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A scenic landscape photograph of a calm lake reflecting a range of snow-capped mountains under a blue sky with scattered clouds. The foreground is filled with lush green trees and reeds. The water is still, creating a clear reflection of the sky and mountains.

2025 Environmental, Social and Governance(ESG) Report

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Chairman's Message

Mapping the Intelligent Water Network— Embarking on a New Journey for Sustainable Development



Chairman and President
of United Water

Phillip Weijing Yu

As sustainable development becomes a global consensus, the convergence of the global water crisis, intensifying climate change impacts, and the digital technology revolution places the water industry—which is vital for people's well-being and green development—at the forefront of unprecedented missions of our time. United Water has consistently integrated sustainable development into all facets of its operations and development, creating value for the economy, the environment, and society, while leveraging the Company's expertise to protect aquatic ecosystems and empower water-related livelihoods.

Faced with the profound challenges posed by climate change, we firmly believe that scientific and technological innovation holds the key to breakthrough solutions. We actively embrace the latest trend of technological revolution led by artificial intelligence, positioning the cultivation of "new productive forces" as the core engine of our green transformation. To this end, we are accelerating the development of smart water systems and deeply integrating technological and ecological elements. We are not only exploring low-carbon, high-efficiency models in our daily operations—contributing scientific and technological power to water resource protection, water environment improvement, and water ecological restoration—but also investing in emerging sectors such as carbon-negative materials with a forward-looking vision, introducing cutting-edge environmental protection technologies into the industry and fully activating our momentum for green development.

Water sustains communities and water supply serves the people. While pursuing green growth, we consistently adhere to our mission of "ensure the provision of high-quality water to consumers and eco-friendly water treatment services that contribute to environmental protection," placing "the creation of social value" at the Company's core. Domestically, we coordinate urban and rural water development, bringing clean, flowing water to thousands of households. Internationally, we actively expand new horizons for cooperation, advancing global water governance through our professional capabilities. Beyond water services, we are deeply committed to rural revitalization and public welfare, delivering warmth and care through practical actions. We are dedicated to a people-oriented principle, safeguarding employee rights, and building a platform for every employee to realize their self-value, fostering mutual growth between individuals and the organization.

Currently, ESG has become an imperative for businesses. With strategic foresight, United Water has internalized ESG principles as an impetus for its development. Through robust operational performance and transparent governance practices, we are creating long-term value for all shareholders. The Company's solid ESG management practices have earned its recognition in 2025, including being selected as the "2025 Outstanding Sustainable Development Practice Cases of Listed Companies" by the China Association for Public Companies (CAPCO), the "19th Listed Companies Value Selection · China Listed Companies ESG TOP 100" by Securities Times, and the "2025 Wind China Listed Companies ESG Best Practice TOP 100 (Small and Mid-Cap)" by Wind ESG, as well as receiving the the "2025 ESG Model Enterprise · Belt and Road Initiative Special Contribution Award" by Guancha Syndicate and other prestigious honors, affirming the Company's standing as a benchmark in the industry.

Water connects us and our mission binds us. In a landscape of overlapping challenges, sustainable development is not only the inevitable response to global risks but also the fundamental path to achieving high-quality development, building core competitiveness, and securing a sustainable future. Moving forward, United Water will continue to anchor its development in sustainability, deepen its ESG practices, strengthen its sense of responsibility, and forge ahead on the path of high-quality development. We will maintain a pioneering spirit, embrace new opportunities and challenges with proactive commitment, and cooperate with all partners to inject stronger "water momentum" into sustainable socio-economic development!

About United Water

Company Introduction

Company Profile

Jiangsu United Water Technology Co., Ltd. is a comprehensive and full-service water utility company. Its business scope includes water environment management services such as tap water production and supply, wastewater treatment and resource recovery, and the water environmental and ecological restoration of river and lake basins. Through investment, construction, and operation, the Company has established a complete industrial chain in the water sector, spanning from water source to the tap.

United Water currently holds contractual and planned treatment capacity (including reclaimed water) for tap water supply, wastewater treatment, and resource recovery projects, totaling approximately 3 million cubic meters per day. These projects are distributed across 10 provinces and 16 cities in China, operating through 26 subsidiary companies, as well as one water supply operating company in Dhaka, the capital of Bangladesh, and one wastewater treatment operating company in Saudi Arabia.

United Water actively champions a win-win model involving society, investors, employees, and customers to promote reform and development in China's water utility industry. By consistently applying an investment principle that merges Eastern and Western management ideals, places a high value on human resources, and underlines the importance of efficiency and conservation, we ensure the provision of high-quality water to consumers and provide eco-friendly water treatment services that contribute to environmental protection.

Vision

United Water strives to be a GREAT company!

G
Growth

R
Return

E
Excellence

A
Ambition

T
Talents

Corporate Core Values

Unity Integrity Endeavor Mutual Success

Mission

We ensure the provision of high-quality water to consumers and eco-friendly water treatment services that contribute to environmental protection.

We constantly pursue growth and identify and develop high-value water infrastructure assets.

We provide employees with a safe and inclusive workplace, as well as opportunities to bring their talent and expertise into full play in their careers.

Business Overview

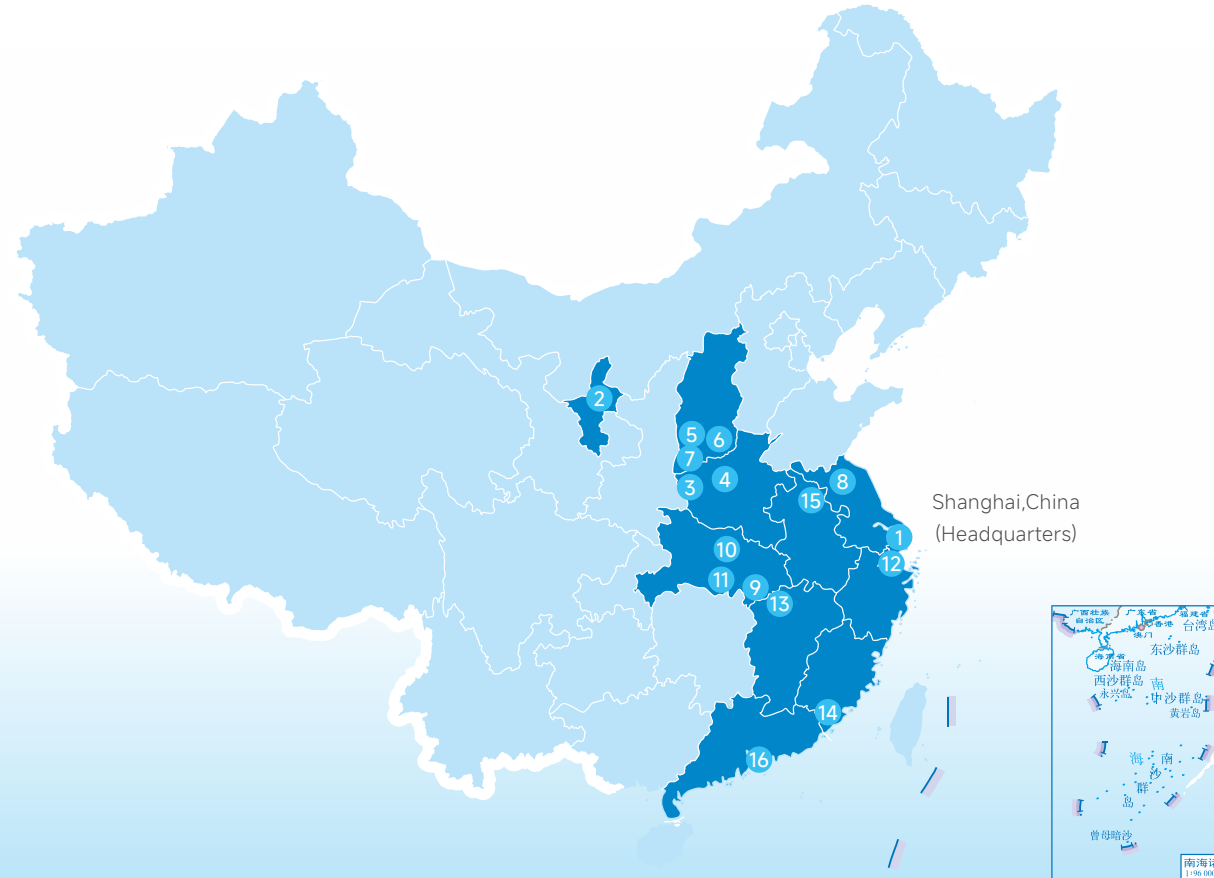
Business Distribution

Domestic

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

Overseas

- | | |
|------------|--------------|
| Bangladesh | Saudi Arabia |
|------------|--------------|



Business Scope

 Water Supply	<ul style="list-style-type: none"> • Municipal Water Supply • Industrial Park Water Supply • Urban-Rural Water Supply Integration • Extended Water Supply Services
 Sewage Treatment and Resource Utilization	<ul style="list-style-type: none"> • Municipal Sewage Treatment • Industrial Park Sewage Treatment • Sewage Resource Utilization • Difficult-To-Treat Industrial Wastewater
 Water Environment Management	<ul style="list-style-type: none"> • Water Environment Management of Basins, Rivers, Lakes, etc. • Water Resources Protection and Management • Tailwater Standard Improvement of Sewage Treatment Plants

Core Business Details

Water supply plants

8

Water supply contractual capacity

1,880,000 cubic meters per day

Completed water supply capacity

1,032,200 cubic meters per day

Water environment management area in 2025

118,750 square meters

Cumulative number of registered patents

30

Sewage treatment plants

20

Sewage treatment contractual capacity (including reclaimed water)

1,092,800 cubic meters per day

Completed sewage treatment capacity (including reclaimed water)

892,800 cubic meters per day

Cumulative water environment management area approximately

2,000,000 square meters

Cumulative number of software copyrights

13

Note: In January 2026, United Water, as the lead consortium member, in partnership with Armada Holding Company and Prosus Energy LLC, was awarded Package 10 (Northern Region) of the long-term municipal wastewater operation and maintenance contract by the Saudi Arabia National Water Company. The total capacity of the project is 337,800 cubic meters per day.

Our 2025

Performance

Total assets

RMB **3,799.88** million

Operating revenue

RMB **1,102.94** million

Operating profit

RMB **135.14** million

Total tax payment

RMB **105.49** million

ESG Awards

Selected as
one of the "2025 Outstanding Sustainable Development Practice Cases of Listed Companies" by the China Association for Public Companies (CAPCO).

Awarded
the "2025 Wind China Listed Companies ESG Best Practice TOP 100 (Small and Mid-Cap)" by Wind ESG.

Selected as
one of the "19th Listed Companies Value Selection · China Listed Companies ESG TOP 100" by Securities Times.

Listed in
the "2025 A-Share Public Utilities Sector ESG Performance TOP 20" and the "2025 ESG Performance Excellence List for A-Share and H-Share Companies in the Municipal Facilities Sector" by CSI ESG.

Honored with
the "2025 Jin Jun Ma Award · ESG Sustainable Development Pioneer Enterprise" by Securities Daily.

Received
the "2025 Listed Company ESG Value Communication Award" by Value Online.

Awarded
the "3rd ESG New Benchmark Enterprise Award · Product Responsibility Award" by Stock Star.

Recognized with
the "2025 ESG Model Enterprise · Belt and Road Initiative Special Contribution Award" by Guancha Syndicate.



Partial Honors & Awards

Three innovative practices of United Water were selected for **the key recommended practices in the Ministry of Housing and Urban-Rural Development's List of Replicable Policy Mechanisms for Leakage Control in Urban Public Water Supply Pipelines (Second Batch).**

United Water was honored with **the "Class A Tax Credit Rating for 2024"** by the Taxation Bureau of Sucheng District, Suqian City, State Taxation Administration.

United Water was recognized with **the "Suqian Advanced Group in Security Work"** award by the Suqian Public Security Bureau.

United Water received **the "Outstanding Unit for Serving Local Development"** award by the Yanghe New Area Tourism, Transportation and Construction Bureau, Suqian City.

Xianning United Water Co., Ltd. was honored with **the "National Civilized Unit"** award by the Central Leading Group for Propaganda, Ideological and Cultural Work.

Xianning United Water Co., Ltd. received **the "First Place in the 2024 Comprehensive Evaluation of the Xianning Urban Comprehensive Management Service Platform"** award by the Xianning Urban Management Command Center.

Xianning United Water Co., Ltd. was recognized as **a "2024 Advanced Enterprise in Industry Management"** by the Xianning Housing and Urban-Rural Development Bureau.

Xianning United Water Co., Ltd. was named **a "2024 Charitable Enterprise"** by the Xianning Volunteer Association and Xianning Qishan Social Work Service Center.

Xianning Siyuan Water Co., Ltd. was awarded **the "AA Grade Enterprise Credit Rating Certificate"** by the Xian'an District Development and Reform Bureau.

Xianning Xiangquan Water Quality Testing Co., Ltd. and Xianning United Municipal Engineering Co., Ltd. were honored with **the "Class A Tax Credit Rating for 2024"** award by the Taxation Bureau of Xian'an District, Xianning City, State Taxation Administration.

Tongxiang Shenhe Water Co., Ltd. was honored with **the "Class A Tax Credit Rating for 2024"** award by the Taxation Bureau of Tongxiang City, State Taxation Administration.

Tongxiang Shenhe Water Co., Ltd. was recognized as **a "A Grade 'Contract-Abiding and Trustworthy' Enterprise of Zhejiang Province"** by the Tongxiang Municipal Market Supervision and Administration Bureau.

Ruichang United Water Co., Ltd. was honored with **the "Class A Tax Credit Rating for 2024"** award by the Taxation Bureau of Ruichang City, State Taxation Administration.

