Weather



Case Study

Environmental Hazard Rectification

Issue: Cracked weld joint leakage at the vacuum gas collection tank of the methylene production line's D reactor.



Rectification Measure: Repaired by disassembly, rewelding, and reinstalling to restore normal operation.



Issue: Leakage at the elbow of the phosphorous acid mother liquor tank circulation pipeline in the solid production line.



Rectification Measure: Repaired by disassembly and rewelding to restore normal operation.

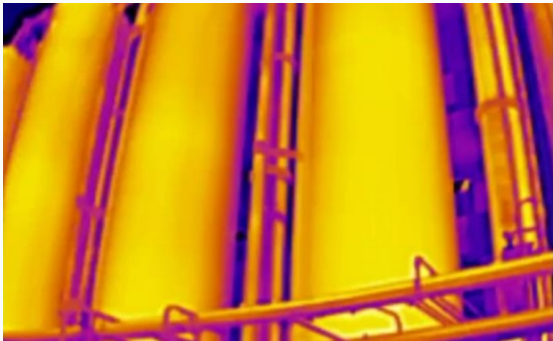


Case Study

Leak Detection and Repair (LDAR) System Construction Project

In September 2024, Qingyuan Water Treatment implemented an LDAR project, completing material analysis of pipelines, establishment and debugging of the LDAR database management platform, and on-site leak detection and retesting. This enhanced employees' safety and environmental awareness, fostered proactive maintenance of leaks, and established a standardized LDAR system—including photo documentation, description protocols, detection operations, and LDAR database management platform procedures—to achieve closed-loop management of all compliant sealing points in the plant.

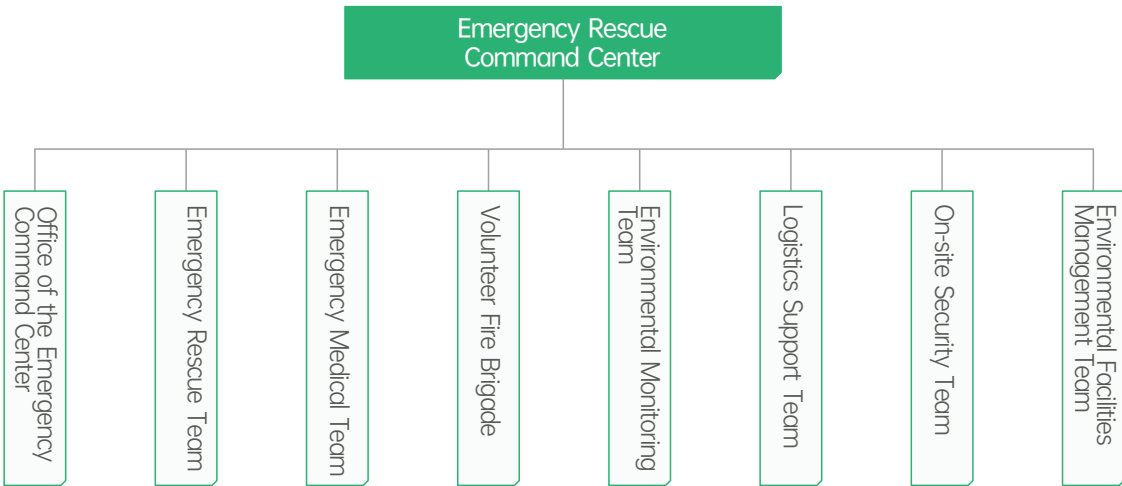
Infrared Optical Testing



Emergency Plans and Drills

To establish a robust emergency response mechanism for sudden environmental incidents and improve incident-handling capabilities, the Company formulated the *Emergency Response Plan for Sudden Environmental Events* and established a rescue organization structure. This structure consists of an Emergency Command Center and Emergency Response Units: the Command Center coordinates overall operations, while other units execute on-site tasks.

Emergency Organization Chart

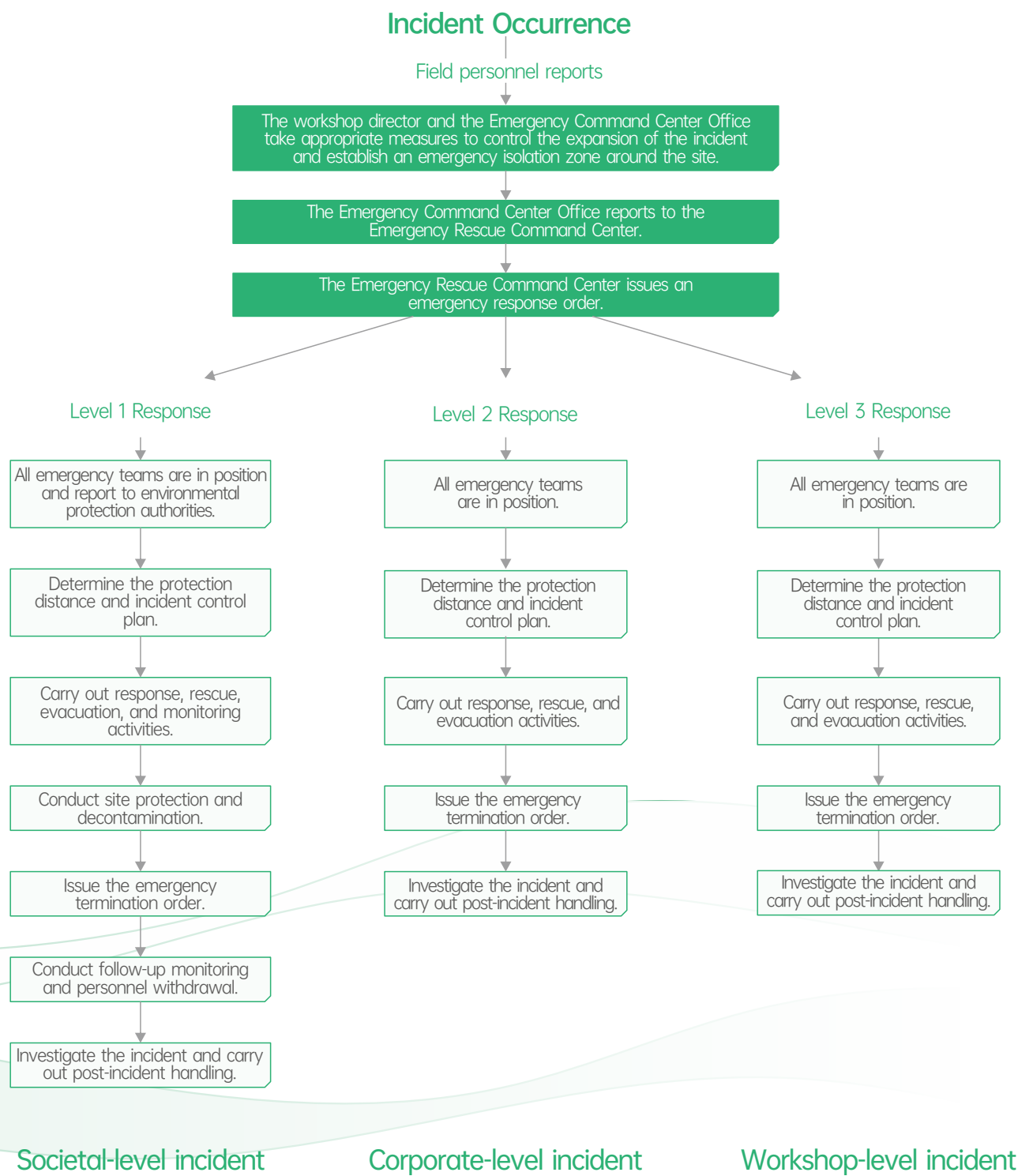


The Company categorizes the emergency response levels for sudden environmental incidents based on the degree of pollution and harm caused to the environment and population. The response levels, from highest to lowest, are Level 1 Response, Level 2 Response, and Level 3 Response.

Response Level	Scope of Impact	Emergency Resources Required
Level 1 Response (Societal Level)	Plant area and surrounding regions	Company emergency organizations, government departments, fire brigade, hospitals, neighboring units, external experts, etc.
Level 2 Response (Corporate Level)	Workshop and plant area	Company emergency organizations, neighboring hospitals, other neighboring units, etc.
Level 3 Response (Workshop Level)	Localized work area or position	Company emergency organizations

In response to different types of environmental incidents, the Company initiates corresponding emergency procedures and carries out emergency response activities in accordance with the requirements of graded response.

Emergency Response Procedures for Sudden Environmental Incidents





The Company regularly conducts emergency drills, using methods such as pre-training, tabletop exercises, and on-site operations to enhance the emergency response capabilities of all employees.

Case Study

Comprehensive Emergency Drill for Chlorine Gas Leak

On June 28, 2024, Jiyuan Qingyuan Water Treatment Co., Ltd organized a chlorine gas leak emergency drill, simulating a leak at the flange connection of the outlet valve at the bottom of Chlorine Tank A. The drill involved emergency response, repair, and rescue operations. This drill aimed to enhance the Company's emergency handling capabilities for sudden chlorine gas leaks and is of great significance for strengthening environmental awareness and ensuring production safety.



On-site personnel conduct initial response



Rescue teams carry out rescue operations



Personnel evacuate to the emergency assembly point



Conduct a summary of the drill

Environmental Impact Assessment

The Company strictly complies with legal requirements and conducts environmental impact assessments for new, renovated, or expanded projects and facilities to ensure effective control of environmental pollution during construction and operation.

Clean Production

To promote clean production, the Company has established a *Clean Production Management System*, set up a Clean Production Office in the production department, implemented clean production measures, and integrated clean production into performance evaluations.

- Conduct technical, environmental, economic, and comprehensive evaluations of implemented clean production plans.
- Assess clean production plans during the audit process to provide feasibility support for Company decision-making.
- Establish a clean production information system to provide information on clean production technologies, processes, equipment, and products to the entire plant.
- Use non-toxic or low-toxic, low-hazard raw materials to replace highly toxic and hazardous ones.
- Adopt processes and equipment with high resource utilization and low pollutant generation, replacing those with low resource utilization and high pollutant generation.
- Utilize or recycle waste, wastewater, and residual heat generated during production.
- Implement pollution control technologies that meet national or local pollutant emission standards and total emission control requirements.

Green Design

The Company strictly adheres to green production standards and requirements, implements clean production, and continuously takes measures such as improving design, using clean energy and raw materials, adopting advanced processes and equipment, improving management, and comprehensive utilization. These efforts aim to reduce pollution at the source, increase resource efficiency, and minimize or avoid the generation and emission of pollutants during production and product use, thereby reducing or eliminating harm to public health and the environment.

Environmentally Friendly Water Treatment Agents

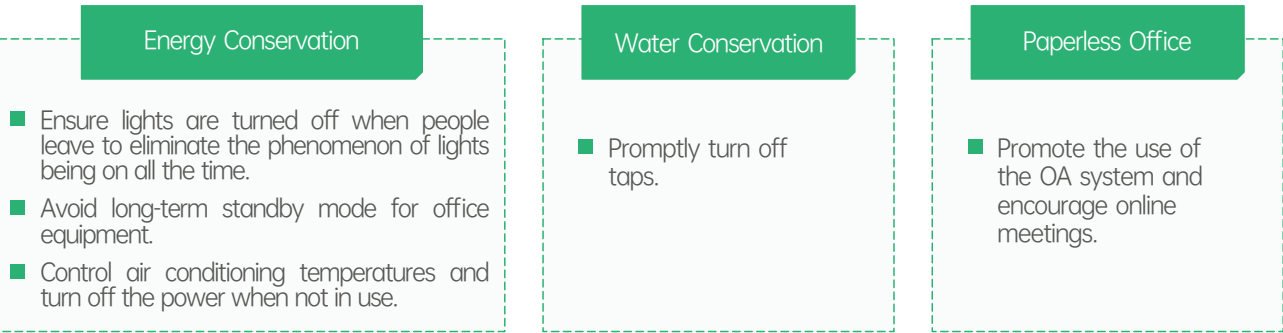
By researching the impact of catalyst types and microstructures on reactions, the Company has developed a high-performance, novel corrosion inhibitor and its green, low-energy synthesis process using low-cost, phosphorus-free bio-based chemicals. This innovation represents a significant breakthrough in the development of phosphorus-free water treatment corrosion inhibitors. It not only sets a new benchmark for the corrosion inhibitor industry but also encourages the entire sector to move towards a more environmentally friendly and efficient direction, with forward-looking significance.

Green Chelating Agent Products

The Company has developed two new types of green chelating agents and their synthesis methods, which are biodegradable and non-toxic. Compared to existing processes, these products have fewer by-products, simpler processes, and shorter cycles. They comply with global environmental trends and regulatory requirements, serving as high-performance alternatives to phosphates in detergents. These chelating agents have efficient binding capabilities, acting quickly on inorganic and organic dirt, and promote the greening of the water treatment industry.

Green Office

The Company advocates green office practices, encouraging employees to cherish every kilowatt-hour of electricity, every drop of water, every sheet of paper, and every office supply. It actively promotes the concept of "green living and green office."



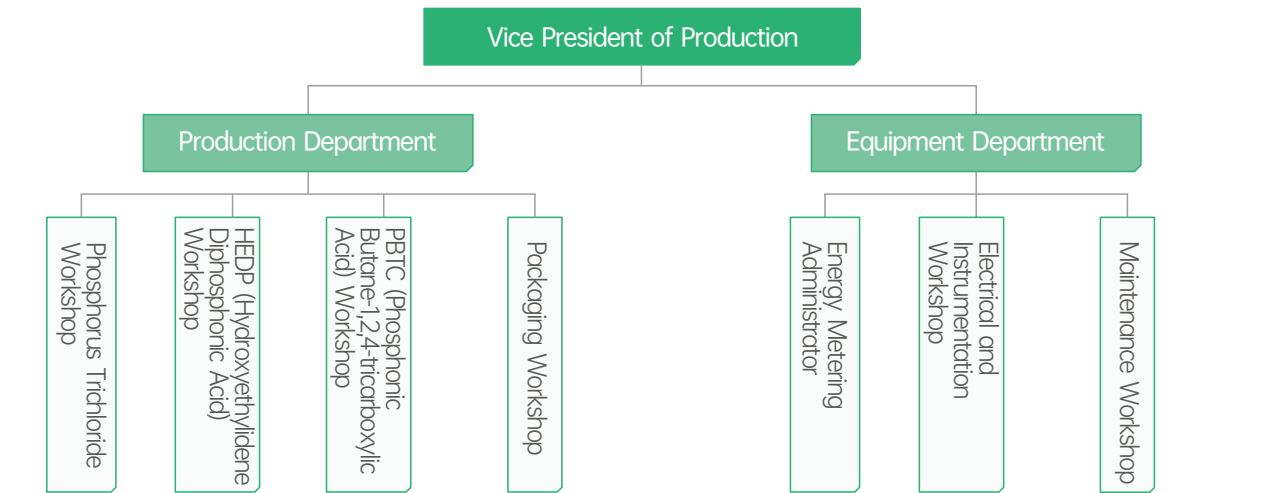
Strategizing Resource Optimization

Qingshuiyuan strictly complies with laws and regulations such as the *Water Pollution Prevention and Control Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*. Focusing on green energy development, the Company strengthens its energy management systems to drive energy conservation and carbon reduction throughout the entire operational process.

Governance

To improve energy utilization efficiency, the Company has formulated systems including the *Energy and Resource Management System*, *Energy Measurement Management System*, and *Water Usage Management System*. The Equipment Department and Energy Measurement Administrators are responsible for advancing resource management tasks. Regular professional training on energy measurement is conducted, covering fundamental knowledge, technical skills, and management capabilities.

Energy Metering Management Organization Chart



The Equipment Department of the Company is responsible for the management and supervision of daily water usage. It records and reports the water usage situation daily. Each department is responsible for the management and maintenance of water facilities and has established a penalty mechanism for behaviors that waste water resources, such as running, overflowing, dripping, and leaking.