Ruichang United Water Co., Ltd. received **the "2024 Application for Incentive Award for Enterprise above Designated Size (2024 City-wide Incentive Policy Measures for Accelerating the Construction of a Modern Industrial System)"** from the Jiujiang Industry and Information Technology Bureau.

Jishan United Water Co., Ltd. received **the "Model Service Window"** award from the Jishan Administrative Approval Service Bureau.

Jishan United Water Co., Ltd. was named **a "Charitable Enterprise"** by the Jishan County Civil Affairs Bureau.

Suizhou United Water Co., Ltd. was honored with **the "Class A Tax Credit Rating for 2024"** award by the Taxation Bureau of Suizhou High-tech Industrial Development Zone, State Taxation Administration.

Ningxia Hongze Water Purification Co., Ltd. received **the "Second Prize in the 2025 'Safe and Healthy Cup' Work Safety Knowledge Competition"** from the Helan Industrial Park Trade Union Joint Committee.

Sanmenxia United Water Co., Ltd. was recognized as **an "Advanced Enterprise for Water Supply Security"** by the Urban Management Comprehensive Administrative Law Enforcement Brigade of Sanmenxia Urban-Rural Integration Demonstration Zone.

Xinjiang Jinhua Ecological Environment Engineering Co., Ltd. was honored as **a "Water-Saving Enterprise"** by the Xinjiang County Water Resources Bureau and Xinjiang County Industry, Information and Technology Bureau.

Sustainable Development Management

Sustainable Development Governance

United Water places a high priority on ESG governance, recognizing the importance of contributing to sustainable social development while creating value for shareholders. The Company integrates ESG factors into daily operations and management processes, diligently refining ESG governance system, optimizing organizational structure, and improving management policies. By enhancing ESG governance capabilities, United Water is committed to channeling sustained corporate momentum into social and environmental sustainability, based on a balanced fulfillment of stakeholder expectations.

The Company has established a three-tier governance structure composing "Supervision — Management — Implementation," with clearly defined responsibilities and accountability at each level to ensure effective execution. The Board of Directors has established a Strategy and ESG Committee to oversee sustainability-related matters and ensure the effective advancement and implementation of ESG strategies.

In 2025, the Strategy and ESG Committee actively fulfilled its responsibilities throughout the year, convening multiple special meetings to address key ESG issues, monitor progress toward targets, and improve governance effectiveness. Key resolutions approved during the period included the 2024 ESG Report and a capital increase for a green and low-carbon technology enterprise. These strategic decisions align closely with China's Belt and Road Initiative and the global transition toward low-carbon development, effectively supporting the Company's international expansion and industrial investments. Additionally, the Committee organized ESG training sessions covering emerging trends, regulatory compliance requirements, and approaches to enhancing management capabilities, thereby strengthening the professional competence of working group members and laying a robust governance foundation for achieving sustainable development.

United Water Board of Directors

Oversee and approve ESG-related policies and programs.

Strategy and ESG Committee

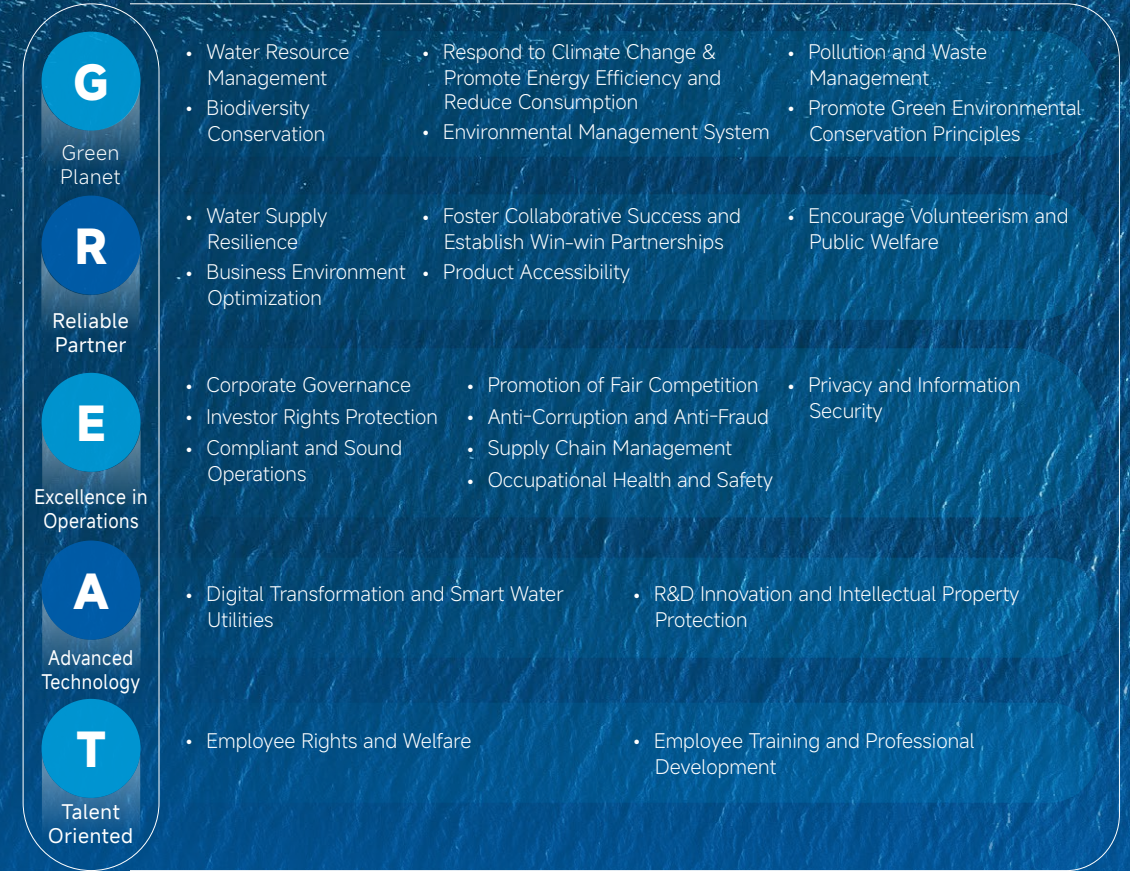
The Strategy and ESG Committee is tasked with guiding the formulation of the Company's ESG development strategy, monitoring and evaluating ESG progress and performance, reporting ESG matters to the Board of Directors, and aiding the Board in identifying and assessing ESG-related risks and opportunities.

ESG Working Group

Under the guidance of the Strategy and ESG Committee, the Company's Securities Affairs Department collaborates with various functional departments and operating companies to jointly advance the implementation of ESG objectives.

Sustainable Development Strategy

United Water has fully integrated ESG governance into its daily operations. To ensure the effective implementation of ESG initiatives, the Company has incorporated key ESG indicators—such as quality, safety, and environmental performance—into its performance management system. Through standardized management and enhanced execution, United Water effectively drives transition of its sustainable development strategy from planning to practice.



Stakeholder Engagement

United Water has consistently regarded all stakeholders as key partners. Based on daily operations, management practices, material issue categories, and various influencing factors, the Company identifies and prioritizes internal and external stakeholders with significant impact. Through diverse and accessible communication channels, United Water actively listens and engages, gaining insights into stakeholder expectations and concerns while responding proactively. Through practical actions, the Company strives to share value, achieves harmonious development, and foster mutual benefit.

Stakeholders						
	Government and Regulatory Bodies	Shareholders & Investors	Customers	Suppliers & Partners	Employees	Community and Public
Issues of Concern	<ul style="list-style-type: none"> Water Supply Resilience Pollution and Waste Management Promote Green Environmental Conservation Principles Water Resource Management Biodiversity Conservation Compliant and Sound Operations Business Environment Optimization 	<ul style="list-style-type: none"> Water Resource Management Pollution and Waste Management Water Supply Resilience Digital Transformation and Smart Water Utilities Anti-Corruption and Anti-Fraud Compliant and Sound Operations Corporate Governance 	<ul style="list-style-type: none"> Water Supply Resilience Digital Transformation and Smart Water Utilities Privacy and Information Security Compliant and Sound Operations Water Resource Management Pollution and Waste Management Foster Collaborative Success and Establish Win-win Partnerships Anti-Corruption and Anti-Fraud Product Accessibility 	<ul style="list-style-type: none"> Business Environment Optimization Supply Chain Management Foster Collaborative Success and Establish Win-win Partnerships Corporate Governance Privacy and Information Security Water Supply Resilience Product Accessibility Water Resource Management Promotion of Fair Competition 	<ul style="list-style-type: none"> Employee Rights and Welfare Employee Training and Professional Development Occupational Health and Safety Privacy and Information Security Water Supply Resilience Compliant and Sound Operations 	<ul style="list-style-type: none"> Product Accessibility Pollution and Waste Management Water Supply Resilience Promote Green Environmental Conservation Principles Promote Energy Efficiency and Reduce Consumption Water Resource Management Biodiversity Conservation
	Communication Channels	<ul style="list-style-type: none"> Daily Communication Policy Consultation and Feedback Regular Reporting Compliance Supervision On-site Visits 	<ul style="list-style-type: none"> Information Disclosure General Meeting of Shareholders Roadshows and Results Briefing Investor Communication Platform Minority Shareholder Engagement 	<ul style="list-style-type: none"> Customer Satisfaction Survey Follow-up and Complaint Handling Mechanism Customer Visits and Communication Information Disclosure 	<ul style="list-style-type: none"> Daily Communication On-site Visits Strategic Cooperation Thematic Training Industry Exchanges 	<ul style="list-style-type: none"> Communication Mailbox Workers' Congress Trade Union Activities Employee Training Employee Satisfaction Survey



Material Issues Management

Based on a comprehensive assessment of the continuity of ESG issues and consistency in management approaches, and considering that United Water has experienced no significant operational events or business model changes during the year, the current material issues framework remains applicable and valuable for guiding our efforts. Therefore, the Company continues to adopt the material issues identification results and management approaches established in 2024 for this reporting period. Details on the dual material issues identification and assessment process can be found in United Water's 2024 *Environmental, Social and Governance (ESG) Report*. The Company will continue to monitor its internal operations and changes in the external environment. Should material adjustments or periodic updates be necessary, we will promptly review and refine our material issues to ensure they remain aligned with the Company's sustainable development practices and stakeholder expectations.

Governance Dimension

- | | |
|----------------------------------|--|
| 1 Promotion of Fair Competition | 5 Corporate Governance |
| 2 Investor Rights Protection | 6 Compliant and Sound Operations |
| 3 Anti-Corruption and Anti-Fraud | 7 Digital Transformation and Smart Water Utilities |
| 4 Supply Chain Management | |

Environmental Dimension

- | | |
|---|---|
| 8 Environmental Management System | 11 Water Resource Management |
| 9 Promote Green Environmental Conservation Principles | 12 Pollution and Waste Management |
| 10 Biodiversity Conservation | 13 Respond to Climate Change & Promote Energy Efficiency and Reduce Consumption |

Social Dimension

- | | |
|--|---|
| 14 Encourage Volunteerism and Public Welfare | 19 Employee Rights and Welfare |
| 15 R&D Innovation and Intellectual Property Protection | 20 Employee Training and Professional Development |
| 16 Product Accessibility | 21 Occupational Health and Safety |
| 17 Foster Collaborative Success and Establish Win-win Partnerships | 22 Business Environment Optimization |
| 18 Privacy and Information Security | 23 Water Supply Resilience |

Materiality Matrix



Risk and Opportunity Analysis of Financial Material Issues

United Water has conducted a comprehensive analysis of its financial sustainability issues, reviewing the duration of their impacts, as well as associated risks and opportunities. Based on the findings, the Company has developed targeted response strategies to effectively mitigate risk and seize opportunities, thereby advancing its long-term sustainable development.