Strategy

The Company systematically identifies risks and opportunities in resource efficiency and formulates strategies to enhance resource utilization efficiency, thereby promoting the Company's green transformation and efficient development.

Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Physical Risk	In the Company's production process, key process facilities rely on electricity to operate. In the event of a power outage, these facilities will be unable to function properly, leading to production line shutdowns and potentially affecting product quality and causing equipment damage. Water stoppages can also lead to production line halts and equipment damage.	Direct economic losses from production interruptions and equipment damage	Medium to short-term	High	High	<ul style="list-style-type: none"><li>○ Install water storage tanks, rainwater collection systems, etc., to cope with sudden water stoppages.</li><li>○ Reasonably arrange production processes during water stoppages. Reasonably arrange production processes during water stoppages.</li><li>○ Develop detailed emergency response plans for water and power outages, including emergency organizational structure, personnel assignments, and emergency handling procedures.</li><li>○ The Company's power supply comes from dual sources: the Qingshui Substation and the Zhi Du Substation. If one power source fails, the other will not be affected.</li><li>○ Equip key process facilities with backup power sources, such as UPS (Uninterruptible Power Supply) and diesel generators. In the event of a power outage, the backup power can quickly be activated to ensure the continuous operation of the production line.</li></ul>
	Technology Risk	For energy management, the Company may face issues such as immature application of new energy technologies (e.g., solar and wind energy), bottlenecks in energy storage technology, and difficulties in integrating smart grids. In water resource management, the Company may encounter technical challenges such as high costs of membrane technology, low treatment efficiency, non-compliant water quality, and unstable smart monitoring and control systems.	Potential investment failure and increased operating costs	Medium to long-term	High	Medium	<ul style="list-style-type: none"><li>○ Strengthen research and development capabilities and innovation to enhance the core competitiveness of proprietary technologies.</li><li>○ Introduce external technological cooperation to learn from and absorb advanced technologies and experiences.</li><li>○ Establish a technology risk assessment and early warning mechanism to identify and address potential technology risks in a timely manner.</li></ul>



Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Market Risk	Market risks mainly stem from price fluctuations and changes in demand in the energy and water resource markets.	Increased costs and reduced revenue	Medium to short-term	Medium	High	<ul style="list-style-type: none"><li>○ Conduct thorough market research and analysis to accurately grasp market changes and trends.</li><li>○ Develop flexible pricing and marketing strategies to adapt to changes in market demand.</li><li>○ Diversify the product line and services to enhance market adaptability.</li></ul>
	Technological Innovation	In the field of energy, the rapid development of clean energy technologies (such as solar and wind energy) and smart grid technologies offers the Company opportunities to reduce energy consumption and improve energy efficiency. In water resources, advancements in water recycling technologies (such as membrane technology and advanced oxidation processes) and efficient water-saving technologies (such as smart irrigation systems) provide possibilities for improving water resource efficiency and reducing water consumption.	Increased revenue and profit	Long-term	High	High	<ul style="list-style-type: none"><li>○ Invest in or collaborate on the research and development of clean energy and water recycling technologies, gradually replacing traditional energy and water-saving measures, and establishing intelligent energy and water resource management systems.</li></ul>
Opportunity	Market Expansion	With the growing global emphasis on environmental protection and sustainable development, more and more businesses and individuals are paying attention to the conservation and efficient use of energy and water resources. This provides the Company with opportunities to expand its market share and enter new business areas.	Increased sales revenue and market share	Medium to long-term	Medium	High	<ul style="list-style-type: none"><li>○ Conduct thorough market research and analysis to understand market demands and trends.</li><li>○ Expand into new products and services to meet the needs of different customers.</li><li>○ Strengthen brand building and market promotion to enhance visibility and reputation.</li></ul>

Impact, Risk, and Opportunity Management

To ensure the sustainable use of resources, the Company has established a standardized and systematic management process to comprehensively and effectively manage resource-related risks.



Indicators and targets

Water Resource Management Goals

- Improve water resource utilization efficiency and wastewater reuse rates through the adoption of water-saving technologies, process optimization, and equipment upgrades.
- Develop detailed water usage plans, establish water accounting records, and enhance monitoring and management of water usage.
- Achieve water recycling through the use of equipment such as cooling towers, reducing reliance on fresh water resources.
- Conduct water-saving campaigns and training to raise employee awareness of water conservation and foster a water-saving culture.
- The comprehensive measures aim to reduce water consumption and pollution to achieve water resource management goals.

Energy Consumption				
Key Indicators	Unit	2022	2023	2024
Purchased Steam	Million kJ	283,537.20	336,225.37	356,975.44
Solar Power Usage	Ten thousand kWh	/	/	128.31
Total Purchased Electricity	Ten thousand kWh	1,412.25	1,550.08	1,445.024
Energy Consumption Details				
Comprehensive Energy Consumption	Tons of Standard Coal	4,635.07	5,435.17	5,670.24
Energy Consumption Density	Tons of Standard Coal per Million in Revenue	2.57	4.79	5.19
Water Usage				
Total Water Consumption	Ten thousand cubic meters	21.67	17.66	15.03
Water Intensity	Ten thousand cubic meters per Million	0.0120	0.0156	0.0138

## Energy Conservation and Emission Reduction

The Company actively engages in the clean energy sector, particularly in the promotion and application of photovoltaic power generation, reducing its reliance on traditional fossil fuels and effectively lowering carbon emissions.

The Company actively responds to national policies and government calls, achieving energy conservation and emission reduction through the elimination of high-energy-consuming equipment, the promotion of energy-saving technologies and devices, and increased use of clean energy.

### Case Study

#### Promotion of Electric Forklifts

The Company has implemented a policy to replace traditional internal combustion forklifts with electric forklifts, effectively reducing exhaust emissions and energy consumption in the transportation process, achieving cost reduction and efficiency improvement.

Electric forklifts for Company use



## Water Resource Management

The Company uses condensate recovery devices to collect condensate from production processes and convert it into reusable water resources, thereby improving water utilization efficiency. The automated operation of these devices further enhances production efficiency.

Additionally, the Company has built a circulating water tower to ensure stable water temperature and quality through cooling and recycling processes, achieving water recycling and significantly reducing water consumption and wastewater discharge.

## 生态系统保护

公司生产经营场所周边无陆地、海洋重点生态功能区、生态保护红线、自然保护地，以及其他具有重要生态功能或生态环境敏感脆弱区域，产品全生命周期未对生态系统、生物物种及其栖息地、生物遗传资源等产生影响，不涉及生态系统保护议题。



## Refining Material Management

Qingshuiyuan deeply understands the crucial role of material utilization in conserving resources and protecting the environment. The Company has established strict and standardized material management processes to improve material utilization rates and promote a transition towards a green, low-carbon, and sustainable circular economy model.

### Material Management System

The Company has developed regulations such as the "Warehouse Management System," clarifying that the Material Management Department is responsible for warehousing, procurement, and information management of supplies. The warehouse is responsible for the storage, inventory management, custody, and safety management of stored materials, as well as the quality inspection of routine materials and the quantity acceptance of all incoming goods.

#### Case Study

##### Raw Material Knowledge Training

On June 19, 2024, the Company organized a raw material knowledge training session for all employees of the Material Department. The training covered the characteristics and technical specifications of major raw materials. Through this training, employees learned and understood the various characteristics and specifications of key raw materials and applied this knowledge to daily safety management, thereby enhancing the storage management capabilities of the warehouse.

Training site photo



#### Key Performance

In 2024, the Company's Material Department organized **10** training sessions, with a total participation of **130** person-times.

### Storage Management

#### Storage Principles

Storage Principles: Materials are stored following principles of rational and safe placement, easy inspection, and first-in-first-out (FIFO). They are categorized and stored according to their properties, characteristics, and uses.

Material Identification: Ensuring accurate and timely warehouse accounts and reports, maintaining consistency between accounts, cards, and physical items. Standardizing the handling of materials during entry and exit, using qualified measuring instruments, and regularly checking and promptly addressing any discrepancies.

#### Incoming Goods

Warehouse managers daily track production status, monitor inventory levels, and develop procurement plans. They strictly process incoming goods based on documentation, rejecting any substandard or incomplete items. They verify purchase orders against physical goods, promptly addressing any issues. Special materials are notified to relevant departments for inspection and recording.

#### Outgoing Goods

The issuance of materials follows the FIFO principle and the principle of pushing old stock out first. Designated personnel from the production department collect materials based on documentation after verifying item information. The warehouse manager issues a document and records the transaction.

### Hazardous Chemicals Management

The Company relies on regulations such as *Laboratory Chemicals Management*, *Management and Safe Use of Chemical Reagents*, and *Security System for Entry and Exit of Hazardous Waste Warehouses* to standardize the management of hazardous chemicals. This includes effective management and monitoring of the procurement, storage, use, and recycling of hazardous chemicals in production and operations, thereby reducing the risks associated with the storage and use of hazardous chemicals.

#### Hazardous Chemicals Procurement Management

- Suppliers of hazardous chemicals must possess the appropriate production or sales qualifications for such chemicals.
- The quantity of hazardous chemicals procured and stored is jointly determined by the procurement officer and the person responsible, with strict prohibition on excessive storage.

#### Hazardous Chemicals Storage Management

- The storage of hazardous chemicals strictly follows the principles of classification, separation, dedicated cabinets, and specialized storage. A list of hazardous chemicals is posted, and storage is managed by personnel who have undergone relevant professional training, with dual-person dual-lock management.

#### Hazardous Chemicals Usage Management

- A usage plan for hazardous chemicals is established, specifying storage time, location, and quantity. Materials are collected as needed, and operators must wear specialized protective gear before handling.

#### Hazardous Chemicals Recycling Management

- The management of hazardous chemicals and their packaging (such as boxes, paper bags, bottles, and drums) is strictly controlled. Residual liquids and cleaning wastewater generated after use are uniformly collected and processed by designated personnel, with detailed records maintained.



# 03

## Elevating Responsibility's Banner, Crafting Shared Success

- Igniting Innovation-driven
- Ensuring Responsible Supply
- Enhancing Product Quality
- Refining Customer Service
- Safeguarding Information Security
- Committing to Social Philanthropy



■ Igniting Innovation-driven

Qingshuiyuan places great emphasis on scientific research and innovation, strengthening the construction of its research team to enhance research efficiency and quality. The Company also focuses on the transformation and application of scientific and technological achievements, contributing to the sustainable and healthy development of the industry. To implement the innovation-driven development strategy and empower the Company's high-quality development, the Company continuously strengthens the construction of its innovation system. Through a scientific and rational innovation and research and development (R&D) system, it stimulates the creativity of R&D personnel and continuously increases investment in scientific and technological R&D and technological innovation, striving to promote the improvement of technical levels and innovation capabilities.

Governance

The Company complies with laws and regulations such as the *Science and Technology Progress Law*, and has established systems such as the *R&D Management System* and the *Research and Development Management System* to ensure the soundness and perfection of the R&D system. It clarifies that the R&D Center is responsible for the management of R&D projects and R&D archives, continuously increasing the intensity of scientific and technological innovation, with a focus on the absorption, digestion, and re-innovation of introduced technological achievements. During the reporting period, the Company introduced one Zhongyuan Scholar, one overseas Ph.D. graduate who returned to the country, and three internationally renowned experts in the water treatment industry as technical consultants. It also hired well-known domestic and international technical experts to serve as technical consultants.

The Company has established the *Innovation Technology Reward Method* and other systems to encourage employees to actively engage in scientific research and technological development activities, promote corporate technological innovation, accelerate the transformation and promotion of scientific and technological achievements, strengthen scientific management of the enterprise, promote technological progress of the enterprise, and improve the business performance of the enterprise.



Research and Development Building

Key Performance

The Company's R&D center has **84** R&D personnel, accounting for **9.07%** of the total number of employees.  
R&D investment reached **11.9413** million yuan, representing **1.09%** of the Company's operating revenue.

Strategy

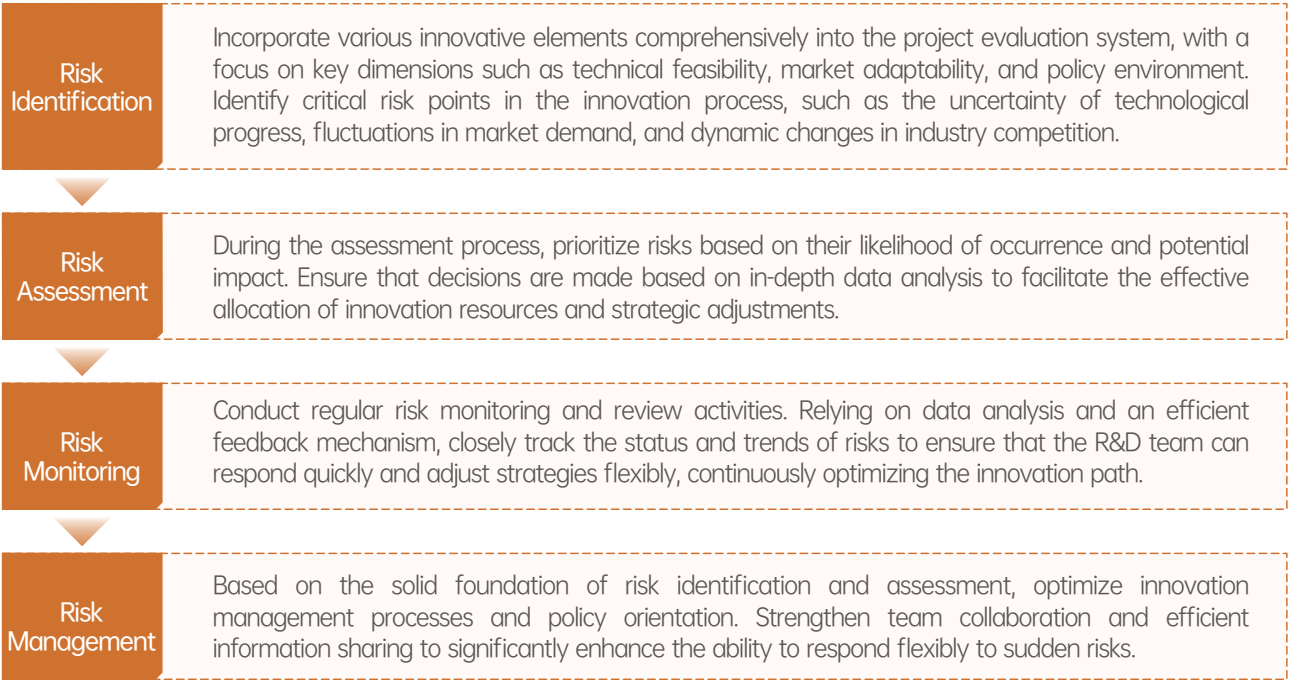
The Company actively implements an innovation-driven strategy, thoroughly assessing R&D risks and market opportunities. It develops measures to address technical bottlenecks and market demands, aiming to accelerate technological iteration and the transformation of achievements. This ensures product leadership and continuously enhances market competitiveness.

Risk/ Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Technol ogy Risk	Insufficient R&D or process defects affecting product quality and safety	Insufficient R&D or process defects affecting product quality and safety	Medium to long-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Enhance the Company's R&amp;D capabilities to ensure a leading position in new technology fields. This includes increasing R&amp;D investment, attracting and cultivating high-quality R&amp;D personnel, and establishing an efficient R&amp;D system.</li><li>○ Actively seek cooperation with domestic and international research institutions, universities, and peers. Through methods such as technology introduction and joint research and development, reduce the difficulty and risk of technology development.</li></ul>
	Market Risk	Intense market competition and rapid changes in demand	Decreased revenue and profit	Short- term	High	High	<ul style="list-style-type: none"><li>○ Conduct thorough market research in the early stages of technological innovation to understand market demands, competitive landscape, and consumer preferences, ensuring that innovation projects meet market needs.</li><li>○ Adjust product pricing and marketing strategies in a timely manner according to market changes to improve market responsiveness and flexibility.</li><li>○ Expand market share through multi-channel sales both online and offline, reducing the risk of reliance on a single market.</li></ul>

Risk/ Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Policy and Legal Risk	Changes in laws, regulations, and regulatory policies	Fines, compensation, and affected financing	Medium -term	Medium	Medium	<ul style="list-style-type: none"><li>○ Closely monitor changes in national and local policies and regulations. Strengthen the learning and training of laws and regulations to ensure that the Company's business activities are legal and compliant.</li><li>○ Hire a professional legal advisory team to provide legal consultation and support for the Company, reducing legal risks.</li><li>○ Adjust the Company's strategy and business model in a timely manner according to policy changes to ensure stable development within the policy environment.</li></ul>
	Reput ation Risk	Issues related to product quality, safety, environmental protection, and social responsibility	Decreased sales, market share, and brand value	Long- term	Low	Low	<ul style="list-style-type: none"><li>○ Establish an intellectual property monitoring mechanism to detect and address infringement in a timely manner, safeguarding the Company's legitimate rights and reputation.</li><li>○ Conduct a comprehensive technical feasibility assessment before initiating technological innovation projects to ensure the feasibility of the chosen technical path and to fully anticipate potential technical challenges.</li><li>○ Establish a strict technology quality management system to ensure that every link in the R&amp;D process meets quality standards, reducing the risk of reputation damage due to technical defects.</li></ul>
Opportunity	Technol ogical Breakth roughs and Market Leaders hip	Technological leadership and significant innovation achievements, which help expand the domestic and international markets and consolidate the Company's leading position in the industry	Increased revenue and decreased costs	Long- term	High	High	<ul style="list-style-type: none"><li>○ Continue to increase investment in technological innovation to enhance the Company's R&amp;D capabilities and technical level, in order to cope with increasingly fierce market competition and changing policy environments.</li><li>○ Actively explore new business areas and markets, such as military and security, to expand the Company's business scope and sources of income.</li><li>○ Strengthen talent introduction and cultivation to build a high-quality, professional team of technical and management personnel, providing a talent guarantee for the Company's sustainable development.</li></ul>

Impact, Risk, and Opportunity Management

Relying on scientific risk identification, precise assessment, rigorous monitoring, and efficient management strategies, the Company ensures a stable and robust path for R&D and innovation. It effectively mitigates potential risks, stimulates the vitality of technological innovation, and enhances its competitive advantages in the market.



Indicators and targets

Target Setting

The Company will continue to increase R&D investment and team building in the future, enhancing service capabilities and market competitiveness.

Key Performance

In 2024, the Company obtained **15** utility model patents and **8** software copyrights. Applied for and under review: **14** invention patents, **16** utility model patents, and **4** software copyrights. Currently holds: **25** invention patents, **123** utility models, **3** design patents, and **35** software copyrights.

During the reporting period, the Company was authorized as one of the **34** enterprises in the materials category under the Henan Province "Meiyu Premium Products" program; it was honored as one of the "Top **100** Strategic Emerging Industry Enterprises in Henan Province"; it received the "First Prize for Technological Invention from the Henan Chemical Industry Society"; **8** scientific and technical workers were awarded the "First Prize for Technological Invention from the Henan Chemical Industry Society"; and its subsidiary Shuiyunzong was recognized as a "2024 Henan Province Digital Service Provider in Manufacturing."



## Innovation Platform Construction

The Company possesses a complete R&D, design, production, and engineering support system, with comprehensive research and analysis capabilities ranging from macro-level physicochemical indicators of pollutants to their microscopic composition, such as molecules and ions. The Company has been recognized as the Henan Province Enterprise Technology Center, Henan Province Water Treatment Agent Engineering Technology Research Center, Henan Province International Joint Laboratory for Smart Water Treatment Systems, and 8th Henan Province Postdoctoral Innovation Practice Base. It has also jointly established the Qingshuiyuan-Zhengzhou University Ecological Environment Research Institute with Zhengzhou University.



Approval for the Establishment of a Postdoctoral Innovation Practice Base



Scientific Research Equipment

## Technological Cooperation Projects

The Company focuses on the cultivation of young scientific researchers, providing platforms to promote their rapid growth. During the reporting period, the Company organized four large-scale academic exchange meetings, established a long-term cooperation with ChemTreat, the second-largest water utility in the United States, and conducted more than ten technical exchanges with research institutions and enterprises from multiple countries and regions. In terms of university-enterprise cooperation, the Company co-founded the "Qingshuiyuan - Zhengzhou University Institute of Ecology and Environment" with Zhengzhou University, developing seven R&D projects around water treatment agents and intelligent applications, with a total funding of 1.39 million yuan. It also collaborated with the University of Science and Technology to develop three projects for process improvement of polymer products, with a total funding of 600,000 yuan, and with the Chinese Academy of Sciences to develop coking wastewater treatment technology, with a total funding of 1.21 million yuan.



Signing Ceremony for the Joint Construction of the Soil Pollution Prevention and Ecological



Inauguration of the Qingshuiyuan-Zhengzhou University Ecological Environment Research Institute

## Research and Development Achievements

The Company has conducted multiple research projects in the field of water treatment, with the following representative achievements:

### R&D Achievement 1: Development and Application of Tracer-Based Water Treatment Agents

Through systematic research on the impact of molecular structure on product stability under complex water treatment conditions, the Company has developed a series of fluorescent low-phosphorus/no-phosphorus water treatment agents. In particular, the effective combination of no-phosphorus biodegradable water treatment agents with fluorescent tracing has achieved the first industrial application of fluorescent tracing water treatment agents in China. This addresses the issues of single functionality, poor stability, and difficulty in online monitoring of existing industrial circulating water treatment agents in the market. Combined with a matching sensor, it enables real-time, accurate monitoring of water treatment agent concentration, reducing detection time from 1 hour per test to 3-5 seconds per test. The project has been evaluated as a scientific and technological achievement, with experts considering it "highly innovative and reaching an internationally advanced level."

### R&D Achievement 2: Development of Multi-Functional New Water Treatment Agents

The Company has developed an all-in-one no-phosphorus water treatment agent that effectively inhibits various types of inorganic salt scale and exhibits excellent dispersion properties. With a lower cost than existing market products, it promotes the innovation of the next generation of water treatment agents for circulating water systems.

## Intellectual Property Protection

The Company places great emphasis on intellectual property protection in R&D projects and business operations. It has established the *Intellectual Property Management System*, covering management structure, protection requirements, transformation processes, and evaluation systems, building a comprehensive intellectual property management framework.

The Company promptly applies for and registers domestic and international patents, software copyrights, and other intellectual property rights to ensure legal protection for its innovative achievements. Additionally, through enhanced interdepartmental collaboration and cooperation with external research institutions and intermediary services, the Company conducts thorough intellectual property due diligence to reduce the risk of infringing on others' intellectual property rights, ensuring the compliance and stable development of the Company's business.

## Scientific and Technological Ethics

The Company's business attributes are not directly related to cutting-edge technology fields such as artificial intelligence and life sciences, and it does not currently involve any issues related to scientific and technological ethics.

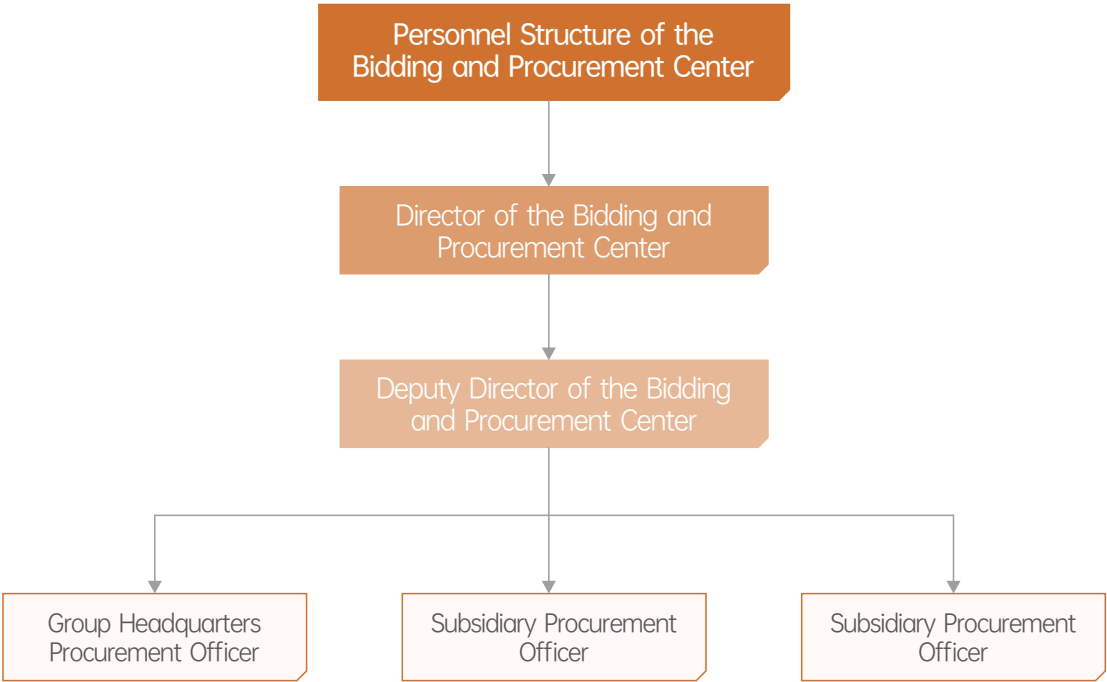
Ensuring Responsible Supply

Qingshuiyuan places great emphasis on supply chain management and actively constructs a digital platform to achieve full visibility of the supply chain. The Company strictly controls supplier admission to ensure the quality of supplier cooperation. Adhering to the concept of transparent procurement, Qingshuiyuan is committed to creating a fair and transparent procurement environment.

Governance

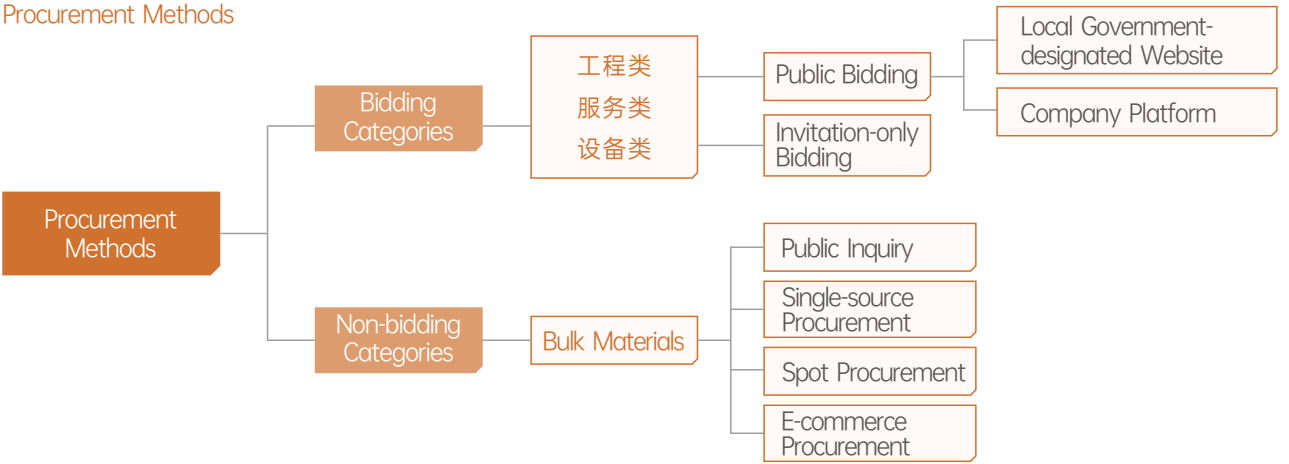
The Company is dedicated to improving the supplier management system by establishing regulations such as the *Supplier Management System*, *Procurement Management System*, and *Bidding Management System*. It has set up a Bidding and Procurement Center to manage and supervise all bidding and procurement activities within the Company. A comprehensive bidding and procurement organizational structure has been built around this center to ensure stable and reliable long-term cooperation with suppliers.

Bidding and Procurement Center Organizational Structure



The Company adopts various procurement methods to meet different needs, ensuring flexible and efficient procurement processes.

Procurement Methods



During the reporting period, the Company's Procurement Department utilized the Qingshuiyuan Cloud Classroom platform to conduct a series of training sessions for the procurement system. The content covered transparent procurement, supply chain ecosystem, supply chain diagnosis and upgrade, supplier evaluation, procurement risk, and other topics. This training effectively enhanced the professional theoretical knowledge and practical skills of procurement personnel.

Strategy

The Company conducts in-depth analysis and assessment of supply chain risks and opportunities, closely monitoring fluctuations in raw material prices and risks associated with storage and transportation. It implements effective measures to address these challenges and explores opportunities for transformation and upgrading in practice, aiming to achieve sustainable and healthy development of the supply chain.

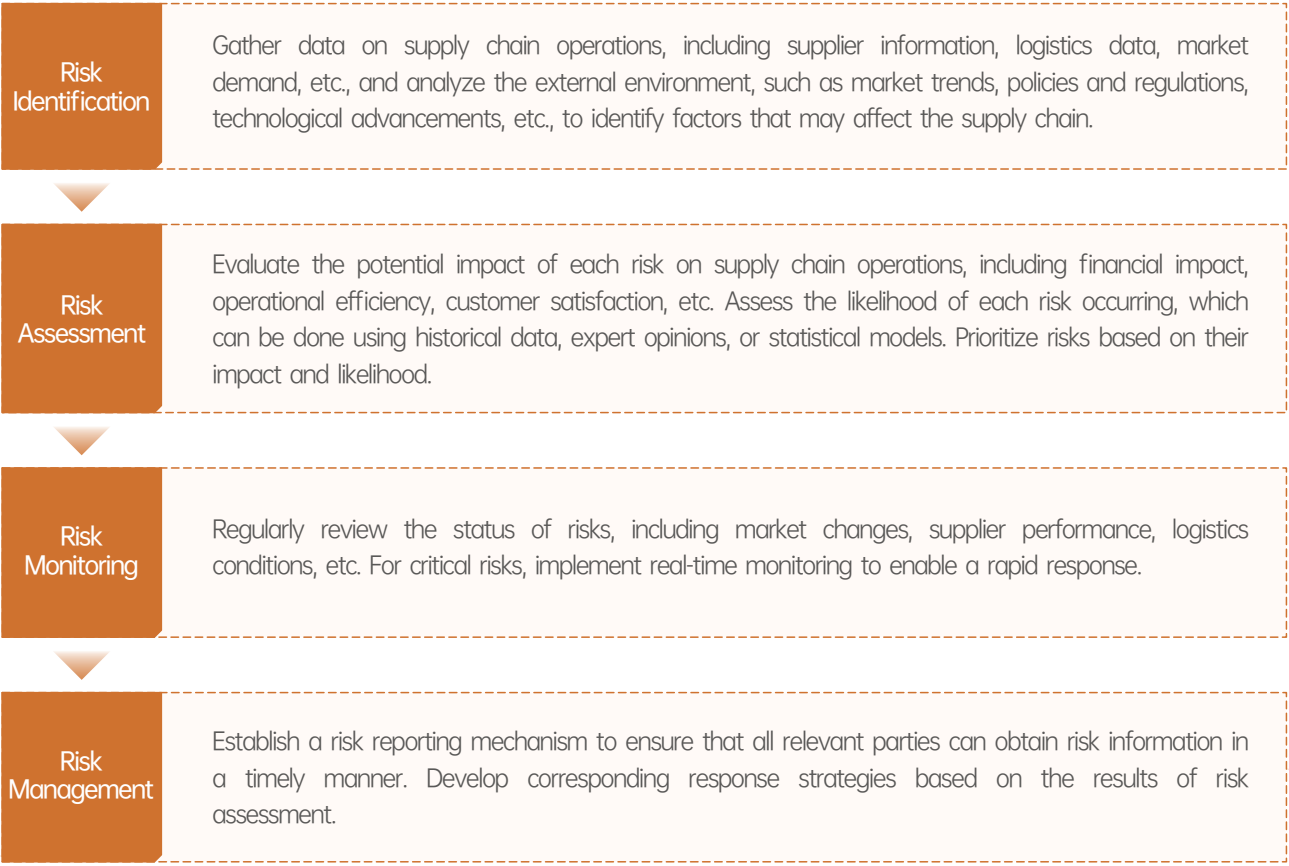
Risk/ Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Raw Material Price Fluctuati ons	Some of the Company's raw materials are significantly affected by environmental policies, and the prices of major raw materials fluctuate greatly.	Profit margins are squeezed, and there is a risk of declining gross profit margins	Medium to long-term	High	High	<ul style="list-style-type: none"><li>Strengthen long-term cooperation with high-quality customers and seek new qualified suppliers.</li><li>Adjust procurement strategies based on raw material prices.</li><li>Improve production processes and enhance cost control.</li></ul>
	Raw Material Storage and Transpor tation	Some of the Company's raw materials are flammable, explosive, corrosive, or toxic, requiring special storage and transportation conditions.	Increased costs for storage and transportation, and higher risk of safety accidents	Long- term	High	High	<ul style="list-style-type: none"><li>Equip with comprehensive safety measures and establish early warning and emergency response mechanisms for accidents.</li><li>Closely monitor industry policies, develop scientific preventive measures, and enhance employee safety awareness.</li></ul>



Risk/ Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Opportunity	Digital Transfor- mation of the Supply Chain	Digital transformation supports the Company in building a more flexible supply chain, improving procurement efficiency and transparency.	Reduced supply chain management costs	Long-term	High	High	○ Improve the supply chain access process and standardize supplier admission and evaluation procedures.
	Product Upgrades	Focus on technological research and development to upgrade products and reduce raw material costs.	Enhanced core market competitiveness of the Company	Long-term	Medium to high	High	○ Improve the layout of the upstream and downstream industrial chains. ○ Diversify the Company's product range.