Material Issues	Impact Duration	Risks/Opportunities	Response strategies
Water Resource Management	Mid-to-long-term	<ul style="list-style-type: none"> Water scarcity may result in diminished water supply capacity, increased operational costs, and reduced income, while intensifying compliance pressures and market competition, collectively impacting the Company's long-term development. Enhancing water resource management capabilities drives water conservation efforts across the organization and elevates corporate reputation and brand image. 	<ul style="list-style-type: none"> Establish a comprehensive water resource risk management system, conducting water resource risk identification and assessment. Develop response strategies for identified water resource risks, continuously monitor water resource risk management performance, and enhance water resource risk response capabilities and resilience. <i>Details can be found in the chapter: "Water Resource Management".</i>
Respond to Climate Change & Promote Energy Efficiency and Reduce Consumption	Mid-to-long-term	<ul style="list-style-type: none"> Extreme weather may trigger natural disasters, disrupt stable energy supply, damage the overall water supply system, resulting in fixed asset losses, increased costs, and reduced corporate profitability. Innovating sustainable business models enhances the Company's resilience to withstand environmental risks and elevates corporate reputation and influence. 	<ul style="list-style-type: none"> Develop emergency plans to enhance response capabilities under extreme weather conditions. Strengthen organizational support and material reserves to ensure operational safety. Refine processes and inspection procedures to ensure water supply and drainage efficiency. <i>Details can be found in the chapter: "Responding to Climate Change".</i>
Digital Transformation and Smart Water Utilities	Mid-to-long-term	<ul style="list-style-type: none"> Inadequate progress in digital and intelligent transformation may lead to operational inefficiencies, delays in pipeline network monitoring and malfunction response, and an inability to meet customer demands for high-quality services—ultimately undermining the Company's competitiveness and long-term development prospects. Enhancing operational efficiency ensures timely response in pipeline network operation and maintenance, elevates service quality, and reinforces the Company's technological advancement and competitive edge. 	<ul style="list-style-type: none"> Advance key information technology projects to establish a data-driven, high-efficiency operational management model. Establish a group-wide digital management platform to deeply integrate digital technology with production and operations. <i>Details can be found in the chapter: "Transformations Synergy: Charting a New Course for "Digital + Low-Carbon" Water Utilities" and "Digital Intelligence Empowerment".</i>
Supply Chain Management	Medium to Long-term	<ul style="list-style-type: none"> ESG risks in the supply chain may lead to instability, affecting production and operations, and continuous empowerment of suppliers may increase additional costs. Establishing a sustainable supply chain contributes to enhancing supply chain stability and promoting the healthy development of supply chain enterprises. 	<ul style="list-style-type: none"> Establish a full-process supplier management system, incorporating ESG factors into supplier evaluation and selection. Strengthen supply chain risk identification and management, continuously identifying and monitoring potential supply chain risks. Support suppliers in their sustainable development. <i>Details can be found in the chapter: "Supply Chain Management".</i>
Business Environment Optimization	Long-term	<ul style="list-style-type: none"> Adverse business environments may deteriorate customer relationships, leading to client attrition and negatively impacting the Company's market performance. Enhancing customer satisfaction drives business growth and unlocks new commercial opportunities. 	<ul style="list-style-type: none"> Continuously optimize and improve the water supply business environment, enhancing service quality and user experience. Establish a customer feedback mechanism to ensure timely response to customer issues. <i>Details can be found in the chapter: "Business Environment Optimization".</i>
Water Supply Resilience	Long-term	<ul style="list-style-type: none"> Inadequate water supply capacity may lead to customer attrition, regulatory penalties, and legal disputes, damaging the Company's reputation and adversely affecting operational and market performance. Enhancing customer satisfaction optimizes market performance, elevates corporate reputation, and drives business growth. 	<ul style="list-style-type: none"> Implement rigorous construction controls, select premium pipeline materials, conduct timely upgrades of aging pipelines, and perform regular and irregular inspections to optimize pipeline network layout and operations. Strengthen water quality risk identification, increase inspection frequency, and ensure water quality management standards through targeted training and assessments. <i>Details can be found in the chapter: "Water Supply Resilience".</i>
Pollution and Waste Management	Long-term	<ul style="list-style-type: none"> Improper treatment of pollution and waste may result in regulatory penalties, criminal liability, financial losses, and adverse impacts on corporate reputation and brand image. Enhancing environmental management practices reduces ecological impacts and contributes to elevating corporate reputation and brand image. 	<ul style="list-style-type: none"> Implement continuous monitoring of emission sources, including wastewater, exhaust gases, and noise, while strengthening governance and enforcing rigorous compliance with pollution and waste discharge standards. Explore integrated waste utilization methods to enhance resource efficiency and minimize the environmental impact of pollution emissions. <i>Details can be found in the chapter: "Pollution and Waste Management".</i>
Compliant and Sound Operations	Long-term	<ul style="list-style-type: none"> Non-compliant and disorderly operations may result in legal disputes, regulatory penalties, financial losses, and reputational damage, impacting the Company's sustainable development and market competitiveness. Mitigating legal and financial risks ensures the Company's stable and sustainable development. 	<ul style="list-style-type: none"> Continuously improve the corporate governance system, strengthen internal controls and risk management, and comprehensively enhance compliance governance capabilities. <i>Details can be found in the chapter: "Compliant and Sound Operations".</i>
Anti-Corruption and Anti-Fraud	Long-term	<ul style="list-style-type: none"> Corruption and fraud may trigger regulatory penalties and legal exposures, resulting in financial losses and reputational damage, which impact corporate compliance operations and long-term development. Mitigating legal and financial risks fosters trust among customers and investors and elevates corporate reputation and brand image. 	<ul style="list-style-type: none"> Establish a three-tier governance structure and construct a comprehensive internal control system encompassing fraud prevention, whistleblower mechanisms, and investigation protocols. Strengthen daily communication and awareness initiatives to foster an anti-fraud culture across the organization. <i>Details can be found in the chapter: "Anti-Corruption and Anti-Fraud".</i>
R&D Innovation and Intellectual Property Protection	Long-term	<ul style="list-style-type: none"> Inadequate safeguards for R&D innovation and intellectual property may result in technology leaks, infringement disputes, and high protection costs, undermining the Company's competitiveness and innovation returns. Strengthening competitiveness and maintaining industry leadership contributes to capitalizing on new commercial opportunities. 	<ul style="list-style-type: none"> Establish a comprehensive lifecycle management system for R&D projects and a robust intellectual property management system, increase R&D investment and talent development, and enhance risk identification and control mechanisms for intellectual property infringement. <i>Details can be found in the chapter: "R&D Innovation".</i>

Special Feature

Transformations Synergy: Charting a New Course for "Digital + Low-Carbon" Water Utilities

Amid the dual transformations of digitalization and green, low-carbon development sweeping the water industry, United Water is proactively embracing these trends and resolutely advancing towards a synergistic path of digital and green transformation. Anchored in the cultivation of new quality productive forces, the Company effectively integrates technological and ecological elements, striving to forge a new development paradigm characterized by digital intelligence and a green transformation.

United Water is committed to deeply empowering production and operations with artificial intelligence, systematically constructing a smart water utilities system centered on "intelligent sensing, digital decision-making, and precision operations." This approach aims to overcome traditional challenges such as scheduling delays and inefficient energy consumption, achieving a leap from experience-driven to data intelligence-driven operations. Additionally, the Company extends its green and low-carbon principles from operations to infrastructure construction, innovatively exploring the engineering application of carbon-negative materials to reduce the industry carbon footprint at its source. By enhancing efficiency through digitalization and solidifying its foundation through green development, United Water not only strengthens its own sustainable competitive advantage but also provides a transferable model for dual transformation synergy within the industry.

Cutting-Edge Technology Deployment: Building an Integrated Digital Foundation for Smart Water Utilities

United Water adopts a forward-looking perspective in its technology strategy, attaching great importance to the development and application of its smart water utilities system. The Company has established multiple systems, including DMA, SCADA, GIS, urban water supply scheduling, equipment management, and digital platforms. Serving as our technological foundation and operational hub, this infrastructure deeply integrates cutting-edge technologies such as artificial intelligence, big data, IoT, and digital twin. We continuously develop and refine an integrated smart water utilities platform covering the full value chain of "supply, drainage, treatment, and conservation."

United Water has broken down the traditional "data silos" of independently operating systems. Through a unified platform, we achieve real-time data sensing, aggregation, and intelligent analysis across the full-process—from raw water quality monitoring, water plant process control, and pump station intelligent scheduling, to pipeline network leakage control and customer service response. The platform's built-in AI-engineered algorithm engine enables deep learning from massive operational data, facilitating trend prediction, anomaly diagnosis, and optimized decision-making. This systematic practice—rooted in a robust digital infrastructure, centered on data integration and intelligent analysis, and continuously extending convenient services to end-users—positions the Company at the industry forefront in both the depth and breadth of technology application, laying a solid technological and service foundation for our sustainable development.

Core Scenario Innovation: Implementing Intelligent Applications Across the Full Value Chain

The Company has successfully grounded cutting-edge technologies in specific business scenarios, developing and deploying a range of intelligent equipment and systems covering diverse areas such as inspection, security, process, cleaning, and environmental management. This has enabled precise forecasting, intelligent control, and reduced-manning or unmanned operations in production operations.



Scan to watch

*Smart Water, Pure Source, AI Future
— A Overview of United Water Group's
New Quality Productive Forces*

Intelligent Inspection and Security: Building a Robust Defense Line for Safe Operations

Robotic Dog Intelligent Inspection System

The Company has deployed a quadruped inspection robotic dog at Suqian Second Water Plant, replacing manual patrols in complex and high-risk areas such as sedimentation tanks, high and low voltage distribution rooms, and chemical dosing rooms. The robotic dog integrates multiple sensors, including a visible light + infrared dual-spectrum thermal imaging pan-tilt-zoom (PTZ) camera and acoustic detection. Capable of autonomous navigation and obstacle avoidance, it performs 24/7 uninterrupted inspections, monitoring equipment status, detecting partial discharges, and analyzing abnormal sounds. Equipped with intelligent devices such as a PTZ camera, the robotic dog collects real-time operational data and synchronously uploads it to the intelligent inspection management platform, enabling automatic anomaly alerts and rapid traceability, effectively enhancing inspection efficiency. The system significantly reduces manual inspection labor costs and greatly improves fault detection and response efficiency, laying a solid foundation for the digital transformation of the water plant.



▲ Structural Diagram of the Robotic Dog



24/7
Uninterrupted
Inspection

Intelligent Rail-mounted Mobile Robot

The Company has deployed a rail-mounted inspection robot system with a track length exceeding 100 meters, enabling unmanned inspections of two critical areas: the high and low voltage distribution room and the water supply pump room. This equipment upgrades fixed manual inspections—previously conducted only once per week in specific areas—to automated, high-frequency inspections configurable as needed (e.g., once per hour), achieving a leap in inspection efficiency and safety.



▲ Intelligent Rail-Mounted Mobile Robot

Inspection labor cost reduced by

60 %

100 %

Unmanned inspection achieved in covered areas

Equipment fault warning accuracy exceeds

85 %

Unplanned downtime reduced by

35 %

Data support rate for maintenance decisions increased by

70 %

Smart Security System

In 2025, the Company upgraded its smart security system, establishing an integrated security framework encompassing intelligent personnel identity control, precise vehicle management, and electronic perimeter fence. Through technologies such as facial recognition and AI behavior analysis, we have achieved comprehensive, blind-spot-free security control over production areas, effectively eliminating potential hazards. Perimeter intrusion incidents have decreased by 90%, fault response time has been significantly shortened, and ticket closure efficiency has increased by 91%, markedly enhancing the digital intelligence level of the water plant's security control and operation management.

Perimeter intrusion incidents decreased by

90 %

Ticket closure efficiency increased by

91 %

Intelligent Optimization of Process: Achieving Cost Reduction and Efficiency Improvement

Smart Dosing System

The Company has deployed a smart dosing system based on AI dynamic optimization algorithms at its Suqian Second Water Plant. The system collects real-time parameters such as raw water turbidity, pH value, and flow rate, accurately calculates the optimal dosage through its model, and automatically adjusts dosing equipment, transforming the traditional manual experience-based dosing approach. Practice has showed that the system has increased the effluent quality compliance rate of sedimentation tanks to over 99%. While ensuring stable effluent quality, it has also reduced dosing costs by 8% to 10%, effectively enhancing refined management capabilities of the water plant.

Sedimentation tank effluent quality compliance rate increased to over

85 %

Dosing costs reduced by

8 % to **10** %

Intelligent Cleaning Robot

To address the manual cleaning challenges caused by algae proliferation in sedimentation tank collection channels, the Company independently developed an automatic cleaning robot. The robot can be externally mounted on the sludge scraping vehicle, adaptively navigating obstacles through its mechanical structure to efficiently scrub trough walls and baffles, eliminating personnel from high-risk and strenuous underwater operations. This innovation significantly reduces safety risks and labor costs while increasing cleaning frequency and effectiveness.

Annual Labor Cost Savings RMB **144,000**

Replacement of hazardous manual operations, enhanced safety



▲ Intelligent Cleaning Robot for Collection Channels

Intelligent Equipment for Water Environment Management: Expanding Ecological Operation Boundaries

Water Environment Smart Management Unmanned Surface Vehicle

The Company has strategically entered the water environment monitoring and maintenance market by developing a multifunctional smart unmanned surface vehicle (USV) integrating "monitoring, analysis, diagnosis, operation and maintenance, and remediation." The water environment smart operation management platform and new energy USV feature eight functional modules: real-time water quality monitoring, discharge source tracing, underwater topography mapping, biodiversity monitoring, aquatic weed harvesting, intelligent security, immersive visualization, and emergency water quality safeguarding. The USV can autonomously perform various tasks in rivers and lakes, including water quality monitoring, pollution source tracing, surface cleaning, intelligent aquatic plant harvesting, and nighttime security patrols. In 2025, the USV was successfully deployed, upgrading water environment management and operation from "labor-driven" to "data-driven" and "equipment-driven."



▲ Water Environment Smart Management Unmanned Surface Vehicle

Compared with traditional manual methods

Water quality data monitoring costs reduced by

79%

Cleaning and harvesting costs reduced by

68%

Emergency maintenance costs reduced by

42%

Green Pathways Exploration: Infrastructure as a Pioneer in Lifecycle Carbon Reduction

In 2025, the Company initiated the construction project of Tongxiang Shenhe Water Industrial Sewage Treatment Plant, planning to introduce innovative "Carbon-Sorbing Bricks" —developed by its investment enterprise, United earth4Earth Holding (hereinafter referred to as "e4E")—into approximately 200,000 bricks used for wall construction. This pilot application aims to explore the use of carbon-negative building materials in an industrial setting.

As a deep application of CCUS (Carbon Capture, Utilization, and Storage) technology within the construction sector, this material exhibits exceptional lifecycle carbon reduction properties. Its production process generates only 4% of the CO₂ emissions compared to conventional methods, and it continuously absorbs atmospheric CO₂ during its service life. Calculations indicate that over its lifecycle—including production, transportation, and an estimated 20-year service period—this batch of building materials is projected to achieve a net carbon absorption of 36.5 tonnes. At the end of the life cycle of building, the bricks can be fully degraded and converted into agricultural soil, achieving a complete zero-waste closed-loop from "industrial product" to "ecological resource." This application aims to embed a "breathing" carbon sink function into infrastructure. It represents a significant exploration by the Company into deep decarbonization pathways for the industrial system, providing a quantifiable and replicable technological model for the future development of near-zero carbon parks and for advancing high-quality industry development.



Green Planet

Green revenue*

RMB **322.36** million

Annual environmental protection investments

RMB **48.58** million

Annual wastewater treatment volume

150.26 million cubic meters

Greenhouse Gas Emissions Intensity

0.68 tonnes of CO₂ equivalent per RMB 10,000 of revenue

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

Contributing to UN SDGs



Water Resource Management

Water is the cornerstone of ecosystems and the lifeblood of socio-economic activities. United Water is dedicated to providing high-quality water treatment services to society. The Company strengthens full-process water resource management, enhance utilization efficiency, and center the efforts on conservation, protection, and scientific utilization. Through continuous restoration and improvement of the water environment, United Water strives to be a trusted guardian of water security.

Governance

In accordance with water resource management policies and regulations, including the *Water Law of the People's Republic of China* and the *Jiangsu Province Water Conservation Regulations*, United Water has formulated the *Water Resource Management System of Jiangsu United Water Technology Co., Ltd.*. To ensure effective implementation, the Company has established a robust organizational structure for water resource management, enabling systematic oversight of water-related projects. In addition, United Water has established a water resource management leading group. The General Manager of the operating company serves as the group leader, responsible for overseeing all water resource management initiatives. The Deputy General Manager of Technology acts as the deputy leader and manages specific tasks, including formulating and implementing water resource management plans, as well as monitoring and evaluating water usage. Furthermore, the Company has formed a water resource management team, composed of the water production, technology, pipeline network, and customer service departments. This team is responsible for formulating and enforcing corporate water resource regulations, tracking management objectives, promoting the efficient utilization of water resources and the application of water-saving technologies, and organizing relevant awareness and training activities.

Strategy and Management Approach

United Water adheres to a balanced approach to resource expansion and conservation, prioritizing water resource protection and efficiency. On the one hand, the Company emphasizes systematic water resource management and water source protection, leveraging wastewater treatment operations to achieve long-term water quality improvements. On the other hand, it highlights enhancement of water resource conservation, protection, and scientific utilization, committing to building a water-efficient water utility.



Water Source Protection

Water source protection is a critical measure to ensure water security and safeguard ecological integrity. All of United Water's water intake points are located within legally designated protected water source areas, with surface water sourced exclusively from lakes, reservoirs, and rivers, all of which are situated within protected water source areas. The Company continuously promotes water source protection to safeguard water supply security and ecological sustainability. In terms of protection measures, United Water directs its subsidiaries to systematically implement physical isolation, and erect warning signs, and explicitly prohibit any activities that could pollute water sources. Furthermore, the Company has established a regular protection mechanism encompassing periodic raw water quality testing, daily inspections, and emergency drills. In the Suqian region, United Water annually conducts pollution source survey around the primary and spare water sources. The findings are compiled into an annual report, based on which targeted response plans are developed for different types of pollution risks, continuously enhancing the environmental safety of water source areas.



Water source areas environmental violations

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Partial List of the Company's Water Intake Points and Sources



For United Water Suqian Water Supply Company, the regular water intake point for both the First and Second Water Plants is the Luoma Lake Suicheng water source area. And the spare water intake point is the Mid Canal spare water source area. The primary water sources are Luoma Lake and the Beijing-Hangzhou Grand Canal. The water intakes of the First and Second Water Plants are situated within protected water source areas.



The water intake points for Xianning United Water are located in the Panjiawan Section of Yangtze River in Jiayu County, the Wangying Reservoir in Yangxin County, and the Gan River section in Maqiao Town, Xian'an District. All of these intake points are situated within designated protected water source areas.

Long-term Water Quality Enhancement

United Water prioritizes wastewater treatment, and methodically advances projects for the standard-upgrading of treatment plants and the remediation of substandard water bodies. In addition, the Company continuously optimizes treatment processes, steadily improve treatment capacity and efficiency, ensuring that effluent quality consistently meets regulatory standards. By reducing pollutant discharge at the source, United Water is committed to the ecological goal of achieving clear water.

● Annual wastewater treatment volume reached

150.26 million cubic meters

● Annual reduction in pollutants (measured as Chemical Oxygen Demand, COD) reached

47,901.45 tonnes

Case Precise Inspections Ensure Full Control, Technological Upgrades Drive Compliance

Tongxiang Shenhe Water guarantees wastewater treatment quality through a dual focus on "full-process control and equipment improvements." In terms of daily management, a rigorous inspection system has been established, defining a full-process inspection route with high-frequency inspections conducted every two hours. Any anomalies are reported and addressed immediately, enabling refined control over the entire wastewater treatment process. In terms of equipment improvements, a dual-circuit power supply improvement was completed in the power distribution room in 2025, enhancing production stability and ensuring compliant wastewater discharge. To address the issue of incomplete backwashing and sludge discharge caused by a single-pump supply for the rotating disc filter, which impacted effluent quality, the dedicated sludge discharge pumps have been installed. These separate the backwashing and sludge discharge processes, optimizing process efficiency and further ensuring effluent quality compliance.

Case Commitment to Excellence in Environmental Protection, Dedication to Safeguarding Clear Waters

Guided by the core goals of "optimized operation, robust facilities, ensured safety, and stable compliance," Suizhou United Water has established a dual-defense line of "dynamic regulation and enhanced operation and maintenance." By implementing a system of "daily inspection, weekly calibration, and monthly maintenance" for online monitoring equipment, Suizhou United Water has maintained a 100% compliance rate for effluent quality. A three-tier management mechanism of "multi-level inspection + hazard reporting + prompt rectification" has been established, achieving "zero accident and zero hidden danger" in work safety. Technological upgrades have driven increases in both efficiency and safety, with three key improvements completed. By effectively transforming "pollution control and reduction" outcomes, Suizhou United Water provides a solid foundation for improving the water environment of the Fu River basin and safeguarding urban ecological security. These comprehensively demonstrate Suizhou United Water's operational management expertise and commitment to responsibility in the wastewater treatment sector.

In 2025, Suizhou United Water was rated "**Excellent**" in the second-quarter wastewater treatment facility and operation inspection conducted by the Suizhou Urban Flood Control and Drainage Development Center.

Efficient Utilization of Water Sources

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

Freshwater withdrawals reached

230.96 million cubic meters

Water plant self-consumption volume was

3.74 million cubic meters

Water plant self-consumption rate was

1.64 %

Recycled water output reached

38.74 million cubic meters

Case Shanxi Region: Reclaimed Water Reuse Supports Sustainable Water Utilization

In 2025, subsidiaries in the Shanxi Region actively advanced reclaimed water reuse projects and expanded the reclaimed water market, providing robust support for the sustainable utilization of regional water resources. In Jishan, the Company utilized compliant tailwater for ecological water replenishment of Minle Park and Dafo Temple Park, as well as for urban greening. This application was also extended to local primary and secondary schools, with an expected annual reuse volume of 1 million cubic meters. In Quwo, the 2025 reclaimed water reuse project transformed treated wastewater into high-quality "new water sources" for industrial use, achieving an annual recycled water utilization of over 4 million cubic meters, which is stably supplied to the Quwo Industrial Park. The implementation of these projects has significantly reduced the region's reliance on groundwater and surface water resources, providing a solid foundation for regional water security and sustainable development.

Optimize Water Supply Production Processes

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

Recycled Water Reuse

Promote wastewater resource utilization by reusing reclaimed water for industrial production, landscape irrigation, road cleaning, and other applications, actively advancing water resource recycling.

Process and Facility Enhancements

Implement technological upgrades to water plant processes and facilities, constructing process effluent recovery and treatment system to convert process discharge water into recycled water, thereby reducing process-related water consumption and improving water reuse efficiency.

Strengthen Water Supply Scheduling

Manage raw water flow allocation based on supply demands, maintain balance between inflow and outflow, prevent overflow of water purification structures, and enhance raw water utilization efficiency.

Conduct Water Balance Evaluations

Regularly perform water balance evaluations to understand the Company's water usage status, identify water conservation potential, strengthen water management practices, and improve water efficiency.

Pipeline Network Leakage Management

Efficient pipeline leakage management serves as a critical pathway for water conservation. United Water adopts a dual approach combining technology and management, establishing a modern pipeline leakage detection system integrated with smart technology applications. By adopting a domestically developed hydraulic model, it enhances leakage control capabilities during water transmission, effectively reducing water resource loss and waste caused by pipeline leakage, and continually improving leakage management performance.

Xinjiang Jinhua was honored with the **"Water-Saving Enterprise"** title jointly awarded by the Xinjiang County Water Resources Bureau and the Xinjiang County Industry, Information and Technology Bureau.

Equipment Maintenance and Improvement

Strengthen routine maintenance and improvement of production facilities and aging plant pipelines, ensuring the integrity of water plant storage structures, reducing internal plant leakage. Regularly replace water transmission network equipment to minimize transmission leakage.

Pipeline Network Inspection and Repair

Develop pipeline inspection plans, conduct water supply network leak detection and management, prevent and reduce physical leakage such as overflowing, seeping, dripping, and leaking, enhance emergency response capabilities for pipeline repairs, ensuring water resources are not excessively depleted.

Scientific Water Pressure Regulation

Scientifically establish pipeline pressure range parameters, regulate finished water pressure, fully utilize variable-frequency drives for peak-load shifting, refine control of finished water volume and pressure, and reduce occurrences of pipeline bursts and water supply facility failures.

Precision Valve Management

Based on data from flow and pressure monitoring stations, continuously fine-tune valves to restrict flow and pressure in aging pipelines that cannot be improved, while ensuring normal water supply in low-pressure areas, further reducing pipeline leakage.

Smart Pipeline Leak Detection

Continuously develop and improve GIS and DMA systems to conduct real-time monitoring of key points in water plants and urban water supply networks, regional flow and pressure points, major nodes, end-points, and large-users consumption. By combining real-time monitoring with regular inspections, establish a rapid response mechanism for leak repair, promptly detecting and repairing leakage points. Additionally, establish pipeline leakage management records to analyze the entire regional network, achieving effective control and management of water supply network leakage rates.

Case United Water's Development of the "Suqian Model" for Leakage Control, Selected as a National Promotion Case

Powered by digital technology and driven by mechanism innovation, United Water has pioneered a modern approach to modern water management featuring precision leakage control and smart management, providing replicable experience in smart water management for the industry.

Multi-Tiered Metering Improves a Comprehensive Monitoring Network: Establish a rapid coordinated mechanism integrating "DMA monitoring—leak detection—repair management," continuously optimize pipeline repair processes, significantly reducing average leak repair time from 36 hours to 7.5 hours.

Digital Foundation Strengthens the Management Base: Establish and dynamically update databases for facilities such as valves and pipelines, improve the water supply network GIS database, and develop multiple management systems based on the GIS platform, providing solid data and technical support for leakage control.

Mechanism Innovation Activates Management Efficiency: Establish an incentive and assessment mechanism with full employee participation, integrate leakage control targets into departmental KPIs, promoting the normalization and long-term effectiveness of leakage management efforts.



Impact, Risk, and Opportunity Management

To better understand and monitor water security conditions, and to promptly identify and address potential water resource risks, United Water strengthens water resource risk management by requiring subsidiaries to conduct water resource risk analysis. A systematic water resource risk management process has been established, covering risk identification, assessment, response, and monitoring, aimed at achieving scientific and standardized water resource risk management to safeguard water supply security.

In the Suqian region, United Water conducted a water resource risk analysis and assessment based on the *Survey Report on Pollution Sources in Water Source Areas* in 2024 and routine monitoring data in 2025. The findings were compiled into the *2025 Water Resource Risk Analysis Report*, and practical response plans were developed based on real-time water quality monitoring and assessment results.

Risk identification and assessment

Enhanced monitoring of characteristic factors

Increase detection frequency and early warning mechanisms for known characteristic pollution factors.

Establishment of a multi-tiered monitoring network

Conduct periodic quality testing of all inlets, water heads, and the surrounding 3-kilometer water areas in the primary Luoma Lake water source area. Perform daily testing of the Mid Canal spare water source area, complemented by regular monitoring of water quality fluctuations using data from upstream and downstream automatic monitoring stations.

Focus on key risk indicators

Through assessment, identify indicators with significant impact on existing processes—such as algal count, UV-254, and bromide—as key monitoring and evaluation targets.

Risk response and monitoring

Process optimization for routine risks

Address issues such as increased turbidity and chemical consumption caused by algal blooms through optimized control using pre-oxidation and advanced treatment processes. Mitigate the risk of disinfection by-products potentially arising from elevated bromide levels by enhancing coagulation, optimizing disinfection strategies (reducing finished water residual chlorine, reinforcing booster chlorination in the pipeline network), and strengthening the drainage of pipeline network.

Contingency mechanisms for emergency risks

In response to short-term abnormal odor and taste in water occurring in July 2025, the Company promptly activated its emergency plan. Effective measures, including increased pre-oxidation, were implemented to ensure water supply safety.

Metrics & Targets

To prevent water source pollution and ensure raw water quality, United Water collaborates with relevant government authorities on water source protection initiatives. In the event that abnormalities in source water quality are detected, the Company conducts follow-up testing to identify potential causes of pollution to the extent possible and reports findings to the relevant authorities.

Eco-Environmental Protection

United Water is committed to "restoring the ecology of rivers and lakes" and is driven by the goal of "promoting harmonious coexistence between humanity and water ecosystems". Guided by the principles of "natural rehabilitation and ecological restoration," the Company focuses on "water environment quality improvement", employs "ecological habitat reconstruction" as a core methodology, and targets "biodiversity restoration." This approach has cultivated a comprehensive technical framework encompassing "source control, ecological construction, energy optimization, and smart operations." By deeply integrating cutting-edge technologies such as IoT, big data, cloud computing, and AI, the Company pioneers an efficient, intelligent, and sustainable operation model. This enables intelligent and precise river-lake management and protection, contributing to a more beautiful, healthier and more harmonious aquatic ecosystem, advancing ecological civilization, and fostering harmony between humanity and nature.