Impact, Risk, and Opportunity Management

Relying on its supply chain risk identification system, the Company effectively identifies potential risks such as supply disruptions, logistics impediments, and cost fluctuations. By quantitatively assessing the impact of these risks and using monitoring to dynamically track them, the Company enhances the resilience and flexibility of its supply chain, thereby laying a solid foundation for its stable operation.



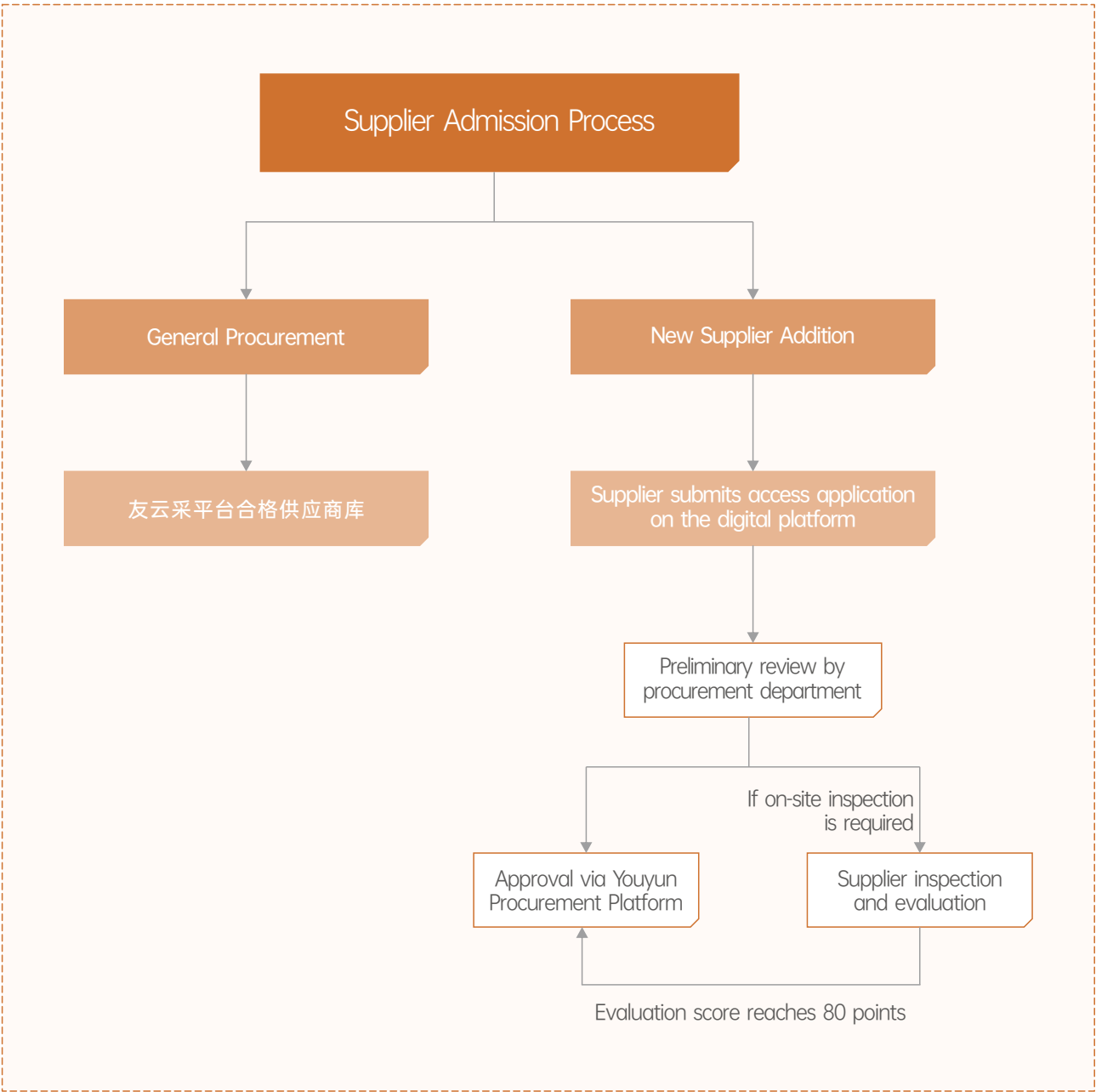
Indicators and targets

Key Performance		
Indicator	Unit	2024
Number of Suppliers by Region		
Total Number of Suppliers	Count	585
Supplier Review		
Number of Suppliers with Quality Management System Certification	Count	58
Number of Suppliers with Environmental Management System Certification	Count	58
Number of Suppliers with Occupational Health and Safety Management System Certification	Count	58
Number of Suppliers Suspended for Non-compliance	Count	0
Number of Potential Suppliers Rejected for Non-compliance	Count	0
Local Supplier Performance		
Ratio of Purchases from Local Suppliers	%	45
Procurement Training		
Duration of Procurement Training	Hours	17
Transparent Procurement		
Rate of Integrity Commitment Letters Signed	%	100

Supplier Admission

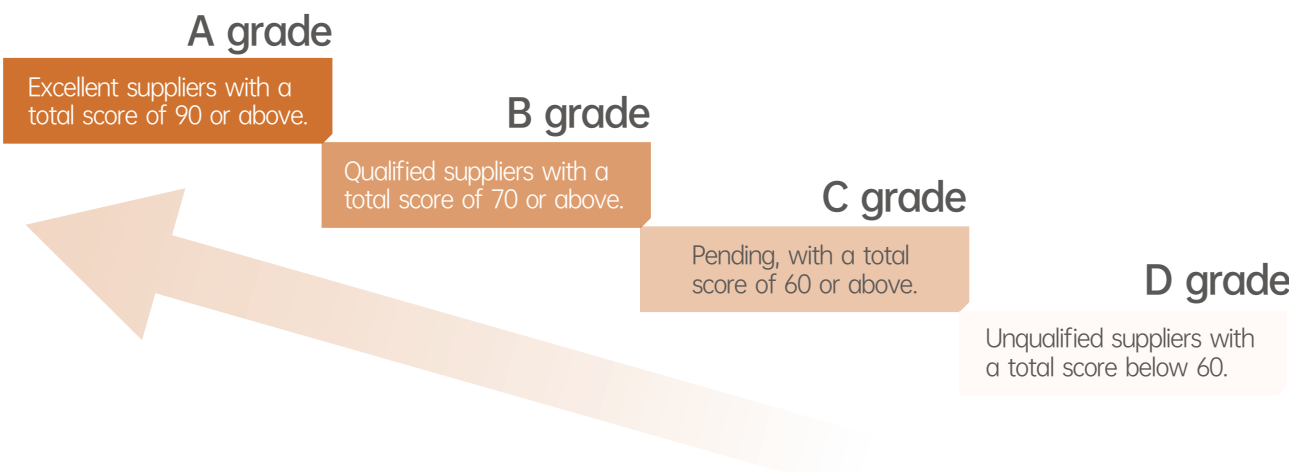
The Company has clearly defined supplier admission requirements and processes. Suppliers that have been registered for less than three years or are on the blacklist are not allowed to be admitted again. If there are changes to suppliers in the qualified supplier database, they must follow the new supplier admission process.

Supplier Admission Process



Supplier Review

The Company's Bidding and Procurement Center and the procurement departments of its subsidiaries conduct annual reviews and ratings of suppliers. The review includes aspects such as qualification certificates, product prices, delivery timeliness, and product quality.



A and B grade suppliers can participate in group purchases without review within one year. D grade suppliers are prohibited from participating in group bidding for two years and must be re-evaluated after the period. Suppliers who win bids through the bidding committee's review and negotiation can become strategic cooperation suppliers and sign individual contracts at the agreed prices within the agreement period.

Supplier ESG Management

The Company values suppliers' achievements in ESG management and prioritizes cooperation with suppliers that have obtained certifications in environmental, quality, or occupational health systems. Together, they create a sustainable business ecosystem, promoting the Company's supply chain to steadily move towards being green, efficient, and safe.

Transparent Procurement

To regulate the behavior of procurement personnel, ensure clean and efficient procurement, and eliminate commercial bribery, the Company has established the *Integrity Cooperation Agreement* and *Integrity Self-discipline Management Standards*. All procurement personnel have signed integrity commitment letters.

Digital Empowerment

The Company uses a digital procurement platform, which, through full-process management, supplier resource integration, and digital collaboration, helps the Company achieve efficient and standardized digital procurement, thereby enhancing overall operational efficiency and economic benefits.



Enhancing Product Quality

Qingshuiyuan strictly guards product quality, strictly controls the entire process, including raw material inspection upon arrival, process quality control, and product inspection management, to produce high-quality products in accordance with high standards and shape an excellent brand.

Quality Management System

The Company has established a comprehensive quality management system, with a Quality Technology Department and Testing Center. It has developed a series of internal management systems, such as the *Product Inspection Management System*, *Nonconforming Product Disposal Management System*, and *Raw Material Inspection Management System*. These systems clarify the inspection processes, methods, and standards for products throughout their entire life cycle. The Company strictly controls the quality of raw materials to ensure product quality from the source and continuously improve quality management levels.

The Company and its subsidiaries have obtained ISO 90001 quality management system certification, with a certification coverage rate of 100%. The main water treatment agents have also obtained NSF certification and EU REACH certification registration.



Ande Technology ISO 90001  
Quality Management System  
Certification Certificate



Shuiyunzhong ISO 90001  
Quality Management System  
Certification Certificate



Qingshuiyuan ISO 90001  
Quality Management System  
Certification Certificate



Qingshuiyuan (Shanghai) ISO 90001  
Quality Management System  
Certification Certificate



Tongsheng Environment ISO 90001  
Quality Management System  
Certification Certificate



Qingyuan Water Treatment ISO 90001  
Quality Management System Certification  
Certificate (Please provide a clearer version)

Product Inspection Management

To ensure that product quality meets corresponding national, industry, or corporate standards, the Company clarifies inspection methods, inspection items, and testing equipment, and implements monitoring and measurement for the inspection of kettle products and finished products.

Key Performance

Product Qualification Rate: **100%**, Spot Check Qualification Rate: **100%**.

Nonconforming Product Disposal Management

To ensure that product quality meets specified requirements and to prevent the unintended use and delivery of nonconforming products, the Company clarifies the responsibilities of corresponding departments:

- Quality Technology Department: Reviews and disposes of nonconforming products.
- Material Department: Identifies, isolates, and disposes of nonconforming purchased products.
- Production Department: Identifies, isolates, reviews, and disposes of nonconforming products generated during the production process.
- Sales Department: Assists with the disposal of nonconforming products after they leave the factory.

Process Quality Management

To strengthen the process management of products during production and ensure that product quality meets requirements, the Company's Quality Technology Department, Production Department, and workshops jointly manage quality and regularly conduct process system assessments.

- Enterprise Management Office: Organizes annual quality procedure audits.
- Production Department: Regularly checks workshop process records on a monthly basis.
- Workshops: Report various indicators daily.

Raw Material Inspection Upon Arrival

The Company's Testing Center uses full inspection, sampling inspection, and exemption inspection methods to check whether the quality of raw materials and auxiliary materials used for production meets the Company's procurement requirements.

- Full Inspection: For raw materials with small quantities, high value, no allowance for nonconforming materials, or materials designated by the Company for full inspection.
- Sampling Inspection: For materials with average quantities and those used frequently.
- Exemption Inspection: For suppliers with long-term cooperation and consistently listed in the qualified supplier directory.

Refining Customer Service

Qingshuiyuan is dedicated to creating an exceptional customer service experience, responding quickly to customer complaints through multiple communication channels. The Company has obtained certification for after-sales service, adhering to professional standards in serving its customers. Additionally, Qingshuiyuan has established a product recall mechanism and regularly conducts customer satisfaction surveys, prioritizing customer needs and safeguarding their rights.

Customer Service System

Adhering to a customer-centric philosophy, the Company has designated the Sales Department as the primary responsible unit for after-sales service. It has developed systems such as the *Customer Service System* and *Customer Health, Safety, and Product Recall Procedures* to standardize service processes and clarify service standards. The Company also regularly organizes customer training sessions to enhance the professional service capabilities of its team and continuously improve customer satisfaction. Ante Technology has received a five-star certification for after-sales service.

Ante Technology has received a five-star certification for after-sales service.

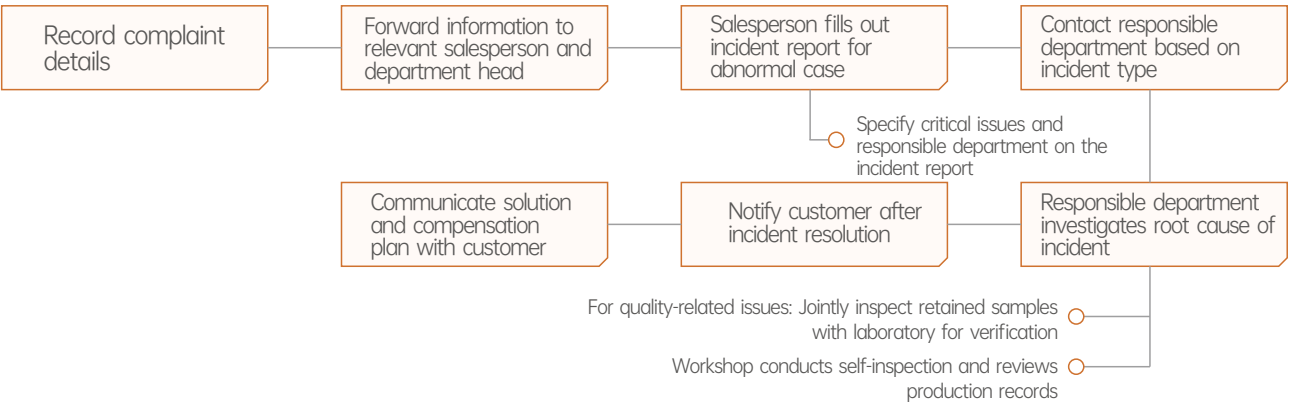


Ante Technology Five-Star After-Sales Service Certification Certificate

Customer Complaint Response Mechanism

The Sales Department is responsible for identifying and assessing health and safety impacts during product use. Upon receiving customer complaints, it responds promptly according to established procedures.

Customer Complaint Response Mechanism



Customer Communication Channels

The Company actively listens to customer feedback through various forms and channels.

Customer Communication Channels

Customer Complaint Hotline: 0086-0391-6082211      Customer Complaint Email: sales@qywt.com.cn



Case Study

2024 Summer Tai Chi Camp Activity

In August 2024, to express gratitude for the long-term support and assistance from customers, the Company organized the "2024 Summer Tai Chi Camp" activity. It invited experienced Tai Chi instructors to provide teaching for customers and their children, fostering a healthy corporate culture brand.

Summer Tai Chi Camp Activity



Product Recall Mechanism

If a product issue seriously endangers health and safety, the Company will immediately recall and inspect the product for confirmation. The General Manager is responsible for forming a product recall working group, with personnel from the Marketing Department, Supervision Department, Procurement Department, and other relevant departments cooperating in the process. If the issue is determined to be the Company's responsibility, technical staff will be organized to improve the process, develop preventive and corrective measures, and conduct a comprehensive review of the production process to prevent similar issues from recurring. Additionally, the product recall team organizes recall drills annually to ensure the timeliness and effectiveness of the recall procedures.



Customer Satisfaction Survey

The Company consistently prioritizes enhancing customer satisfaction as its service goal, continuously improving the service experience for customers. For different categories of customers, the Company regularly conducts surveys using customer satisfaction questionnaires, considering a response rate of 70% as effective. The Company follows up with customers who express "average," "somewhat dissatisfied," "dissatisfied," or "unable to assess" satisfaction levels, filling out customer follow-up survey forms.

During the reporting period, over 64% of customers provided feedback requesting price support and made demands regarding product types, quality, and new product development. The Company continues to explore the deeper needs of its customers.

Key Performance

Indicator	Unit	2024
Customer Service Training and Assessment		
Number of Customer Complaints	Times	5
客户投诉解决率	%	100
Customer Satisfaction		
Number of Customers Participating in Surveys	Persons	70
Proportion of Customers Participating in Surveys	%	28.81
Number of Valid Customer Satisfaction Survey Questionnaires Distributed	questionnaire	61
Customer Satisfaction Rate	%	96.06

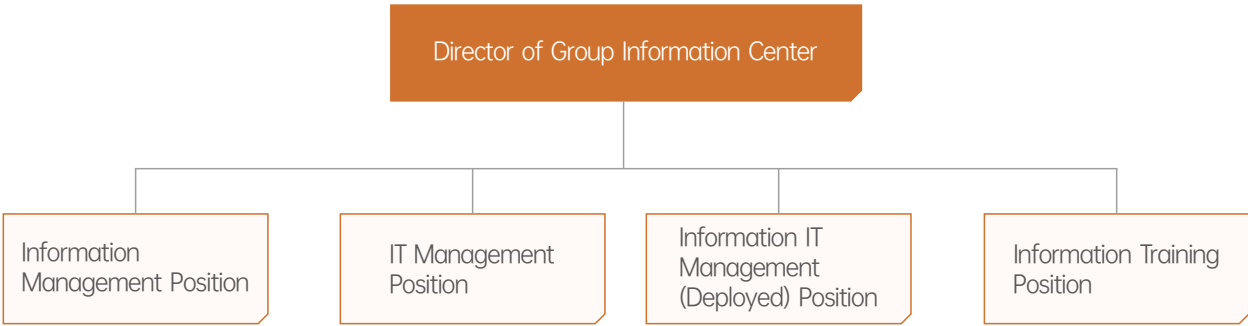
Safeguarding Information Security

Qingshuiyuan strictly guards against the risk of information leakage, comprehensively protects corporate information security, and lays a solid foundation for the sustainable development of information security.

Information Security System

To strengthen information management and ensure the security of information systems and servers, the Company complies with laws and regulations such as the *Data Security Law of the People's Republic of China*. It has established internal regulations including the *Information Management System*, *Information Security System*, and *Computer Equipment Management System*. These regulations form an information security management mechanism that covers the entire process from daily management to emergency response. The Information Center is responsible for the Company's information security management and conducts regular supervision and inspection of information security planning and implementation to maintain the Company's information security and protect customer privacy.

Information Center Organizational Structure



Key Performance

Number of Data Security Incidents: 0 Number of Customer Privacy Breach Incidents: 0

Information Security Management

The Company implements a strict information release review system to ensure that the information published is true and legal. It also provides information system security and confidentiality training for employees in key positions of important systems. Additionally, the Company deploys firewalls, routers, and intrusion detection devices to enhance network security protection and safeguard information security.

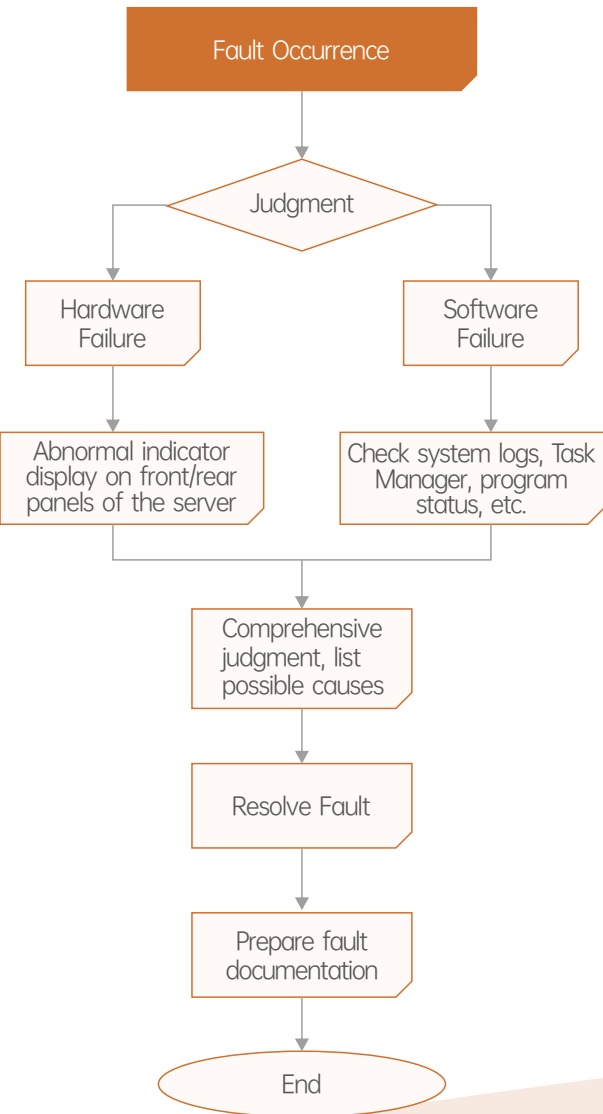
Confidentiality Mechanism

The Company classifies management permissions for information systems based on security levels and applicable users to ensure reasonable allocation and control of permissions. It also conducts rigorous qualification and credit reviews of cooperating professional institutions, and signs service contracts and confidentiality agreements with them.

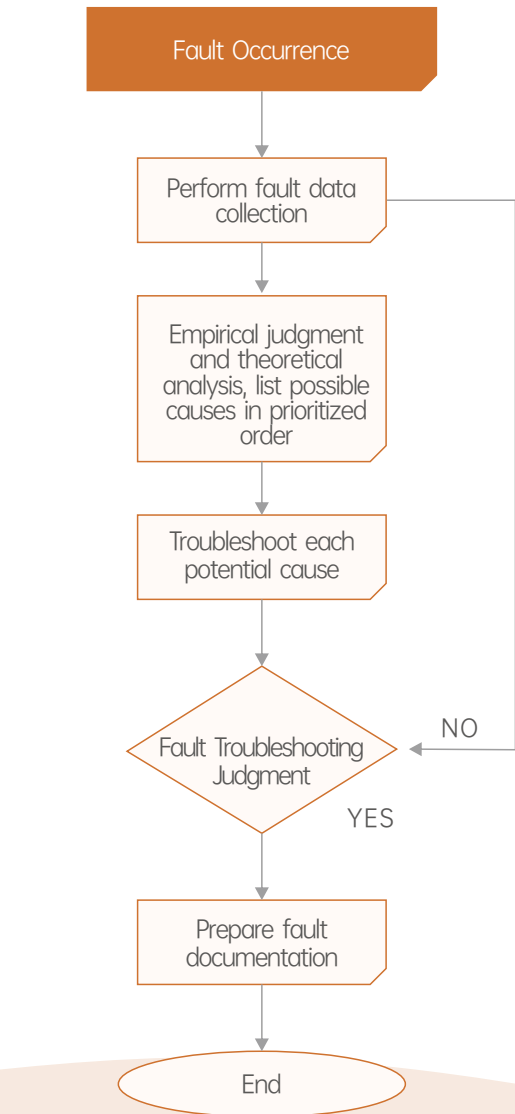
Information Security Emergency Management

To respond to potential sudden incidents in data centers and network information security, and to minimize the damage caused by accidents, the Company has developed an information security emergency response plan and established an emergency response organization. The leader in charge of the Information Center serves as the commander-in-chief of the emergency organization, while the director of the Information Center is the deputy commander. Members of the emergency organization include relevant personnel from the Information Center, power management departments, security management departments, and fire management departments, who work together to handle information security emergencies.

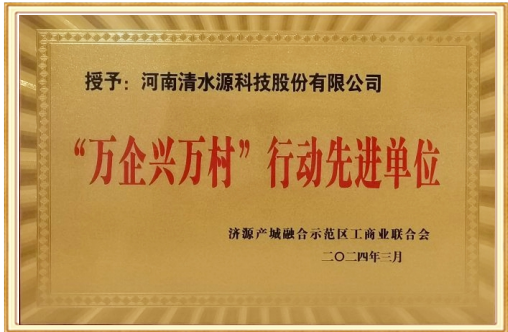
Server and Storage Device Failure Handling Process



Network Device Troubleshooting Process



Committing to Social Philanthropy



Advanced Unit in the "Ten Thousand Enterprises Revitalize Ten Thousand Villages" Initiative

Adhering to the core philosophy of "becoming a century-old enterprise that benefits society and serves the globe," Qingshuiyuan actively participates in social welfare activities. Through concrete actions, the Company gives back to society, supports vulnerable groups, practices its charitable初心, and conveys the spirit of mutual assistance. It is dedicated to transforming the positive energy of social welfare into the Company's profound resources and core competitiveness.

During the reporting period, the Company was honored with the title of "Advanced Unit in the 'Ten Thousand Enterprises Revitalize Ten Thousand Villages' Initiative."

Philanthropy and Charity

Case Study

"Charity One-Day Donation" Fundraising Activity

On September 25, 2024, the Company organized a "Charity One-Day Donation" fundraising activity across its units, actively promoting the traditional Chinese virtues of selfless dedication and helping others. A total of over 170,000 yuan was raised, all of which was donated to the Jiyuan Charity Federation.



Qingshuiyuan Donation Site



Qingyuan Water Treatment Donation Site



Qingshuiyuan (Shanghai) Donation Site



Shuiyunzhong Donation Site



Siweida Donation Site



Jiyuan Charity Federation Donation Certificate



Case Study

Voluntary Blood Donation Campaign

On March 26, 2024, the Company joined forces with the city's blood center to launch a blood donation campaign themed "Voluntary Blood Donation in Action, Gratitude to Society from the Heart," which vividly interpreted the spirit of volunteer service characterized by dedication, friendship, mutual assistance, and progress.

Voluntary Blood Donation Activity



Case Study

Company Employee Donates Hematopoietic Stem Cells

On November 26, 2024, Fan Qingchen, an employee of the Company, successfully donated 180 milliliters of hematopoietic stem cell suspension at the People's Hospital of Henan Province. This act of kindness offered a lifeline to a six-year-old girl suffering from a blood disease, embodying the Company's advocated philosophy of "as long as there is life, keep striving and serve more people."

After the donation, staff from the China Hematopoietic Stem Cell Donor Data Center and the Henan Red Cross Society visited the hospital and presented Fan Qingchen with a certificate of honor.



The Company's "90" young man donated blood stem cells

Education Support

Case Study

Donation to the Henan Province Foundation for the Care of the Next Generation



In October 2024, the Company donated 500,000 yuan to the Henan Province Foundation for the Care of the Next Generation, supporting the development of youth education and injecting new vitality into social harmony and the healthy growth of young people.

Donation Certificate from the Henan Province Foundation for the Care of the Next Generation

Case Study

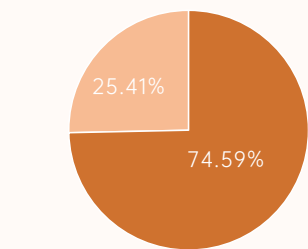
Yan'an University Ante Technology Innovation Award



On June 7, 2024, Ante Technology donated 50,000 yuan to Yan'an University to establish the Ante Technology Innovation Award. This initiative supports the university's educational and scientific research efforts and encourages more social forces to participate in technological innovation, fostering a positive atmosphere for collective progress in science and technology.

Donation Certificate from Yan'an University

Case Study



In 2024, the Company invested **670,400** yuan in philanthropic and charitable activities and participated in **28** volunteer activities.

Philanthropic and Charitable Investments by Sector



# 04

## Harnessing Workforce Power, Fueling Development Momentum

- Strengthening Talent Foundation
- Empowering Career Advancement
- Maintaining Safety Standards





## Strengthening Talent Foundation

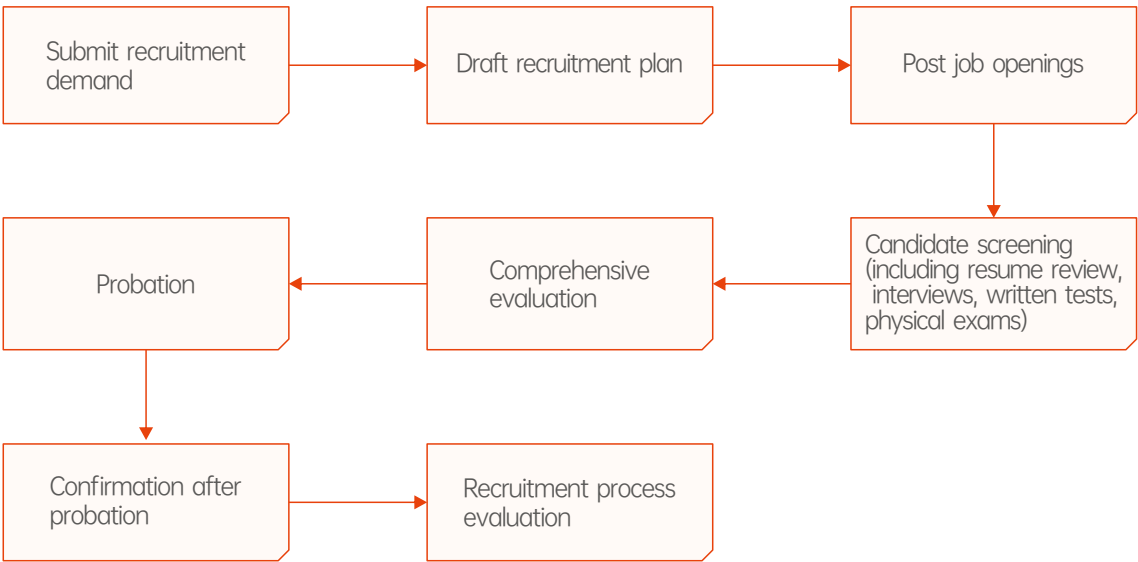
Qingshuiyuan strictly complies with laws and regulations such as the *Civil Code of the People's Republic of China*, the *Labor Law of the People's Republic of China*, and the *Labor Contract Law of the People's Republic of China*. Adhering to the "people-centric" management philosophy, the Company continuously improves human resource management to safeguard employees' legitimate rights and interests, aiming to achieve the goal of "uniting people through corporate values, attracting talent with career opportunities, and selecting professionals based on specialization and vocational standards."