Biodiversity and Ecological Conservation

The Company strictly complies with national policies on biodiversity and ecological conservation. Ecological conservation requirements are integrated into all phases of engineering projects—planning, construction, operation, and closure. Through multi-dimensional practices, we systematically maintain the ecological environment and contribute to the achievement of ecological sustainability.

Project Planning

Based on biodiversity and ecological conservation requirements, conduct comprehensive surveys and assessments of the surrounding ecological environment to avoid adverse impacts.

Project Construction

Strictly implement the "Three Simultaneities" system, prioritize temporary conservation of the surrounding ecology, regularly clean construction areas, and effectively prevent waste and pollutants from adversely affecting the surrounding environment.

Project Operation

Strictly control construction noise, dust, and volatile organic compound emissions, scientifically establish classified collection and treatment facilities to achieve standardized waste management and resource utilization. Additionally, establish a full-process environmental monitoring mechanism to ensure all pollutant indicators meet discharge standards.

Project Closure

Timely conduct vegetation restoration work, implement regular inspections and maintenance of restored areas to ensure sustained revegetation, contributing to the steady enhancement of regional ecological functions.

Water Environment Management

Confronted with significant challenges in water pollution control and ecological restoration, the Company leverages its technical expertise in water pollution treatment and aquatic ecological restoration to systematically implement comprehensive river basin management and water ecology restoration projects. Through targeted interventions, we enhance aquatic ecological functions and continuously improve water environment quality. These efforts have effectively elevated raw water quality and water conservation capacity, supporting the sustainable development of the ecological environment.



Case Pond Ecological Restoration and Water Quality Maintenance Project in Yuanqu Village, Jishan County

Addressing challenges at the wastewater treatment station in Yuanqu Village, including the random discharge of tailwater, the lack of effective water recycling, and wastewater interception failure and poor water self-purification capacity caused by the degraded conditions of the pond slopes—this project plans to utilize two patented technologies: "A Modular Constructed Wetland Water Quality Purification System" and "A Non-Point Source Pollution Control System for Riverbank Slopes", establishing a tiered purification system comprising an "ecological filter bed + ecological pond." In this system, the ecological filter bed provides enhanced purification of tailwater from the rural domestic wastewater treatment station, resolving issues of random discharge and subsequent water quality deterioration upon entering the pond. In terms of the ecological pond, it performs advanced purification of the filter bed effluent, and combines with slope management projects (employing vegetation belts, ecological interception ditches, etc.) to intercept pollutants from surrounding surface runoff. By constructing a baseline ecosystem, the system enhances the water self-purification capacity, addressing algal blooms and eutrophication caused by the long-term accumulation of existing pollutants in the pond. The integrated system effectively overcomes the challenges of low purification efficiency during winter in northern regions. It not only achieves full-process tailwater treatment and water resource recycling, but also improves the slope landscape, providing significant practical support for the construction of the Yuncheng City demonstration belt along the Yellow River and Fenhe River for beautiful rural development.



Case Xianning Siyuan Water's Henggou Water Plant Phase III Greening Project

In 2025, Henggou Water Plant Phase III implemented a greening upgrade project integrating environmental remediation with ecological construction through road hardening for dust suppression, construction of "ecological grass swales" to achieve orderly rainwater drainage and preliminary purification, and advancement of landscape projects to establish a composite ecosystem. This project transformed loess areas into a modern plant component featuring comprehensive functions, a beautiful environment, and a virtuous ecological cycle.

The Company actively promotes aquatic ecological conservation and strengthens the management and protection of water source conservation areas and ecological buffer zones. By refining the food chain and optimizing the allocation of aquatic flora and fauna—particularly through habitat creation and strategic design of food-producing plants—we provide suitable living environments for aquatic organisms. This ongoing enhancement of ecosystem biodiversity boosts the self-purification capacity of rivers and lakes, effectively increasing the ecological capacity of the aquatic environment and realizing the vision of "harmonious coexistence between humanity and nature."



Case Wuhan Northwest Lake and Changqing Park Maintenance Projects

In 2025, United Water undertook water maintenance for Wuhan's Northwest Lake and Changqing Park, conducting systematic operations around four core dimensions: aquatic plant maintenance, aquatic organism regulation, water surface cleaning, and water landscape maintenance. This project established a full-chain aquatic ecological maintenance system. Through systematic maintenance measures, the water purification capacity of both parks continuously strengthened, with water quality indicators consistently meeting standards over the long term. Additionally, the stability of the aquatic ecosystem significantly improved, with aquatic plant community structures becoming more rational, providing high-quality habitats for aquatic organisms. Biodiversity levels in the parks achieved substantial enhancement, forming an aquatic ecological virtuous cycle characterized by "compliant water quality, ecological stability, and beautiful landscape."



Responding to Climate Change

Climate change represents a shared challenge for society as a whole, with its impacts deeply permeating all areas of corporate operations and social development, posing systemic challenges. United Water proactively responds to the risks posed by climate change, actively pursues energy conservation and emission reduction, closely aligns with the national "Dual Carbon" goals, advances low-carbon transformation, and continuously enhances the Company's climate resilience.

Governance

United Water has integrated climate change-related responsibilities into its ESG governance framework. The board-level strategy and ESG Committee provides comprehensive oversight and guidance for the Company's climate change response, energy conservation, and emission reduction efforts. Through regular deliberations on climate change issues, proactive identification of climate-related risks and opportunities, and formulation and timely updates of climate response strategies, the Company ensures the effective implementation of climate change initiatives. The Company has established the *Energy Management System*, holds regular energy conservation and consumption reduction meetings, analyzes and optimizes energy consumption, and formulates and implements optimization measures or technical upgrade plans for energy conservation and consumption reduction, strengthening the management of energy conservation and consumption reduction.

Strategy and Management Approach

Amid the prevailing trends of the "Dual Carbon" goals and energy conservation and emission reduction, United Water deepens its commitment to environmental principles, seizes green opportunities, and actively deploys green industries around key areas such as the "Dual Carbon" goals and energy conservation. Additionally, the Company promotes green environmental principles, vigorously advances its energy conservation and consumption reduction efforts, and supports the Company's green and low-carbon development.



Advancing Energy Conservation and Consumption Reduction

Green Industry Development

Driven by the combined impetus of energy conservation, emission reduction, and the low-carbon economy, the green industry has encountered new development opportunities. United Water capitalizes on this momentum by adopting a global perspective, screening and introducing cutting-edge green technologies and specific application scenarios, and vigorously promoting the Company's transition towards greater environmental sustainability.

Seizing Green Development Opportunities

United Water, through its wholly-owned subsidiary Shanghai Deshenshanhe Technology Development Co., Ltd., participated in establishing Shanghai Yixin Hengsheng Venture Capital Partnership (Limited Partnership), focusing on environmental and ESG technology investments. United Water continues to effectively utilize this investment platform to identify innovative technologies and models in fields such as the "Dual Carbon" goals, energy conservation, and high-tech sectors, achieving industrial deployment and extensional development in the environmental and ESG technology fields.

Investing in Cutting-Edge Low-Carbon Technologies

United Water's portfolio company, United earth4Earth Holding (e4E), is committed to CCUS technology, developing next-generation carbon-negative building materials that can directly capture and sequester carbon dioxide. Through collaboration between UK-based R&D and Chinese manufacturing, over 300,000 carbon-negative bricks have been successfully produced. Some of these products have been shipped to the UK market, while others have been applied for the first time in low-carbon buildings within Chinese domestic industrial parks. e4E is currently advancing the construction of large-scale production lines, with mass production expected to begin by the end of May 2026.

Strengthening Energy Management

Leveraging the smart water utility platform and utilizing dynamic analysis through hydraulic models, the Company achieves real-time monitoring and analysis of electricity consumption throughout the entire production process, optimizes scheduling plans, improves unit operational efficiency, and reduces electricity consumption. In September 2025, Xianning United Water officially launched its hydraulic model system, optimizing water supply scheduling. Preliminary statistics indicate a reduction in the average daily finished water pressure at the Wangying Water Plant and approximately 10% savings in unit electricity consumption, with annual unit electricity consumption decreasing by 1.05% compared to 2024.

Energy Conservation Assessment and Incentives

The *Operational Management Assess Standards* incorporate indicator systems, monitoring mechanisms, and assessment frameworks for energy conservation and consumption reduction. An energy conservation incentive system has been implemented to encourage departments to achieve energy savings and consumption reduction through measures such as technological upgrades and management innovations.

Adopting Energy-Efficient Designs

The Company adopts design schemes with low energy consumption and high energy efficiency in engineering construction, actively employing advanced modern processes and equipment to achieve rational energy use and conservation at the design stage.

Utilizing Energy-Efficient Equipment

The Company gradually phases out high-energy-consumption equipment, procures low-consumption, high-efficiency equipment in accordance with national catalogs, and actively applies energy-saving equipment with reduced energy loss and enhanced environmental performance. This includes energy-saving equipment such as air suspension blowers, new-type energy-efficient transformers, and variable frequency water pumps to reduce energy consumption.

Developing Clean Energy

The Company actively utilizes green electricity in production operations. Through the construction of photovoltaic power generation projects and tailwater power generation projects, the proportion of clean energy used in production operations is increased, and the energy structure is continuously optimized. In 2025, the photovoltaic power generation projects of United Water Suqian Water Supply Company and Ruichang United Water achieved a total installed capacity of 4.42 MWp, with an average annual power generation of 5,048,500 kWh. During the reporting period, photovoltaic power generation reached 5,522,371 kWh, of which 5,209,494 kWh was self-consumed. The tailwater power generation project of Suizhou United Water achieved a total installed capacity of 37 kW, with an average annual power generation of 160,000 kWh. During the reporting period, tailwater power generation reached 117,038 kWh, all of which was self-consumed. In 2025, the Company has reduced greenhouse gas emissions equivalent to 2,826.26 tonnes of CO₂ equivalent through the use of clean energy.

Impact, Risk, and Opportunity Management

The Company proactively addresses the risks and impacts posed by climate change by incorporating climate risk management into its overall risk management system. A climate change risk management process is being progressively established to identify, analyze, assess, and manage significant climate change-related risks and opportunities. Based on the analysis results, corresponding response measures are formulated to continuously enhance the Company's capacity to address climate change.

Physical Risks				Transition Risks			Opportunities		
Acute Risks		Chronic Risks		Policy and Legal Risks	Market and Technology Risks	Reputational Risks	Products and Services	Resource Efficiency	Energy Structure
Cold Wave and Low-Temperature Conditions	High-Temperature Conditions	Torrential rain and Typhoons	Impacts of prolonged high temperatures, drought, sea level rise, and other climate-related factors						
<p>Risk/Opportunity Description</p> <ul style="list-style-type: none"> Cold Wave and Low-Temperature Conditions: <ul style="list-style-type: none"> Ice formation at water intakes may impede water extraction. Ice accumulation on basin structures or equipment damage may disrupt normal water supply. Extreme weather events threaten personnel safety. Damage to residential wells, meter boxes, underground pipelines, or air valves may interrupt water supply. High-Temperature Conditions: <ul style="list-style-type: none"> High temperatures degrade outdoor working conditions, reduce labor productivity, and strain water supply systems. High temperatures promote algal blooms and pathogenic microorganisms, compromising water quality. Torrential rain and Typhoons: <ul style="list-style-type: none"> Torrential rain and typhoons may cause flooding, strain drainage systems, create safety hazards, and if drainage measures are inadequate, dispute normal water supply services. Storms and typhoons threaten operational stability, facility and equipment assets, and employee commuting safety. Impacts of prolonged high temperatures, drought, sea level rise, and other climate-related factors: <ul style="list-style-type: none"> Prolonged high temperatures and drought may lead to raw water scarcity and water quality deterioration, directly threatening water supply safety and stability. Sea level rise may erode or submerge coastal and riverside facilities, increasing risks of operational disruption and asset loss. Climate pressures will continuously increase treatment costs and bring more strict compliance requirements and demand fluctuation challenges. 									
<p>Response Strategy</p> <ul style="list-style-type: none"> Cold Wave and Low-Temperature Conditions: <ul style="list-style-type: none"> Strengthen management of equipment and heating facilities to prevent leaks, spills, drips, and runoffs, promptly clear accumulated water and ice at production sites. Develop emergency repair plans for water supply network freeze protection, establish a three-tier response mechanism, simulate freeze repair scenarios to clarify work requirements under actual conditions. Strengthen organizational safeguards by establishing cold-proof inspection teams, early warning teams, and emergency support teams to ensure comprehensive preparedness for severe challenges posed by cold waves to water supply. Enhance material safeguards by building reserves of freeze-proof and cold-proof supplies. Conduct advance training on freeze-proof and cold-proof knowledge to ensure staff readiness and timely resolution of water usage issues caused by cold waves and low temperatures. High-Temperature Conditions: <ul style="list-style-type: none"> Develop equipment high-temperature prevention plans, improve emergency procedures for supply assurance during high temperatures, and strengthen equipment inspections to ensure stable operation of core plant facilities during hot weather. Address impacts of high temperatures on wastewater treatment effectiveness by closely monitoring water quality, promptly identifying changes, and adjusting treatment process parameters based on variations in water quality and quantity in summer to maintain normal and efficient system operation. Prioritize outdoor personnel safety by reasonably arranging work schedules to minimize exposure during peak daytime temperatures and implementing various heatstroke prevention and cooling measures. Torrential rain and Typhoons: <ul style="list-style-type: none"> Develop emergency response plans for flood scenarios, establish specialized flood control emergency teams, strengthen education on drainage knowledge for relevant personnel, and conduct regular flood control and emergency rescue training to continuously enhance drainage awareness and basic skills. Strengthen inspections of drainage networks and related facilities to promptly organize emergency repairs when hazards are detected. Dredge drainage systems within plant areas, clear debris that may block drainage outlets to prevent water accumulation. Reinforce building doors, windows, and roofs to withstand heavy rain and strong wind impacts. Impacts of prolonged high temperatures, drought, sea level rise, and other climate-related factors: <ul style="list-style-type: none"> Diversify water sources to alleviate water stress, implement climate-resilient reinforcement and improvement of critical facilities. Establish emergency water sources and emergency intake pumping stations, activate emergency water intake when primary sources face shortage or poor quality. Adjust investment strategies proactively for areas with foreseeable sea level rise, continuously develop smart water utility platforms to enhance operational efficiency and emergency response capabilities through technology. Integrate climate risk management into long-term planning, investment decisions, and governance processes as part of corporate strategy. 									
<p>Response Strategy (Continued)</p> <ul style="list-style-type: none"> Policy and Legal Risks: <ul style="list-style-type: none"> Proactively study, monitor, and communicate policy changes, anticipate policy adaptability with a forward-looking approach. Leverage supportive national clean energy policies. Track carbon market developments and prepare for regulatory shifts. Market and Technology Risks: <ul style="list-style-type: none"> Actively conduct thematic research on technological innovation. Develop decarbonization pathway, conduct greenhouse gas emissions verification to identify high-emission areas, and implement targeted management measures. Reputational Risks: <ul style="list-style-type: none"> Monitor climate policy trends and integrate climate change response into corporate development strategy. Enhance stakeholder engagement through transparent climate-related disclosures. Products and Services: <ul style="list-style-type: none"> Monitor and identify new low-carbon and eco-friendly raw materials, technologies, and products, deploy green industries, expand low-carbon business opportunities and service types, and seize clean technology opportunities. Resource Efficiency: <ul style="list-style-type: none"> Widely apply energy-efficient technologies and equipment in production processes, establish comprehensive energy consumption management procedures, and reduce energy costs. Establish robust resource recovery and treatment systems to achieve waste resource utilization and volume reduction. Energy Structure: <ul style="list-style-type: none"> Gradually promote photovoltaic power generation and tailwater power generation at eligible operational sites, expand clean energy usage, and progressively increase the proportion of new energy electricity. 									

Metrics & Targets

Indicator	Unit	2025 Metrics
Purchased Electricity	kilowatt-hours (kWh)	140,830,142.10
Gasoline Consumption	liters (L)	129,520.31
Diesel Consumption	liters (L)	43,761.13
Natural Gas Consumption	cubic meters (m ³)	108,020.20
LPG Consumption	kilograms (kg)	9,632.00
Total Energy Consumption ¹	tonnes of standard coal equivalent	18,315.00
Energy Consumption Density	tonnes of standard coal equivalent per RMB 10,000 of revenue	0.17
Total Installed Capacity of Clean/Renewable Energy	MWp	4.46
Clean/Renewable Energy Generation	kilowatt-hours (kWh)	5,639,409.80
Clean/Renewable Energy Consumption	kilowatt-hours (kWh)	5,326,532.00
Scope 1: Direct Greenhouse Gas Emissions	tonnes of CO ₂ equivalent	664.11
Scope 2: Indirect Greenhouse Gas Emissions	tonnes of CO ₂ equivalent	74,724.47
Total Greenhouse Gas Emissions	tonnes of CO ₂ equivalent	75,388.58
Greenhouse Gas Emissions Intensity	tonnes of CO ₂ equivalent per RMB 10,000 of revenue	0.68

Energy Consumption

Greenhouse Gas Emissions²

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

Notes 2: Greenhouse Gas (GHG) Emissions refer exclusively to carbon dioxide (CO₂) emissions, excluding methane (CH₄), nitrous oxide (N₂O), and other GHGs. Scope 1 GHG Emissions: Emissions from fossil fuel combustion (diesel, gasoline, natural gas, LPG) and industrial processes. Emission factors are based on the *Guidelines for Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises (Trial)* issued by the National Development and Reform Commission (NDRC). Scope 2 GHG Emissions: Indirect emissions from purchased electricity. Electricity emission factors reference the *2023 Power Sector CO₂ Emission Factors (Announcement No. 47, 2025)* jointly issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

Reducing Environment Impact

Strengthening Environment Management

United Water strictly complies with the *Environmental Protection Law of the People's Republic of China* and other relevant laws and regulations, fulfilling its primary responsibility for environmental conservation in its production and operations. By continuously improving the environmental management system, the Company comprehensively enhances its green development capabilities.

The Company incorporates environmental hazard prevention and control into normalized management, strengthening prevention and control of environmental hazards during construction projects. Hazards in environmental dimensions such as noise, dust, and water pollution are identified and assessed, with pre-control measures formulated. The management records for major hazards are established, and regular inspections of hazard management are conducted to ensure the implementation of hazard control measures at work sites.

The Company prioritizes environmental impact assessments for construction projects, comprehensively evaluating the environmental impacts during both construction and operation phases. During project construction, emphasis is placed on soil and water conservation and greening work, with strict control over construction activities to minimize adverse environmental effects. In 2025, the *Environmental Impact Report* for the construction project of Tongxiang Shenhe Water Industrial Sewage Treatment Plant successfully passed review and approval by the Jiaying Municipal Ecology and Environment Bureau.

In terms of organizational structure for environmental management, the Company has established a Group EHS Committee, chaired by the President, responsible for deliberating and deciding on major environmental issues, managing and advancing the Company's environmental commitments, policies, and strategic objectives. The Group Operations Management Center has established an EHS Management Department to provide guidance on EHS management for operating companies. Six regional EHS committees have been formed, and each operating company has established an EHS management team. Operating companies with more than 50 employees or higher risks have established EHS management departments or appointed full-time EHS engineers. By clarifying management responsibilities at each level and integrating environmental performance—including environmental compliance, energy conservation and consumption reduction, and pollution and waste management—into operational management assessment standards, the Company ensures the implementation of environmental protection responsibilities.

Strengthening Environmental Hazard Prevention and Control

Prioritizing Project Environmental Impact Assessments

Improving Environmental Management



Enhancing Environmental Emergency Management

Conducting Environmental Education and Training

Promoting Green Construction Management

In order to comprehensively improve the environmental emergency response capabilities, all United Water operating companies have developed *Emergency Plans for Environmental Incidents*, valid for a three-year period, to effectively guide and standardize emergency response to sudden environmental pollution and ecological damage events. Each year, at least one effective environmental emergency drill is conducted in accordance with the emergency plans to enhance employees' emergency response capabilities and ensure swift and effective handling of environmental emergencies.

The Company fully implements environmental education and training. Each operating company develops an annual training plan at the beginning of the year, conducting regular educational training for employees covering environmental laws and regulations, environmental knowledge, environmental hazard identification, and environmental emergency management, comprehensively strengthening environmental awareness among all employees.

The Company has established 2025 environmental management objectives for engineering projects. Relying on the smart construction site management system, real-time monitoring and intelligent analysis of water and electricity consumption are conducted to achieve refined management of resource consumption. Additionally, comprehensive measures such as standardized laying of dust-proof nets are implemented to ensure all environmental indicators meet standards, fulfilling the primary responsibility for environmental protection.

Total environmental protection investment

RMB **48.58** million

Annual environmental protection training sessions

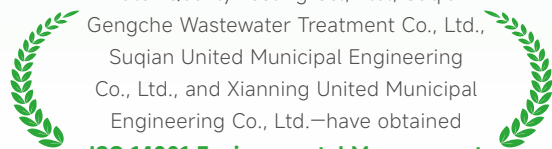
56 sessions

Total training participants

733 employees

Jiangsu United Water Technology Co., Ltd. and its four subsidiaries—Suqian Minxin Water Quality Testing Co., Ltd., Suqian Gengche Wastewater Treatment Co., Ltd., Suqian United Municipal Engineering Co., Ltd., and Xianning United Municipal Engineering Co., Ltd.—have obtained

ISO 14001 Environmental Management System Certification



Pollution and Waste Management

Governance

The Company's pollution and waste management efforts are led by the Operations Management Center. The Center has established an EHS Department to coordinate and supervise daily pollution and waste management activities, promoting self-correction, supervision, and management of pollution and waste emissions across all operating companies.

United Water strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Environmental Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Air Pollution*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution*, among other requirements. Internal policies have been developed, including *Solid Waste Management Procedures*, *Noise Generation and Treatment Management Procedures*, *Noise Emission Management Regulations*, *Wastewater Generation and Treatment Management Procedures*, and *Waste Gas Generation and Treatment Management Procedures*. Through comprehensive management processes and operational practices, the Company ensures that wastewater, solid waste, hazardous gases, and noise generated during production and operations are discharged in compliance with applicable standards. During the reporting period, the Company received no penalties and experienced no major incidents related to emissions or waste disposal.

Case Tongxiang Shenhe Water Sludge Resource Utilization

In 2025, Tongxiang Shenhe Water generated a total of 13,037.87 tonnes of sludge, all of which was transported to third-party thermal power company for resource utilization. Specifically, 4,460.90 tonnes were sent to Jiaying Xinjia Aisi Thermal Power Co., Ltd. for resource utilization, where the fly ash generated from sludge incineration is used in the construction industry and as roadbed material in road construction. The remaining 8,576.97 tonnes were transported to Zhejiang Jingshun Environmental Protection Energy Co., Ltd. for resource utilization, where the desulfurized ash from sludge incineration is used for brick manufacturing at brick plants.

Strategy and Management Approach

Through continuous improvement of its pollution control system, the Company ensures compliant waste disposal while actively exploring pathways for comprehensive waste resource utilization. These efforts aim to enhance resource recycling rates and effectively reduce the environmental impact of pollution emissions.

Solid Waste

Treatment Methods: Tailored treatment and disposal methods are developed for different categories of solid waste to achieve waste reduction, resource utilization, and harmlessness, ensuring effective management of all waste types within the Company.

Noise

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

Wastewater

Treatment Methods: Waste liquids generated during water quality testing are collected by the water quality testing center and centrally disposed of by qualified waste disposal companies. Domestic wastewater is treated in septic tanks before being discharged into the municipal sewage network. Cleaning wastewater generated during water production is collected for reuse, while sludge filter press water is discharged into the municipal sewage network. Rainwater enters the municipal stormwater system after collection in the plant's stormwater network. In 2025, we upgraded our industrial wastewater discharge system by installing Parshall flumes and flow meters at outlets to enable accurate measurement of industrial wastewater discharges.

Exhaust Gases

Treatment Methods: Odor-generating areas in wastewater treatment processes and sludge treatment systems are enclosed with corrosion-resistant covers such as fiberglass and stainless steel to ensure airtight containment and prevent fugitive emissions. Collected gases are channeled via pipelines to bio-deodorization units for systematic treatment.

Impact, Risk, and Opportunity Management

To systematically prevent and control risks associated with pollution and waste emissions, the Company has established a comprehensive pollution and waste risk management system aimed at proactively identifying, assessing, controlling, and continuously reducing related environmental and operational risks. We implement continuous monitoring of key emission sources—including wastewater, exhaust gases, and noise—to ensure timely detection of anomalies. Additionally, in accordance with regulatory requirements, we engage qualified third-party testing agencies to conduct regular inspections (quarterly for wastewater treatment plants and annually for water supply plants), ensuring that all pollutant emissions comply with environmental standards.

Metrics & Targets

We establish annual targets for solid waste emissions, noise emissions, wastewater discharge, and exhaust gas emissions to comprehensively improve pollution and waste management.

Pollution and Waste Management Targets	Achievement Status in 2025	Indicator	Unit	2025 Metrics	
<ul style="list-style-type: none"> Noise emission compliance rate: 100% (daytime ≤60 dB, nighttime ≤50 dB), workplace noise ≤85 dB 	Achieved ✓	Wastewater Discharge	Ammonia nitrogen emissions	tonnes	71.20
			Total nitrogen emissions	tonnes	951.57
			Total phosphorus emissions	tonnes	16.74
			Suspended solids emissions	tonnes	672.82
<ul style="list-style-type: none"> Wastewater discharge: 100% compliance rate for all emission concentration indicators, 100% compliance rate for annual total emissions of all indicators 	Achieved ✓	Exhaust Gas Emissions	Total exhaust gas emissions ¹	cubic meters	1,295,572,540
			Volume of nitrogen oxides emitted	tonnes	0.32
			Volume of sulfur oxides emitted	tonnes	0.03
			Volume of particulate matter and suspended particles emitted	tonnes	16.58
			Emissions of volatile organic compounds	tonnes	0
			Carbon monoxide emissions	tonnes	0.11
<ul style="list-style-type: none"> General waste disposal rate: ≥99% Hazardous waste disposal rate: =100% 	Achieved* ✓	Waste management	Volume of hazardous waste	tonnes	17.04
			Volume of non-hazardous waste	tonnes	122,161.24
<ul style="list-style-type: none"> Exhaust gas emissions: 100% compliance rate for all emission concentration indicators 	Achieved ✓		Total volume of recycled and reused waste	tonnes	14,300.96

*General waste and hazardous waste disposal rate: 100%

Note 1: Exhaust gas refers to collected odorous gas from wastewater treatment plants, which is treated and discharged through organized systems after deodorization.

Chemical Management

Guided by the principles of "prioritizing water quality compliance, precise cost control, and safe compliant operations," United Water has formulated the *Chemical Management Enhancement Plan* (including the *Specialized Chemical Management Rules*), establishing a full-process closed-loop management system. Through institutional standardization, technological empowerment, and supervision and assessment, we achieve refined, standardized, and traceable chemical management.