### Recruitment Management

To meet the demands of sustained rapid development, the Company has established a robust human resource management system. It formulated regulations such as the *Recruitment Management System* and the *Employee Relations Management System*, implemented scientific hiring mechanisms, standardized recruitment processes, and conducted recruitment through diversified methods and channels to ensure fairness, equity, and transparency.

Recruitment Methods	Recruitment Channels
Internal Recruitment	Post internal job openings in accordance with the established process.
External Recruitment	Talent agencies
	Headhunters
	Online platforms
	Campus recruitment

#### Recruitment Process



Key Indicator	Baseline Unit	2024
Labor contract signing rate	%	100
Social insurance coverage rate	%	100

Key Indicator/Person	2024
Total employees	862
Employees with disabilities	0
Ethnic minority employees	2
Employees by Region	
Mainland China	862
Hong Kong, Macau, Taiwan	0
Overseas	0
Employees by Gender	
Female	301
Male	561
Employees by Age	
Under 30	98
30-40	390
40-50	236
50 and above	138
Employees by Education	
PhD	2
Master's degree	20
Bachelor's degree	255
College diploma and below	585

Key Indicator/Person	2024
New Hires	
New hires by gender	119
Female	46
Male	73
New hires by recruitment channel	
Social recruitment	119
Campus recruitment	0
Other channels	0

Employee Diversity

During the reporting period, the Company released the *Interview Process Management Method* and the *Policy on Prohibiting the Recruitment of Child Labor and Corrective Measures Procedure*. It firmly opposes and prohibits any form of employment discrimination, including but not limited to discrimination based on gender, age, race, religious beliefs, marital status, family situation, disability, nationality, region, family background, and other factors. The Company aims to attract and retain a diverse range of talents to promote healthy business development.

In addition, the Company regularly organizes training sessions for interviewers, emphasizing the principle of equal employment opportunities and explicitly prohibiting the inquiry or recording of sensitive personal information such as date of birth, family circumstances, religious beliefs, and parents' nationality. This ensures that the privacy rights of applicants are respected.

To strengthen internal supervision and evaluation, the Human Resources Department regularly reviews interview records. The Company also establishes an anonymous complaint channel to encourage applicants to provide feedback on any discriminatory behavior during the recruitment process.

Anti-Child Labor

The Company strictly enforces the *Regulations on the Prohibition of the Use of Child Labor* and complies with the requirements of the SA 8000 Social Responsibility Standard. It does not employ child labor and does not support the employment of child labor by other companies or social organizations. During recruitment, the Company rigorously verifies the identity of applicants.

If child labor is inadvertently employed, the Company must immediately cease the child's employment, report to the local human resources and social security department, and contact the child's parents or legal guardians.

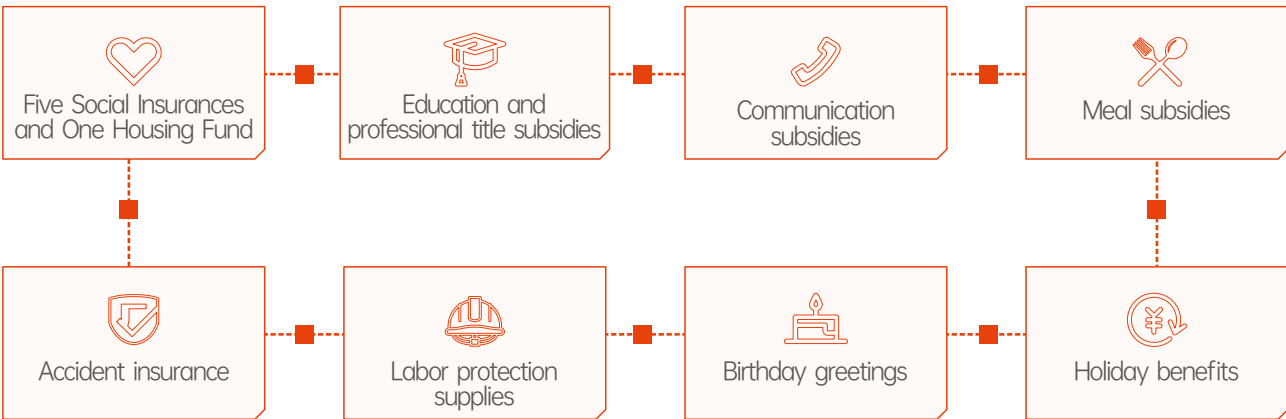
Compensation and Benefits

To effectively motivate and guide employees, the Company has established the Compensation Management Method, creating an efficient compensation incentive and restraint mechanism. It implements four types of compensation models: annual salary system, performance-based wage system, special zone wages, and negotiated wages. These models take into account the nature of the employee's position, performance, capabilities, and other factors to objectively evaluate the employee's value creation and historical contributions. The Company adheres to the principle of prioritizing performance while ensuring fairness in value distribution, ensuring that employees receive reasonable remuneration.

Compensation Model	Components	适用人员
Annual Salary System	Base annual salary + Performance-based annual salary + Excess reward + Allowances + Benefits	Senior management personnel
Performance-based Wage System	Position-based wage + Seniority wage + Performance-based wage + Year-end bonus + Allowances + Special rewards	Administrative and R&D positions
Special Zone Wages	Fixed wage + Performance-based wage + Allowances + Benefits	Personnel who have made significant contributions to the Company, rare talents in the market, or retired and rehired personnel
Negotiated Wages	As agreed in the contract	Scarce professional personnel

In addition, the Company has established a comprehensive welfare system to achieve common development between the Company and its employees.

Benefits System





Democratic Management

The Company has established diversified internal communication channels to provide employees with an open and inclusive exchange environment, enhancing their sense of belonging.



The Company strictly implements legal requirements such as the *Trade Union Law of the People's Republic of China* and the *Regulations on Employees' Congresses of Enterprises*. It has established an Employees' Congress system to standardize democratic management and supervision mechanisms, ensuring employees' legitimate rights to information and participation. During the reporting period, the Employees' Congress reviewed and approved X items, with 95% of employees being union members.

Additionally, the Company formulated the *Factory Affairs Disclosure System*, establishing a Factory Affairs Disclosure Working Group and a Factory Affairs Supervision Group to fully engage employees in corporate governance and strengthen the foundation of democratic management.

Organization	Primary Responsibilities
Factory Affairs Disclosure Working Group	Responsible for handling the specific matters of factory affairs disclosure and proposing solutions.
Factory Affairs Supervision Group	Oversees the timeliness and authenticity of the disclosed factory affairs content, ensuring that employee feedback is addressed.

The Company established a Labor Dispute Mediation Committee responsible for mediating employee labor disputes and conflicts, fostering harmonious labor relations. During the reporting period, no labor disputes or conflicts occurred.

Employee Satisfaction

The Company actively listens to employees' voices by regularly conducting employee satisfaction surveys through questionnaires. This helps the Company gain a comprehensive understanding of employees' needs and expectations, providing a basis for developing management strategies that better meet the actual needs of employees.



Labor Dispute Mediation Committee

Employee Grievances

If employees do not accept work arrangements, dispute assessment results, or disagree with their superiors' handling of issues, they may first lodge a complaint with their immediate supervisor. If the issue is not resolved within three days, employees may escalate the complaint to a higher-level supervisor or directly to the head of the Human Resources Department. The Human Resources Department is responsible for resolving the complaint within three days.

If employees are not satisfied with the Human Resources Department's handling of the issue, they may request a review from the Vice President in charge of Human Resources. The Vice President has the responsibility to re-examine the situation and provide a handling opinion within one week.

Employee Care

Health Check-ups	The Company regularly organizes free health check-ups for all employees to monitor and ensure their physical well-being, and to enhance employees' health awareness.
Mental Health	The Company periodically offers psychological training courses to alleviate potential psychological stress among employees.
Support for Employees in Difficulty	When employees or their families encounter significant hardships, the Company extends care and provides varying levels of material assistance.  Qingyuan Water Treatment Cares for Employees in Difficulty      Qingyuan Water Treatment Cares for Retired Employees

Employee Activities

The Human Resources Department periodically organizes various activity groups, such as table tennis, yoga, and erhu groups. These activities aim to strengthen connections between employees and departments, foster friendships, create a healthy and positive work atmosphere, and promote a spirit of active cooperation within teams.

Case Study

Summary and Exchange Event for the Third Year of Tai Chi Fitness

On July 21, 2024, the Company held a summary and exchange event for the third year of its Tai Chi fitness program. The event was attended by guests, representatives from friendly organizations, Tai Chi instructors, and over a hundred Tai Chi enthusiasts from the Company.

The Company has been conducting Tai Chi fitness activities for three consecutive years to promote employees' physical health and deepen their understanding and appreciation of traditional Chinese culture, thereby enriching the Company's cultural heritage.



Special guests awarded certificates to the top 10 attendees of the three-year Tai Chi fitness program



"Laojia Yilu" (Chen-style Tai Chi First Routine) Demonstration

Empowering Career Advancement

Qingshuiyuan has established a comprehensive career development and training system to holistically enhance employees' overall competencies, unlock their potential, and support them in gradually achieving career goals, realizing a win-win synergy between personal growth and corporate objectives.

Career Development

To promote employees' career progression, the Company formulated the *Career Development Management System*, offering dual career pathways in Management Sequences and Non-Management Sequences. This supports vertical and horizontal development, encouraging employees to excel across diverse professional directions.

Furthermore, to broaden career development opportunities, the Company adopts a "Five Levels and Three Tiers" System for professional competency grading: within the same specialized role, employees are classified into five levels based on capability, and each level is further divided into three tiers.

Career Development Pathways



Training System

The Company prioritizes employee growth and development, establishing systems such as the *Training Management System* and *Interim Regulations on Internal Trainer Management*. A well-structured training framework with clear classifications and hierarchies has been implemented. By combining internal mentorship and external instructors, the Company enhances job-specific skills and professional competencies through diverse teaching methods. A scientific training effectiveness evaluation mechanism ensures continuous optimization of content and delivery based on feedback, guaranteeing training efficacy.

Training Type	Content
New Employee Training	New employees must undergo at least 2 days of pre-job training and pass assessments before starting work.
Job Transfer Training	When employees switch roles internally, the new department head provides role-specific knowledge and skill training. Employees must pass assessments before assuming the new position.
On-the-Job Training	Role-specific skill training, professional knowledge training, general competency training

Case Study

Professional Skills Training



In May 2024, Shuiyunzhong conducted a 2-day professional skills training session, with over 20 employees from production, maintenance, technical, and sales departments participating.

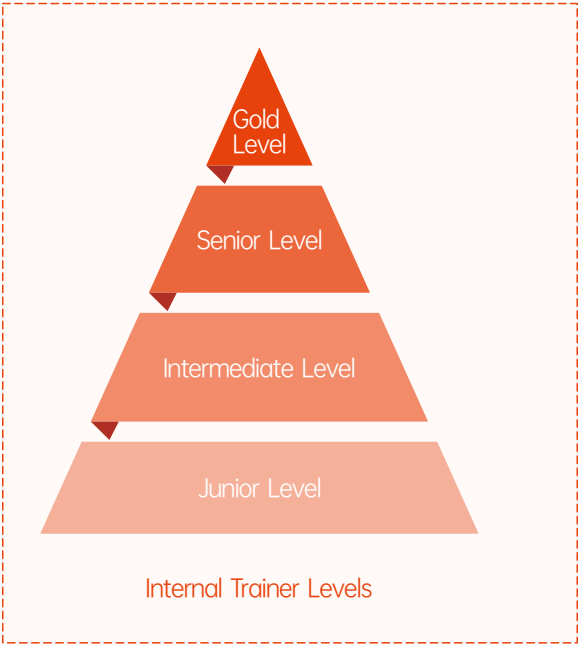
Shuiyunzhong Professional Skills Training



Internal Trainers

To effectively develop and utilize internal training resources within the Company and establish a sustainable talent cultivation mechanism, the Company adheres to the principles of "fairness and voluntariness, value reflection, and growth for mutual benefit." It has established a comprehensive internal trainer system, encouraging knowledgeable employees to serve as internal trainers to promote corporate culture and the creation of a learning organization.

The Human Resources Department organizes an annual evaluation of internal trainers' positions, and based on the evaluation results, promotes, demotes, or dismisses them. The Company also establishes quarterly and annual awards for "Gold Medal Trainers" and "Gold Medal Courses," providing corresponding economic incentives and issuing certificates of honor to the winners and their courses.



Maintaining Safety Standards

Qingshuiyuan strictly complies with laws and regulations such as the *Occupational Disease Prevention and Control Law of the People's Republic of China* and the *Work Safety Law of the People's Republic of China*. Adhering to the principle of "Safety First, Prevention Primary, Comprehensive Management", the Company integrates high-quality development with high-level safety, strengthens the defense line of production safety, and strives to achieve long-term stability in workplace safety.

Governance

The Company has established systems including the *Compilation of Occupational Health and Safety Systems* and the *Hazard Identification, Risk Assessment and Control Procedures*. It designates the Safety Department as the primary responsible unit, reinforces the accountability system for production safety, incorporates safety management into performance evaluations, and continuously enhances the dual prevention mechanism to safeguard employees' occupational health.

The Company and its subsidiaries have obtained ISO 45001 Occupational Health and Safety Management System certification, achieving a system certification coverage rate of 100%.



Qingshuiyuan (Shanghai) ISO 45001 Occupational Health and Safety Management System Certification



Qingyuan Water Treatment ISO 45001 Occupational Health and Safety Management System Certification



Shuiyunzong ISO 45001 Occupational Health and Safety Management System Certification



Ande Technology ISO 45001 Occupational Health and Safety Management System Certification

Case Study

Siweida Specialized Training on Production Safety

During the reporting period, Siweida conducted several specialized training sessions on production safety. The content covered the interpretation of safety policies, analysis of accident cases, and the construction of a safety culture. These trainings were aimed at further enhancing the safety responsibility awareness of all employees, ensuring the safety and health of the working environment, and providing a solid guarantee for the Company's stable development.

Siweida Specialized Training on Production Safety



Strategy

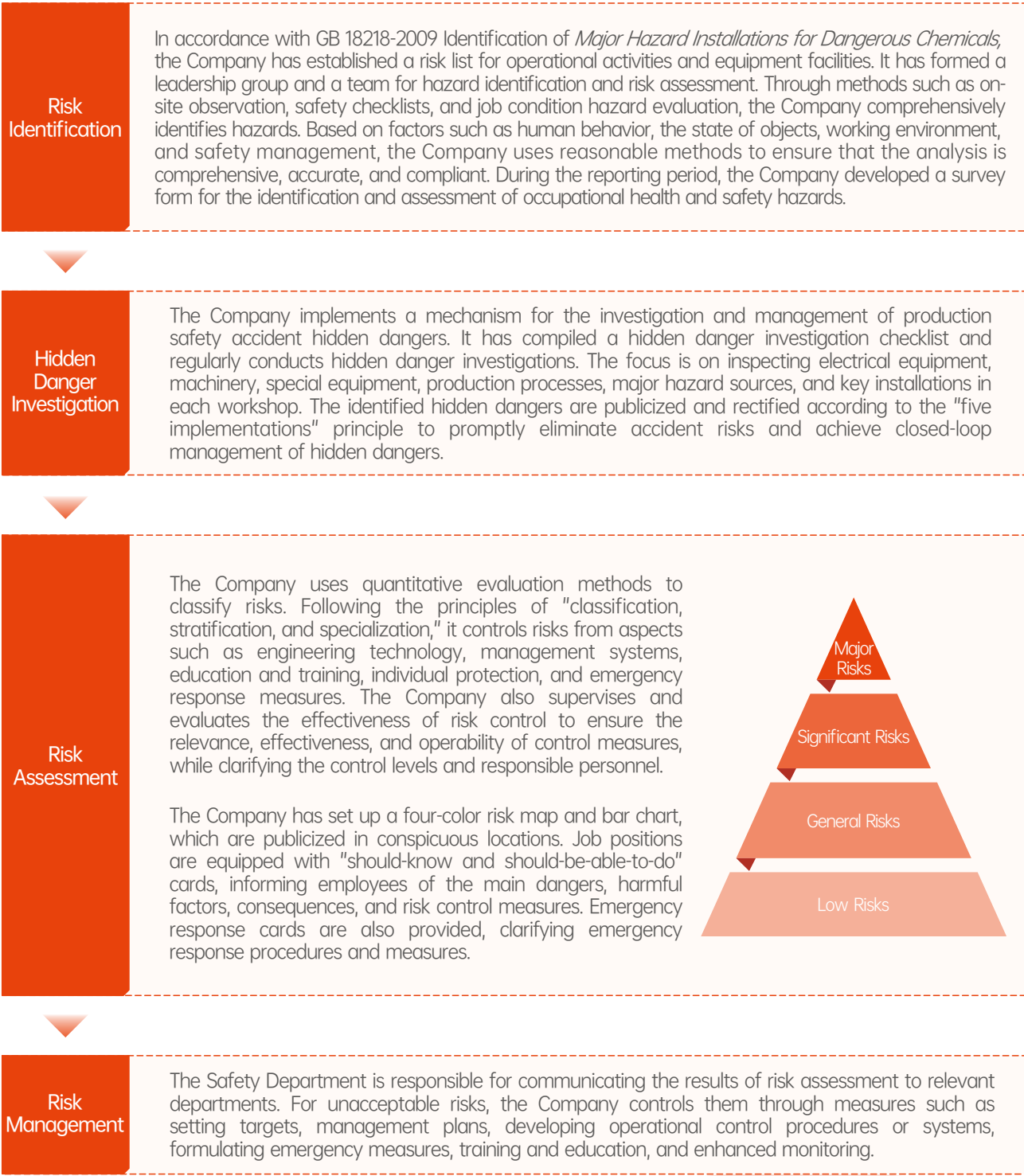
The Company deeply recognizes the importance of occupational health and safety issues for its sustainable development. It has comprehensively carried out the identification and assessment of risks and opportunities related to occupational health and safety, and has developed targeted strategies.