Procurement

- A tiered supplier management mechanism has been established with regular evaluations to prevent unqualified suppliers from admission. Precise procurement plans are developed based on production demands to ensure timely chemical supply. After delivery, a two-person acceptance procedure and sampling inspection are implemented to control chemical quality at the source.

Storage

- Dedicated chemical warehouses have been established, with strict separation storage based on chemical properties to ensure stability. Dynamic inventory records and early warning mechanisms have been established, comprehensive safety facilities equipped, and real-time monitoring implemented to achieve standardized and safe chemical storage management.

Usage

- Daily dosing plans are formulated based on water quality testing data, with data-driven dynamic adjustments to dosing quantities. Automated dosing equipment has been upgraded to ensure precise chemical dosing. Traceable records are maintained, with regular analysis of dosing data to optimize dosing plans and reduce operational costs.
- Since 2024, intelligent carbon source dosing devices have been progressively promoted at multiple wastewater treatment plants, including Helan United Water and Suqian Gengche Wastewater Treatment Co., Ltd., significantly reducing chemical consumption costs through precise calculation of required dosages while ensuring stable production operations.

Substitution

- We promote the substitution of solid PAC (Poly Aluminium Chloride) with liquid PAC/PFS across operating companies, reducing chemical costs while indirectly decreasing energy consumption from the drying process in solid PAC production and subsequently reducing carbon emissions. Additionally, since April 2025, Jingzhou Shenlian Environment has adopted liquid ferrous sulfate (an industrial by-product) as a substitute for solid ferrous sulfate, reducing operational costs while improving wastewater treatment efficiency and environmental benefits.

Monitoring and Safety

- Water quality monitoring indicators have been expanded, with increased monitoring frequency after chemical dosing and intensified testing during specific operating conditions. Regular employee safety training is conducted, emergency plans for chemical leaks and poisoning incidents have been developed, emergency rescue equipment and protective equipment are provided, and regular drills are organized.

Promote Green Principles

United Water fully integrates green principles into its daily operations and continuously organizes diverse green public welfare activities. Through science popularization campaigns on water conservation and environmental protection targeting the public, the Company inspires enthusiasm and action for ecological conservation, contributing to sustainable development and a greener future.

Green Office Practices

United Water focuses on daily details, encouraging all employees to actively adopt green office and lifestyle practices, embedding the concept of green development deeply within its workforce. In 2025, to implement the work requirements of "scientific management, standardized efficiency, energy conservation and consumption reduction, and quality and efficiency improvement," the Company formulated and released the *Administrative Management Measures for United Water Group Shanghai Headquarters Office (Trial)*. The *Measures* stipulate improving energy utilization efficiency, promoting a civilized, economical, and safe work style, fostering a green office and energy-saving work atmosphere, creating a positive office environment, and advancing the Company's sustainable development.

Implementing modern conferencing systems to progressively achieve paperless operations, promoting the double-sided printing and reuse of waste paper to reduce paper waste.

Encouraging employees to promptly switch off various electrical facilities and equipment, precisely controlling air conditioning usage to reduce electricity waste.

Green Design

Paper Conservation

Water Conservation

Electricity Conservation

Low-Carbon Commuting

Incorporating energy-saving and environmental protection concepts into the design of the Company's new office renovations, selecting energy-efficient equipment and systems, renewable or recyclable materials, and planting trees in public spaces to absorb carbon dioxide.

Cultivating employees awareness of water conservation, fostering the good habit of promptly turning off taps to reduce water waste.

Encouraging employees to adopt low-carbon commuting methods, promoting the use of public transportation to actively contribute to energy conservation and consumption reduction.

Environmental Initiatives

The Company deeply practices the ecological civilization principle that "clear water and lush mountains are invaluable assets," organizing employees from various subsidiaries to participate in tree planting and water protection activities. Through corporate commitment, the Company enhances the ecological foundation, injecting green momentum into urban soil and water conservation and ecological barrier construction.



On National Tree Planting Day 2025, the employees of Ruichang United Water planted samplings.



Suizhou United Water organized a river cleanup public welfare activity under the theme "Cleaning the Environment, We are taking action."



Environmental Science Popularization

In 2025, leveraging key occasions such as Earth Day, World Water Day, and China Water Week, the Company organized diverse water conservation awareness activities across Jiangsu, Hubei, and other regions. By inviting the public to visit water plants and organizing employee visits to schools, enterprises, and communities, the Company guides the public to conserve water resources, protect aquatic ecosystems, and contribute to the development of water-saving cities, jointly safeguarding clear waters with all sectors of society.



Visiting Water Plants: Witnessing the Wastewater Purification Journey

On Earth Day 2025, Jiangsu region of United Water invited citizens to visit Suqian Gengche Wastewater Treatment Co., Ltd. for a close observation tour of wastewater treatment facilities, immersing themselves in exploring the mystery of "wastewater transforming into clear water" and deepening public experience for the preciousness of water resources.



Community Engagement: Fostering a Water-Conserving Atmosphere

Various United Water subsidiaries visited communities to conduct water conservation awareness campaigns among residents, encouraging them to develop water-saving habits.

Street Interactions: Disseminating Green Development Concepts

Suizhou United Water conducted National Urban Water Conservation Awareness Week activities, promoting water conservation knowledge to the public through presentations on regulations, conservation concepts, conservation achievements, and technological innovations.



School Engagement: Developing Awareness of Water Conservation

Xianning United Water visited Xianning Wenquan Experimental Primary School and Yingui School to popularize tap water-related knowledge to students, actively promoting the dissemination of water conservation knowledge from campuses to families and society.



Enterprise Engagement: Strengthening Water Conservation Cooperation

Xianning Siyuan Water visited its major water clients to interpret water conservation policies and promote water-saving principles.



Reliable Partner

Total water planned treatment capacity approximately
3 million cubic meters per day

Comprehensive compliance rate of
water supply quality
100%

Charitable contributions
RMB **3.24** million

Contributing to UN SDGs



Water Supply Resilience

United Water recognizes that a stable and high-quality freshwater supply is vital for human health and socio-economic development. To this end, the Company continuously refines its water supply management system, establishes risk response mechanisms, and enhances the resilience of its water supply systems to provide stable, safe, and sustainable water services to society.

Governance

In terms of water supply quality, the Company's Operations Management Center is responsible for quality management under the leadership of a Senior Vice President, providing daily support and guidance to operating companies' production operations. Each operating company's General Manager and Production Director are responsible for daily operations, ensuring strict implementation of institutional norms and the safe, stable operation of water plants. We have formulated the *Water Quality Management System* to standardize water quality management, ensuring that water supply quality complies with the *Standards for Drinking Water Quality* (GB 5749-2022).

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

Strategy and Management Approach

Water supply is the core business of United Water. The Company has established management systems and standards related to water supply services, consistently invests in strengthening water quality safety, systematically advances the improvement and maintenance of water supply facilities and pipeline networks, optimizes water supply scheduling, and enhances water supply capacity to achieve high-quality, efficient water supply throughout the entire process "from water source to tap."

Ensuring Water Supply Quality

The Company prioritizes water quality by building a comprehensive water quality monitoring network to safeguard water supply security.

Full-Process Water Quality Control

The Company strictly complies with national *Standards for Drinking Water Quality* and other relevant requirements. Water quality testing personnel rigorously implement a "three-tier" testing system covering work shifts, water plants, and the Company, conducting daily full-process monitoring of source water, process water, and finished water to achieve comprehensive water quality control "from water source to tap," ensuring 100% compliance.

Improving Water Quality Management Systems

United Water Suqian Water Supply Company has established a water quality testing management system for terminal tap water. By developing annual drainage plans, assigning dedicated personnel and equipment, and strictly implementing testing twice a month, terminal tap water quality testing has been institutionalized and systematized, further safeguarding water supply quality.

Intelligent Inspection Empowerment

The Company has built and upgraded its intelligent inspection system. In 2025, at the Suqian Second Water Plant, a robotic dog inspection system was introduced to completely replace traditional manual inspections in key areas such as sedimentation tanks and the high and low voltage power distribution rooms, effectively enhancing inspection accuracy and timeliness while ensuring personnel and equipment safety.

Strengthening Operational Management Assessment

The Company formulated and released the *United Water Group Operational Management Assessment Standards*, covering management requirements including safety management, operations management, equipment management, and visualization. The standards comprise 8 primary indicators and 30 secondary indicators. Through continuous refinement of assessment standards, the Company enhances the compliance, standardization, and precision of its operational management, providing strong support for quality control across operating companies.

Enhancing Water Quality Testing Capabilities

In 2025, the Company conducted laboratory management training sessions, inviting experts from Tongxiang Fengqi Water Quality Testing Co., Ltd. to provide professional expertise, aimed at improving participants' laboratory management capability and enhancing testing efficiency and quality. Over the years, through multi-angle, multi-level training programs, the Company has mandated 100% "training + examination" coverage for laboratory personnel every three years, promoting the cultivation of highly skilled technical talent, consolidating the water quality safety management system, comprehensively enhancing water quality testing capabilities, and safeguarding drinking water safety for thousands of households.

Enhancing Water Supply Capacity

By strengthening the improvement and maintenance of water supply facilities and pipeline networks, advancing water supply capacity construction, and continuously optimizing water supply scheduling, the Company effectively enhances water supply capacity, committed to providing all users with stable, high-quality "reliable water."

Pipeline network hazard inspection coverage rate

100%

Emergency fault repair timeliness rate

100%

2025 pipeline network improvement investment*

RMB **26.64** million

*Statistical scope covers United Water Suqian Water Supply Company, Xianning United Water, Xianning Siyuan Water, and Jishan United Water.



Pipeline Network Construction and Upgrades

Through the construction of new water distribution networks, we systematically advance the construction, improvement, and maintenance of water supply facilities and pipeline networks, promotes the upgrading of aging pipelines, improves water pressure in various regions, and enhances residents' water usage experience.

Pipeline Network Inspection and Maintenance

Based on establishing a modern pipeline leakage detection system and integrating information technology and smart applications, we conduct macro management of pipeline network operation status and micro inspection of leak detection. Adhering to a dual approach combining technology and management, and integrating management measures such as organizational structure adjustment, business process reengineering, and appropriate performance evaluation, the Company achieves real-time control and precision management of water supply network leakage.

Scientific Water Supply Scheduling

An integrated scheduling center has been established to monitor real-time water supply network pressure and flow, dynamically allocate supply based on demand, enhance scheduling personnel's professional capabilities, and ensure correct and rapid handling of emergency situations. Scientific scheduling plans are formulated to reasonably analyze and forecast water demand based on weather, temperature changes, and peak usage. The water supply scheduling system has been upgraded to accurately forecast water demand trends through big data analysis and dynamically optimize scheduling plans, ensuring balanced water pressure across regions and reliable water supply.

Systematic Water Outage Management

Water outage information is promptly disseminated through official websites, WeChat public accounts, WeChat groups, and group messages. Regulations stipulate that for emergencies such as pipeline bursts, breaks, and visible or hidden leaks, water flow shall be stopped within 4 hours of receiving the leak report, with immediate organization of emergency repairs. If repair time for large-scale pipeline burst or leak incidents exceeds 24 hours, emergency water supply vehicles are rapidly deployed in affected areas to provide basic living water.



Emergency Water Supply Assurance

United Water continuously strengthens its emergency response capabilities, requiring all operating companies to develop special emergency plans for water resources. These plans standardize emergency organizational structures, responsibilities, and procedures to efficiently respond to incidents including sudden water shortages, raw water quality changes, freezing disasters, and torrential rains and floods. Regular water resource emergency drills are conducted to enhance employees' capacity to respond to emergencies.



In August 2025, facing the double challenges of high temperatures and extreme weather, Sanmenxia United Water proactively deployed defense line through equipment maintenance and pipeline network improvements. After entering the operational phase, Sanmenxia United Water promptly activated high-level emergency response mechanisms, employing scientific assessment and precise measures to comprehensively safeguard water supply security.



In October 2025, a flood emergency struck Jishan County, Yuncheng City, Shanxi Province. Jishan United Water promptly activated its flood control emergency plan. Through decisive measures including strategic production suspension and precision emergency repairs, Jishan United Water withstood flood peak pressures, ensuring both effective drainage and compliant water quality with reliable supply. This efficient and professional response safeguarded the water utility's "lifeline."



Impact, Risk, and Opportunity Management

The Company systematically establishes a water supply risk management system, implementing full-process precision monitoring. A water quality reporting platform has been established, enabling real-time reported data from subsidiary laboratories. Through this platform, potential water quality control risks are promptly identified and addressed, with headquarters' technical teams providing guidance on adjusting operational parameters to ensure finished water quality compliance across all operating companies. Additionally, the Company has developed emergency plans including the *Special Emergency Plan for Water Quality Incidents* and the *Special Emergency Plan for Water Supply Incidents*, with regular emergency drills conducted to enhance response capabilities for water supply emergencies.

Metrics & Targets

Water Supply Resilience Targets	Achievement Status in 2025
Reliable water supply volume	Achieved ✓
Water quality compliance with usage requirements	Achieved ✓



Premium Services

Water supply services represent not only the Company's foundation but also a bond for conveying warmth. The Company consistently upholds its commitment to "Supplying Quality Water with Integrity," using water as a medium to build a smart, efficient, and considerate service system.

Business Environment Optimization

Governance

United Water promotes the establishment of customer service departments in service-oriented operating companies to implement business environment optimization and customer service initiatives. Through continuous refinement of the service management system, the Company persistently drives improvements in the business environment.

Strategy and Management Approach

Reliable water supply assurance forms the "lifeline" for enterprise production and operations. We continuously explore innovative service models, encouraging operating companies to deploy comprehensive measures and effectively serve as "Water Assistants" to address challenges for enterprises, contributing to the ongoing optimization of the business environment through practical actions.