Risk/ Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Chemical Spill Risk	Chemical spills can endanger employee health and may even lead to severe consequences such as explosions and fires.	Increased expenses and rising costs	Short-term	High	Medium	<ul style="list-style-type: none"><li>○ Conduct regular comprehensive maintenance and inspections of equipment to ensure proper functioning.</li><li>○ Strengthen employee training on standard operating procedures, establish strict protocols, and monitor compliance.</li><li>○ Improve emergency response plans, equip with sufficient emergency response materials, and regularly conduct emergency drills.</li></ul>

Risk/ Opportunity	Category	Description of Risk/Opportunity	Financial Impact	Impact Duration	Impact Severity	Likelihood of Occurrence	Response Measures
Risk	Toxic and Harmful Gas Exposure Risk	The production process often generates toxic and harmful gases, which can lead to excessive inhalation by employees, causing occupational diseases and affecting their health.	Increased expenses and rising costs	long-term	Medium	Medium	<ul style="list-style-type: none"><li>○ Install advanced and an adequate number of ventilation systems to ensure air quality in the workplace meets standards.</li><li>○ Provide employees with high-quality, appropriate personal protective equipment and monitor their proper use.</li><li>○ Regularly organize occupational health check-ups for employees to detect and address health issues early.</li></ul>
	Upgrading of Production Safety Technology	With technological advancements, new production safety technologies are constantly emerging, such as intelligent monitoring systems and automated operation equipment. Applying these technologies can effectively reduce the probability of safety accidents.	Decreased management costs	Medium to long-term	High	Medium	<ul style="list-style-type: none"><li>○ Keep abreast of the latest developments in production safety technology within the industry and actively conduct technology assessments and introductions.</li><li>○ Allocate special funds for production safety technology upgrade projects.</li></ul>
Opportunity	Optimization of Occupational Health Management	Enhancing occupational health management through measures such as improving health monitoring systems, improving working conditions, and providing more comprehensive health benefits can increase employee satisfaction and loyalty, and reduce the risk of production interruptions caused by employee health issues.	Costs increase initially but decrease later, with increased benefits	Short-term	Medium	High	<ul style="list-style-type: none"><li>○ Improve the layout of the upstream and downstream industrial chains.</li><li>○ Diversify the Company's product range.</li></ul>

Impact, Risk, and Opportunity Management

The Company has established and improved a dual prevention mechanism for the classification and control of production safety risks and the investigation and management of hidden dangers. It regularly conducts efficacy assessments of the dual prevention mechanism, updates the system information in a timely manner, and establishes internal and external communication mechanisms to further enhance the management level of the dual prevention mechanism.





Indicators and targets

At the beginning of 2024, the Company signed the "2024 Safety Target Responsibility Letter" at all levels, breaking down work responsibilities to individuals.

2024 Production Safety Targets	Achievement
Production safety accidents above the general level: 0	√
Fire accidents: 0	√
Occupational disease incidence rate: 0, working and living environment of employees and all kinds of labor protection meet the national laws and regulations	√
Timely Rectification Rate of Safety Hazards Achieved 100%	√
Safety investment not less than the standard stipulated in the Safety Investment Guarantee System	√
Administrative licensing and "three simultaneous" implementation rate for construction projects: 100%	√
New employee three-level safety education and safety training rate for on-duty personnel: 100%	√

Key Performance

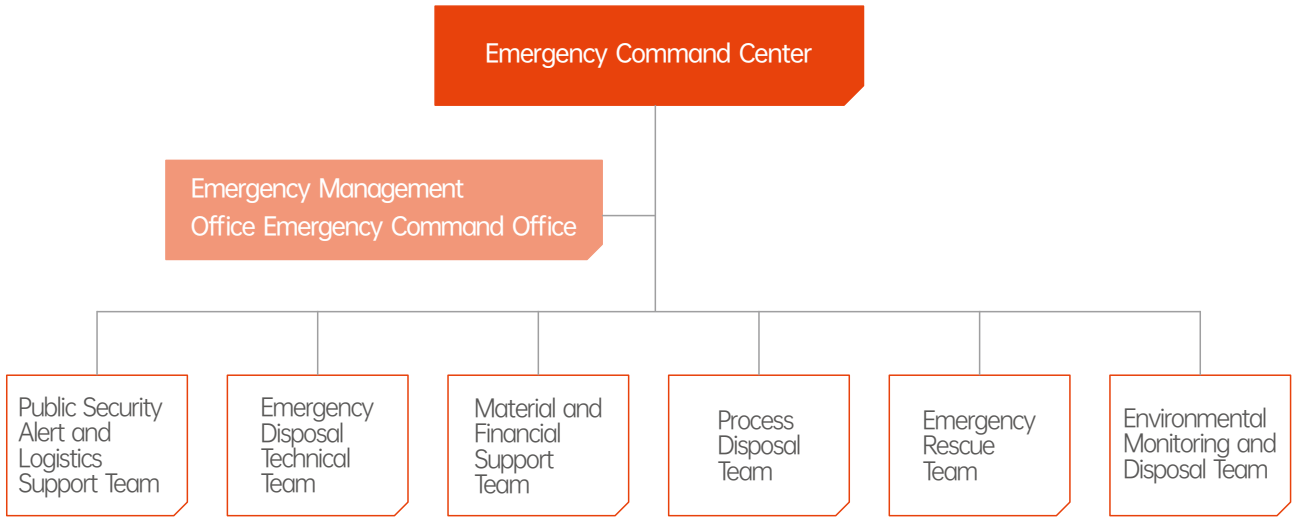
In 2024, the Company underwent **16** safety special inspections by higher-level units, with **152** hidden dangers identified, and a rectification rate of **100%** upon expiration; it organized **13** monthly and comprehensive inspections, issuing **144** Company-level hidden danger rectifications, with a rectification rate of **100%** upon expiration.

Indicators	Unit	2022	2023	2024
Production safety accidents	Cases	0	0	0
Safety emergency drills	Times	252	252	252
Safety production investment amount	10,000 CNY	866.76	774.12	360.68
Safety production investment as a percentage of operating revenue	%	0.55	0.85	0.46
Total safety training investment	10,000 CNY	10.02	18.59	5.30
Safety training sessions	Sessions	84	84	84
Participants in safety training	Person-times	5,784	5,792	5,789
Total duration of safety training	Hours	191	191	191
Average duration of safety training per person	Hours	40	40	40
Safety training employee coverage rate	%	100	100	100
Safety risk protection training coverage rate	%	100	100	100
Special operations personnel certification rate	%	100	100	100
Work injury insurance investment amount	10,000 CNY	26.23	20.97	15.88
Work injury insurance personnel coverage rate	%	100	100	100
Safety production liability insurance investment amount	10,000 CNY	3.34	3.34	3.34
Safety production liability insurance personnel coverage rate	%	75	75	75
Employee health check-up coverage rate	%	100	100	100
Occupational disease hazard factor detection rate	%	100	100	100
Occupational disease hazard factor monitoring qualification rate	%	100	100	100
Number of new occupational diseases	Cases	0	0	0

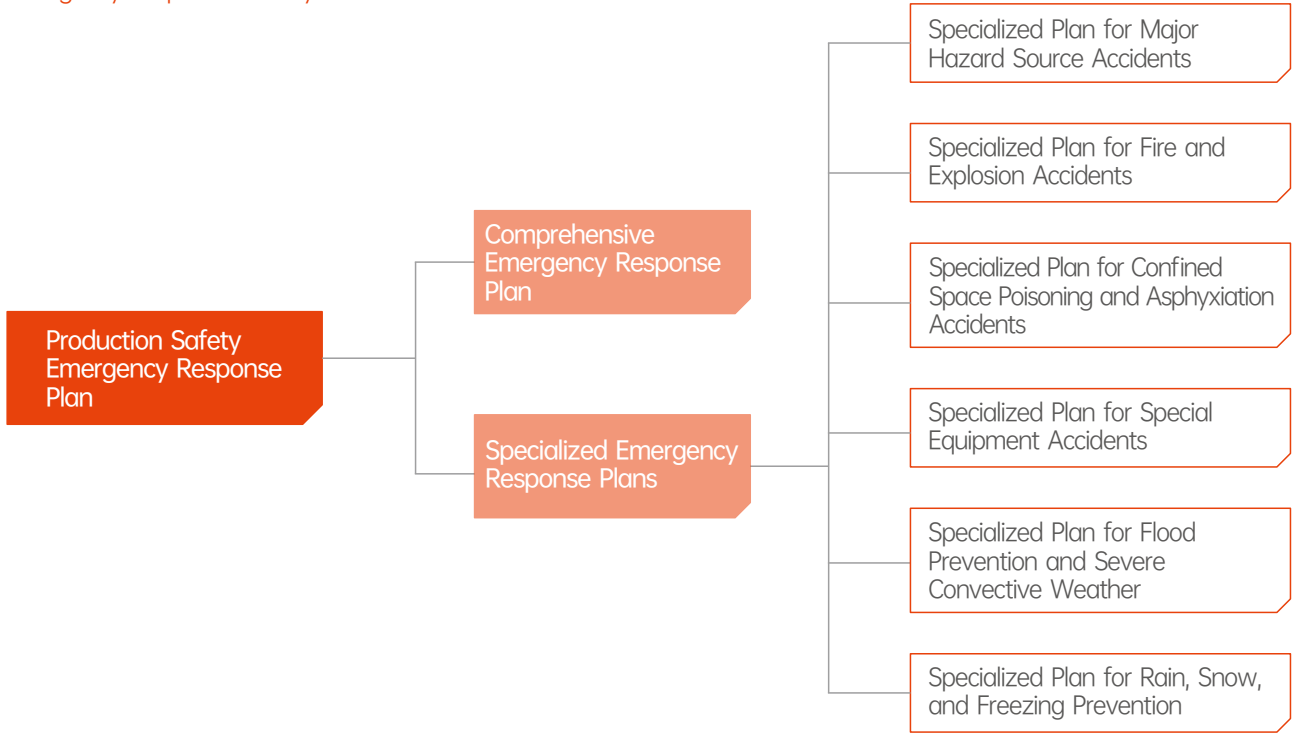
Emergency Management

The Company has established a comprehensive emergency response plan system for production safety, standardizing the management of key links such as emergency preparedness, emergency response, and recovery and reconstruction. It clarifies key elements such as the emergency organizational structure, division of responsibilities, resource allocation, and information transmission to ensure that emergencies can be effectively prevented, responded to in a timely manner, and properly handled. The aim is to build an all-round, multi-level safety protection network.

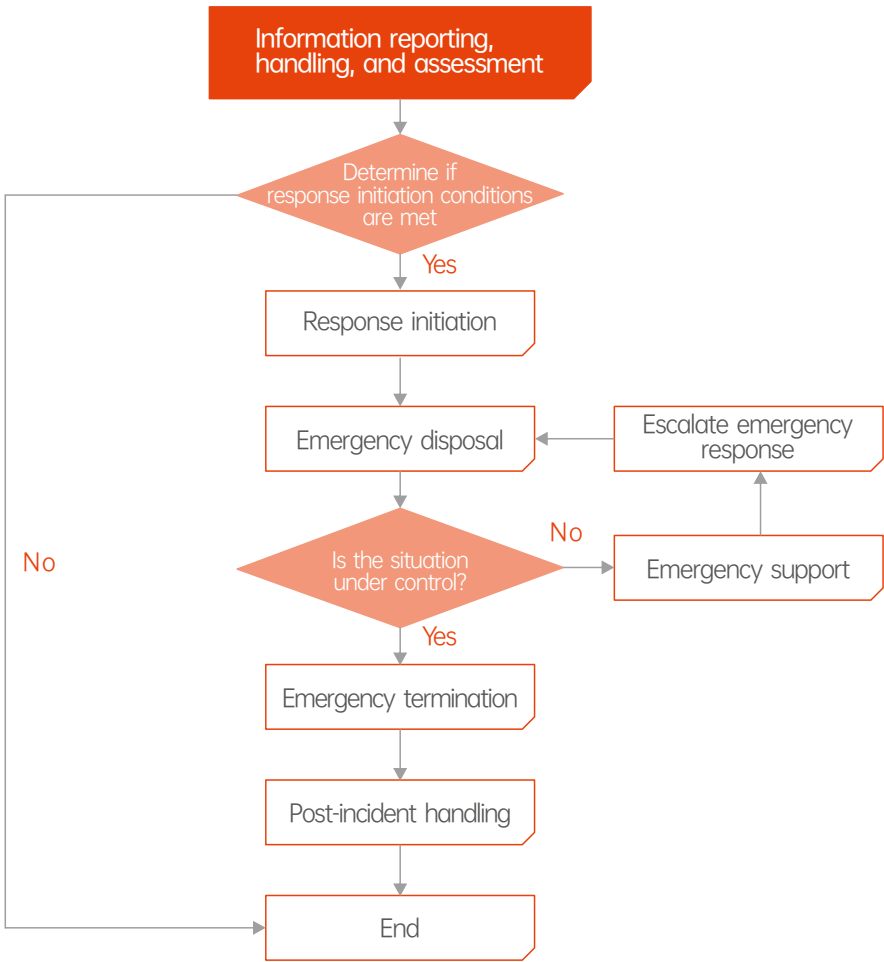
Emergency Organization Structure



Emergency Response Plan System



Emergency Response Process



The Company actively conducts safety emergency drills to further strengthen all employees' awareness of prevention and self-rescue capabilities, enhance their emergency rescue skills and specialized response competencies, effectively reduce accident risks, and ensure the Company's safe, healthy, and orderly development.



Siweida Fire Emergency Drill



Qingyuan Water Treatment Office Building Fire Drill





Shuiyunzong Fire Evacuation Drill



Tongsheng Environment Mechanical Injury Emergency Drill



Tongsheng Environment Fire Drill



Tongsheng Environment Confined Space Operation Drill



Contractor Safety Management

The Company has established the *Contractor Management System*, clarifying the safety management responsibilities of contractors. It strictly reviews the safety qualifications and operational capabilities of contractors and specifies safety requirements in contracts. Additionally, safety management agreements and safety technical briefings are signed to clarify the safety responsibilities of all parties.

The Company continuously strengthens the management of outsourced construction projects to improve on-site management levels and ensure the safety of construction work.

- Increase the intensity of on-site safety management supervision and implement professional division of labor among safety management personnel.
- After the outsourcing unit enters the Company, the competent department should conduct a safety technical briefing for the outsourcing unit, ensuring they understand the Company's safety and environmental requirements, as well as the control methods for on-site hazards.
- Before construction, the outsourcing unit should first identify hazards based on the construction content and develop construction plans and corresponding safety technical measures.
- Strengthen on-site inspection and supervision, promptly rectify safety hazards, and conduct safety assessments on construction management personnel when necessary.

In addition, the Company provides safety training for external construction workers, who are only allowed to commence work after passing the assessment.

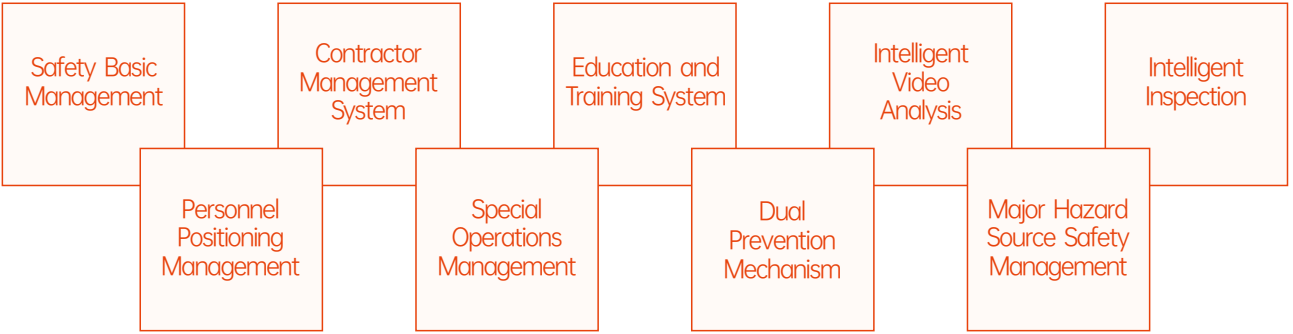
Fire Safety Management

The Company has established a fire management work ledger and implements a fire inspection system. Safety officers conduct regular inspections and record-keeping to ensure that fire-fighting equipment is in good condition and that fire escape routes are unobstructed.

Digital Empowerment

The Company has established a Safety Intelligent Control Platform, which includes eight modules such as safety basic management, major hazard source safety management, intelligent inspection, and video intelligent analysis. This platform achieves comprehensive intelligent data control through "rapid perception + real-time monitoring + early warning + emergency response + system evaluation." It aims to enhance the Company's safety risk prevention and control capabilities and significantly improve the overall level and efficiency of safety management.

Nine Systems of the Safety Intelligent Control Platform





## Enhancing Safety Awareness

The Company regularly conducts safety education activities and training, strictly implementing a three-tier safety education system at the Company, department, and team levels. The learning content includes safety technical knowledge, equipment performance, and operating procedures. Only after passing the assessment can employees proceed to operational positions.

### Case Study

#### Shuiyunzhong's "Safety Production Month" Activity

In June 2024, Shuiyunzhong launched the "Safety Production Month" activity. Through banners, bulletin boards, and electronic screens, the Company vigorously promoted a strong atmosphere for safety production, aiming to enhance the safety awareness of all employees and ensure the implementation of various safety production measures.

- Organized safety education and training to enhance employees' self-protection awareness, and conducted safety education and training assessments for employees in the Jiyuan area.



- Distributed heatstroke prevention and cooling items to maintain employees' health, further integrating the concepts of care and safety into the hearts of every employee.



- Conduct comprehensive safety inspections at the frontline of production sites to promptly eliminate safety hazards.

## Occupational Health Management

The Company strictly implements the relevant provisions of the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, continuously standardizes the warning and notification management of occupational disease hazards in the workplace, and ensures the "three simultaneous" implementation of occupational disease prevention facilities in construction projects. It takes various measures to comprehensively safeguard the health of employees, dedicated to preventing, controlling, and eliminating occupational disease hazards and controlling occupational hazard factors in the working environment.

- Organized pre-employment, on-the-job, and post-employment occupational health examinations for workers exposed to occupational hazards, and established occupational health surveillance records;
- Prioritized the adoption of new technologies, processes, and materials that are conducive to the prevention and control of occupational diseases and the protection of employees' health, gradually replacing those with severe occupational disease hazards. The Company truthfully informed employees of the occupational disease hazards associated with processes, technologies, and materials;
- Safety officers determined monitoring points for occupational hazard factors, organized monitoring and graded management of occupational hazards in the workplace, and conducted an annual detection of occupational hazard factors with public disclosure;
- Installed effective occupational disease prevention facilities and regularly conducted self-inspections to ensure the normal and safe operation of the equipment;
- Hung warning signs and instructions in conspicuous locations where occupational hazards may occur, and provided employees with occupational disease prevention supplies;
- Equipped employees with individual protective equipment that meets national standards and is correctly and effectively used;
- Regularly organized training and education on the correct use and maintenance of occupational disease prevention facilities.

During the reporting period, Qingshuiyuan Water Treatment commissioned a qualified third party to conduct occupational disease hazard factor detection and issued a report for public disclosure.



Appendix

Data Tables

Governance Dimension Indicators		
Indicator	Unit	2024
Number of Party Members	person	53
Number of Party Members by Gender		
Female Party Members	person	25
Male Party Members	person	28
Probationary Party Members	person	17
Active Applicants for Party Membership	person	41
Operating Revenue	100 million CNY	10.92
Net Profit Attributable to Shareholders of Listed Company	100 million CNY	-0.59
Number of Board Members	person	9
Board Members by Gender		
Male	person	6
Female	person	3
Board Members by Type		
Non-independent Directors	person	6
Independent Directors	person	3
Number of Board Meetings Held	time	6
Items Approved at Board Meetings	item	34
Average Attendance Rate at Board Meetings	%	100
Number of Strategy Committee Meetings Held	time	1
Items Approved at Strategy Committee Meetings	item	1
Number of Nomination Committee Meetings Held	time	1
Items Approved at Nomination Committee Meetings	item	1
Number of Audit Committee Meetings Held	time	6
Items Approved at Audit Committee Meetings	item	19
Number of Compensation and Assessment Committee Meetings Held	time	2
Items Approved at Compensation and Assessment Committee Meetings	item	2

Indicator	Unit	2024
Number of Supervisory Board Members	person	5
Number of Supervisory Board Meetings Held	time	4
Items Approved at Supervisory Board Meetings	item	22
Average Attendance Rate at Supervisory Board Meetings	%	100
Number of Shareholders' Meetings Held	time	4
Items Approved at Shareholders' Meetings	item	18
Number of Legal Training Sessions Conducted	time	4
Regular Reports	report	4
Interim Reports	report	65
Number of Penalties for Violations in Information Disclosure	time	0

环境维度指标					
Issues	Indicator	Unit	2022	2023	2024
Greenhouse Gas Emissions	Tons of CO <sub>2</sub> equivalent Total Greenhouse Gas Emissions	ton CO <sub>2</sub> e	11,404.27	13,370.33	13,948.80
	Greenhouse Gas Emissions per Million in Revenue	ton CO <sub>2</sub> e	6.32	11.78	12.78
环保培训	Number of Environmental Training Sessions	time	28	28	28
	Number of Participants in Environmental Training	Person-time	756	752	755
	Duration of Environmental Training	hour	56	56	56
Wastewater Management	Total Wastewater Discharge	ton	52,938.09	48,647.00	51,431.40
	Chemical Oxygen Demand (COD)	ton	0.510	0.409	0.615
	Ammonia Nitrogen (NH <sub>3</sub> -N)	ton	0.035	0.015	0.016
	Total Phosphorus (as P)	ton	0.006	0.007	0.008
Waste Gas Management	Total Waste Gas Emissions	ton	0.81	1.10	1.00
	Volatile Organic Compounds (VOC)	ton	0.81	1.10	1.00
Waste Management	Hazardous Waste Generation	ton	90.28	96.54	95.74
	Hazardous Waste Disposal	ton	70.23	116.21	96.47
	Waste Engine Oil (HW08)	ton	0	1.06	1.43
	Spent Activated Carbon (HW37)	ton	67.80	115.15	92.00
	Phosphorus Slag (HW37)	ton	0	0	2
	Sludge (HW37)	ton	2.43	0	0.60
	Waste Filter Cloth (HW37)	ton	0	0	0.20
	Online Monitoring Waste Liquid (Hw49)	ton	0	0	0.24

环境维度指标					
Issues	Indicator	Unit	2022	2023	2024
Energy Management	Purchased Steam	million kJ	283,537.20	336,225.37	356,975.44
	Solar Power Usage	10,000 kWh	/	/	128.31
	Total Purchased Electricity	10,000 kWh	1,412.25	1,550.08	1,445.024
	Comprehensive Energy Consumption	ton SCE	4,635.07	5,435.17	5,670.24
	Comprehensive Energy Consumption Density	ton SCE/million CNY revenue	2.57	4.79	5.19
Material Management	Number of Material Department Training Sessions	time	/	/	10
	Number of Participants in Material Department Training	person	/	/	130
Water Resource Management	Total Water Consumption	10,000 m³	21.67	17.66	15.03
	Water Consumption Intensity	10,000 m³/million CNY	0.0120	0.0156	0.0138
社会维度指标					
Issues	Indicator		Unit	2024	
Innovation and R&D	Number of R&D Personnel		person	84	
	R&D Personnel by Age				
	Under 30		person	16	
	30-40		person	49	
	Over 40		person	19	
	R&D Personnel by Education Level				
	PhD		person	2	
	Master's degree		person	9	
	Bachelor's degree		person	45	
	本科以下		person	28	
Intellectual Property Management	Cumulative Number of Published Papers		paper	10	
	Cumulative Number of Authorized Patents		item	151	
	Number of Patents by Type				
	Invention Patent Certificates		item	25	
	Utility Model Patent Certificates		item	123	
	Design Patent Certificates		item	3	
Employee Composition	Labor Contract Signing Rate		%	100	

Issues	Indicator	Unit	2024
Employee Composition	Social Insurance Coverage Rate	%	100
	Total Number of Employees	person	862
	Number of Disabled Employees	person	0
	Number of Ethnic Minority Employees	person	2
	Number of Employees by Region		
	Mainland China	person	862
	Hong Kong, Macau, and Taiwan	person	0
	Overseas	person	0
	Number of Employees by Gender		
	Female	person	301
	Male	person	561
	Number of Employees by Education Level		
	PhD	person	2
	Master's degree	person	20
	Bachelor's degree	person	255
	College diploma and below	person	585
New Employee Composition	Number of New Employees	person	119
	New Employees by Gender		
	Female	person	46
	Male	person	73
	New Employees by Recruitment Channel		
	Social recruitment	person	119
	Campus recruitment	person	0
	Other channels	person	0
Supplier Management	Total Number of Suppliers	unit	585
	Number of Suppliers with Quality Management System Certification	unit	58
	Number of Suppliers with Environmental Management System Certification	unit	58
	Number of Suppliers with Occupational Health and Safety Management System Certification	unit	58
	Number of Suppliers Suspended for Non-compliance	unit	0
	Number of Potential Suppliers Rejected for Non-compliance	unit	0
	Duration of Procurement Training	hour	17
	Rate of Integrity Commitment Letters Signed	%	100
	Ratio of Purchases from Local Suppliers	%	45



Issues	Indicator	Unit	2024		
Customer Rights Protection	Number of Customer Complaints	time	5		
	Number of Resolved Customer Complaints	case	5		
	Number of Customers Participating in Surveys	person	70		
	Proportion of Customers Participating in Surveys	%	28.81		
	Number of Valid Customer Satisfaction Survey Questionnaires Distributed	questionnaire	61		
	Customer Satisfaction Rate	%	96.06		
Philanthropy and Charity	Amount Invested in Philanthropic and Charitable Activities	10,000 CNY	67.04		
	Number of Person-times Participating in Volunteer Activities	Person-time	28		
Issues	Indicator	Unit	2022	2023	2024
Production Safety Management	Number of Production Safety Accidents	case	0	0	0
	Number of Safety Emergency Drills Conducted	time	252	252	252
	Amount Invested in Production Safety	10,000 CNY	866.76	774.12	360.68
	Ratio of Production Safety Investment to Operating Revenue	%	0.55	0.85	0.46
	Total Investment in Safety Training	10,000 CNY	10.02	18.59	5.30
	Number of Safety Training Sessions Held	session	84	84	84
	Number of Participants in Safety Training	Person-time	5,784	5,792	5,789
	Total Duration of Safety Training	hour	191	191	191
	Average Duration of Safety Training per Person	hour	40	40	40
	Employee Coverage Rate of Safety Training	%	100	100	100
	Coverage Rate of Safety Risk Protection Training	%	100	100	100
	Certification Rate of Special Operations Personnel	%	100	100	100
	Amount Invested in Work Injury Insurance	10,000 CNY	26.23	20.97	15.88
	Coverage Rate of Work Injury Insurance	%	100	100	100
	Amount Invested in Production Safety Liability Insurance	10,000 CNY	3.34	3.34	3.34
	Coverage Rate of Production Safety Liability Insurance	%	75	75	75
	Employee Health Check-up Coverage Rate	%	100	100	100
	Detection Rate of Occupational Disease Hazard Factors	%	100	100	100
	Compliance Rate of Occupational Disease Hazard Factors Monitoring	%	100	100	100
	Number of New Occupational Diseases	case	0	0	0

Indicator Index

Level 1 Heading	Level 2 Heading	GRI Standards	Guide to Corporate Sustainability Reporting in China CASS-ESG 6.0
Report Preface	About This Report	2-1/2-2/2-3/2-4	P1.1/P1.2
	Message from the Chairman	2-22	P2.1
	About the Qingshuiyuan	2-1/2-6	P3.1/P3.2/P3.3
Steering Governance, Propelling Long-term Voyage	Advancing Sustainable Governance	2-9/2-16/3-1/3-2/3-3	G1.1/G1.2/G1.3
	Reinforcing Compliance Governance	2-9/2-10/2-11/2-12/2-27/207-1/207-2	G1.1
	Deepening Investor Relations Management	/	/
	Upholding Business Ethics	2-27/205-1/205-2/206-1	G2.1/G2.2
Riding the Green Wave, Expanding Environmental Vision	Response to Climate Change	201-2/305-1/305-5	E1.1
	Compliant Environmental Management	302-2/306-1/306-2/306-3/306-4/306-5	E2.1/E2.2/E2.4
	Strategizing Resource Optimization	302-4/302-5/303-1/303-3/303-5	E3.1/E3.2
	Refining Material Management	302-1/302-2/302-3	E3.3
Elevating Responsibility's Banner, Crafting Shared Success	Igniting Innovation-driven	203-1	S2.1
	Ensuring Responsible Supply	414-1/205-1/205-2/205-3/206-1	S3.1
	Enhancing Product Quality	416-1	S3.3
	Refining Customer Service	416-1	S3.3
	Safeguarding Information Security	418-1	S3.4
	Committing to Social Philanthropy	413-1	D1.1/S1.2
Harnessing Workforce Power, Fueling Development Momentum	Strengthening Talent Foundation	2-7/2-19/201-3/401-1/401-3/405-1/406-1/407-1/408-1/409-1	S4.1
	Empowering Career Advancement	404-1/404-2/404-3	S4.3
	Maintaining Safety Standards	403-1/403-2/403-5/403-6/403-7/403-8/403-9/403-10	S4.2
Appendix	Data tables and notes	2-7/201-1/301-1/301-2/302-1/302-2/303-3/303-4/303-5/305-1/305-2/305-5/306-3/401-1/401-3/403-5/403-9/404-1	A2
	Indicator Index	/	A3
	Feedback	2-16	A6