United Water Suqian Water Supply Company has implemented a series of initiatives including expanding service channels, optimizing installation processes, and enhancing water supply service efficiency, effectively improving tap water installation efficiency and water supply service levels. Xianning United Water operates a "grid + water supply" service system, enhancing users' experience and satisfaction with water services. These practical actions contribute to optimizing the business environment. As a benchmark practice for business environment optimization in Hubei Province, this was featured in the *Hubei Province Business Environment Optimization Bulletin* (Issue 3, 2025).



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Simplifying Processes—Doing "Subtraction"	Optimizing Services—Doing "Addition"	Information Empowerment—Doing "Multiplication"	Resolving Problems—Doing "Division"
<p>Leveraging big data management and smart water utility platforms, we integrate service functions such as new account installation and online payment into water supply grid "Water Assistant" service cards and water utility official account service platforms, reducing information input requirements for users and enabling "online processing" of water supply services.</p>	<p>We have established a "point-to-point" grid service mechanism, with dedicated "Water Supply Service Specialists" assigned to communities for personalized service within designated grids. Additionally, a four-tier grid coordination management system of "community—property management—community water grid staff—water utility" has been established to precisely address users' water service needs.</p>	<p>We strengthen information technology construction, focusing on standardization, convenience, and refinement to enhance smart management platforms with functions including issued design drawings and engineering construction management.</p>	<p>Responding to user needs, we proactively provide extended water services, precisely delivering value-added services such as online invoicing, leak point investigation, and water quality testing. Various water supply data are monitored and analyzed in real time, with automatic alerts for abnormal water usage to ensure excellent water quality and stable water pressure.</p>

Impact, Risk, and Opportunity Management

United Water promotes the establishment of risk control mechanisms among service-oriented operating companies to address potential risks in business environment optimization and customer service assurance. United Water Suqian Water Supply Company has established a closed-loop risk management mechanism covering identification, assessment, and response, identifying risks and formulating appropriate measures from two key dimensions: water supply security and emergency assurance, and service quality and customer satisfaction. Xianning United Water has established a full-process closed-loop mechanism of "risk identification—tiered assessment—targeted resolution—long-term prevention and control." Through cross-departmental special task forces, risks are identified from three dimensions: "internal process self-inspection + external demand collection + technical platform monitoring." The results of risk identification are combined with impact scope and severity to implement tiered assessment. Risk resolution outcomes are integrated into departmental performance assessments, forming a management framework of "responsibility assigned to positions, assessment applied to individuals, and supervision ensured at all levels," contributing to the continuous optimization of the regional business environment.

Metrics & Targets

United Water promotes target management among service-oriented operating companies, using targets to continuously drive service improvement. United Water Suqian Water Supply Company has established relevant targets from two key dimensions: customer complaints and customer visits. Xianning United Water, considering the Company's business layout and user needs, has established systematic targets across six dimensions, balancing service efficiency, assurance capacity, technological innovation, and user experience.

Upgrading Service Experience

United Water is committed to providing users with professional, rapid, and reliable water service experiences, refining service details to ensure customers enjoy convenience and satisfaction throughout their journey.

Business Environment Optimization Targets	Achievement Status in 2025
United Water Suqian Water Supply Company	
Year-on-year decrease in complaints: 10%	Achieved ✓
Visit at least 5 major clients per month	
Xianning United Water	
Urban water supply grid coverage rate: 100%	Achieved ✓
Problem resolution rate within grids: ≥95%	
Annual visits to key major water users: ≥2 times, visit coverage rate: 100%	
User complaint follow-up satisfaction rate: ≥95%	



Improving Systems, Standardizing Services

Transparent Tariffs, Protecting Rights

Enhancing Skills, Customer-Centric Approach

24/7 Hotline, Timely Response

Integrated Services, Optimizing Experience

For residential water supply, we promote the development of a *Service Commitment Charter* and refines systems including the *First-Responsibility System*, *Hotline Response Procedures*, *Complaint Handling Procedures*, and *Water Industry Standards*, requiring employees, especially those in customer service department, to strictly adhere to regulations and standardize service protocols.

We publicly disclose water tariff information for residential, non-residential, and special industry users through service outlets, WeChat public accounts, and government website announcements, effectively safeguarding user rights and enabling users to consume water services with confidence.

Customer service personnel are required to adhere to a customer-centric principle, with regular specialized training organized on service standards, policy interpretation, and fault handling. Periodic assessments covering service attitude, user satisfaction, and professional competence enhance customer service personnel's comprehensive capabilities and awareness of proactive, dedicated service.

Hotline staff operate around the clock to receive and address user complaints and feedback, accurately and effectively communicating user concerns to relevant departments and efficiently resolving inquiries about water consumption, billing, and meter malfunctions, ensuring timely and effective handling of user questions.

A grid-based service system has been established through employee community engagement, dedicated grid staff assignment, and community WeChat groups, forming a four-tier grid coordination mechanism. This enables point-to-point precise service and comprehensively enhances users' "water accessibility" experience.



Major client visits are conducted to truly understand customer needs and improve service.



On-site account opening services were provided for users at Shuxiang Mingyuan Residential Community in Zhongyang Town, receiving high recognition and praise from users.

Safeguarding Customer Rights and Interests

United Water is committed to ensuring service timeliness through rapid response, protecting information security with rigorous standards, and delivering service value through clear communication, wholeheartedly earning customers' satisfaction and trust.

Customer Satisfaction Management

We encourage service-oriented operating companies to conduct annual water supply service quality surveys, comprehensively understanding customer satisfaction, opinions, and suggestions about water supply services. Survey results are analyzed, and departments are required to develop improvement plans based on identified inadequacies and evaluate improvement outcomes to further enhance customer satisfaction.

Customer Complaint Resolution

We have formulated the *Customer Complaints and Inquiries Handling Management System*. Channels including WeChat public platforms, 24-hour service hotlines, mayor's mailboxes, and written correspondence are utilized to receive customer messages, inquiries, and complaints. Responsible entities and response timelines are clearly defined, with dedicated management departments established to monitor the timeliness and appropriateness of responses across all channels, ensuring sincere engagement with every customer.

Customer Information Security

We prioritize the protection of customer information, strictly complying with relevant laws and regulations. All collected personal data is used solely for service delivery and necessary communications. The *Customer Information Confidentiality Management System* and the *Information Security Management Measures* have been formulated, establishing comprehensive safeguards including confidentiality awareness, classification, permissions and access controls, physical and cybersecurity measures, employee exit protocols, and incident response procedures. In 2025, United Water Suqian Water Supply Company conducted customer information security management training to further enhance employee awareness in protecting customer information security.



United Water Suqian Water Supply Company

Customer communication and suggestions received
2,047

Customer complaint response rate
100%

Customer complaint resolution rate
100%

Customer satisfaction rate
98%

Xianning United Water

Customer communication and suggestions received
136

Customer complaint response rate
100%

Customer complaint resolution rate
100%

Customer satisfaction rate
99.80%

Water Accessibility

United Water is consistently dedicated to improving water accessibility, enabling more residents domestically and internationally to access safe, reliable tap water. The Company fulfills its mission through professional expertise, responds to expectations through practical actions, and continuously injects stable "water momentum" into livelihood improvement and social development.

Urban-Rural Water Supply Integration

United Water adheres to the general requirements of "same source, same network, same quality, same service," advancing the integration of urban and rural water supply systems. Efforts to implement drinking water projects in rural and impoverished areas are intensified, with service improvements tailored to the specific circumstances of rural users and low-income groups. This enables more people in broader regions to access and use cleaner, safer tap water, effectively enhancing the accessibility of the Company's products and services.



Extending Infrastructure to Reach the "Last Mile" of Water Access

In 2025, United Water Suqian Water Supply Company actively strove for government funds to improve 9 low-pressure areas and 11.20 kilometers of aging pipelines, while constructing 1.8 kilometers of new pipelines, benefiting 12,000 residents and achieving "village-to-household" tap water access. Xianning United Water continuously extended water supply services, advancing rural pipeline network renovations to promote equal access to water between urban and rural areas and addressing water access challenges in remote regions. A total of 114.68 kilometers of urban village pipeline networks were improved, along with water supply improvement for 381 rural households, benefiting over 30,000 residents and significantly improving rural water supply safety and experience.



Enhancing Convenience Services to Address Water Access Challenges for Special Groups

Addressing the challenge faced by special groups such as elderly individuals living alone in rural areas with online payment operations, Xianning United Water launched a "door-to-door water fee collection" convenience initiative, piloting the program in Lirong Village, Shuangxiqiao Town. A dedicated service team was formed, collaborating with village committees to accurately communicate payment information through village announcements and door-to-door notifications, providing on-site services including fee collection, data verification, and business consultation. This model has been expanded to three administrative villages, benefiting over 3,000 rural households and effectively resolving payment problems for special groups.



Focusing on Vulnerable Group Needs, Strengthening Service Assurance and Fairness

While extending pipeline networks and upgrading services, the Company pays particular attention to the water usage rights of low-income families and other vulnerable groups, proactively coordinating with civil affairs departments to enable low-income households to benefit from preferential policies "without visiting" and as quickly as possible. Xianning United Water, based on the public welfare attribute of water supply, strictly implements tiered water price and has introduced targeted water supply assurance measures for low-income groups and older residential communities, ensuring water usage fairness. Jishan United Water issued the *Notice on Water Fee Reductions for Low-Income Groups in 2025*, providing eligible households with 6 cubic meters of free water, reducing their water burden and further enhancing water accessibility for vulnerable groups.

A New Chapter in Overseas Water Utilities

United Water actively practices the principles of extensive consultation, joint contribution, and shared benefits under the Belt and Road Initiative, using water as a bond to closely connect Chinese standards and technologies with overseas livelihood needs. As Bangladesh's first water PPP project, the Purbachal New Town Water Supply Project in Dhaka, signed in 2019, represents not only a milestone in the Company's overseas expansion but also a model livelihood project under China-Bangladesh Belt and Road cooperation. With a designed capacity of 340,000 cubic meters per day and a high-standard water quality testing center, the project will provide high-quality water services to approximately 2 million residents. Following the operation of Phase I in early 2023, Phase II of the project is expected to be completed by the end of June 2026 and to deliver water to customers later in 2026. The Company has extended its mature service system to international markets, comprehensively building a sustainable local water supply ecosystem encompassing refined water quality management, smart pipeline network monitoring, rapid emergency response, and publicity of water usage knowledge for communities. Nowadays, safe and reliable water supply has become routine, transforming water access difficulties in the past into tangible sense of well-being, happiness, and security for the people of Bangladesh.

In 2026, United Water successfully won the long-term operation and maintenance contract for municipal wastewater treatment (Package 10) from the National Water Company of Saudi Arabia, covering the upgrading, renovation, and operation and maintenance of nine wastewater treatment plants across four provinces in Saudi Arabia. This successful bid represents another major achievement in the implementation of United Water's development strategy of "rooting in the domestic market while actively exploring the international market," helping the company expand its overseas business footprint and bring clean water to more regions and residents.

As of the end of 2025

Population with improved water access
approximately **2** million people

Cumulative local employment created
approximately **600** people

Overseas local procurement ratio
65.29%

Water Quality Defense Line, Ensuring Safe Water Consumption

To address local groundwater pollution, the project will initially utilize 15 deep wells exceeding 250 meters in depth as water sources, with plans to transition to treated surface water. A high-standard water quality testing center equipped with microbiological and routine indicator testing capabilities has been established. Through measures including optimized chemical dosing, strict testing in accordance with standards, and regular pipeline flushing, continuous water quality compliance is ensured. The operations and maintenance team optimizes the water distribution network layout based on site conditions, reasonably adjusts supply modes, and increases water quality testing frequency to ensure that all users receive compliant drinking water.

Smart Operation and Maintenance, Enhancing Quality and Efficiency

Operations management has been comprehensively upgraded with updated pump station standard operating procedures, extended water supply hours, and smart control achieved through the SCADA system. In pipeline network maintenance, predictive maintenance, regular flushing, critical valve repairs, and installation of anti-theft meters have reduced network failure rates by over 20%, decreased non-revenue water, and significantly improved repair response speed.

Water Services, Enhancing Livelihood Experience

Customer service processes have been optimized with the launch of an upgraded digital service portal enabling complaint tracking and information transparency. Priority work order mechanisms and enhanced internal coordination have substantially shortened average response times. Customer satisfaction surveys are conducted, with feedback integrated into service improvements, resulting in significantly enhanced user satisfaction.

Community Engagement, Building Trust and Consensus

Investment in publicity and community interaction has been strengthened, focusing on promoting safe tap water use and encouraging residents to connect to the water supply network. Through community visits, on-site demonstrations, mobile campaigns, and informational leaflets, knowledge of safe water practices and the benefits of connection has been disseminated, promoting growth in the number of households connecting to the system and enhancing public understanding of water treatment processes and water quality safety. This has strengthened trust and interaction between the Company and local communities. As of the end of 2025, a cumulative total of 249 water supply applications had been received, with 213 active user households.



On May 21, 2025, the project company was invited by the World Bank Group to participate in the "Water Reuse and Recycling Conference and Association of Nations Launch Meeting," disseminating knowledge on safe water use to participants.



In 2025, the project company organized door-to-door visits and on-site demonstrations to popularize the Company's water quality standards, safe water usage methods, and the benefits of connecting to the piped water system to residents.



In January 2026, United Water successfully won the long-term operation and maintenance contract for municipal wastewater treatment (Package 10) from the National Water Company of Saudi Arabia.

Community Involvement

United Water upholds the belief of "rooted in society, paying back society," establishing close connections with communities and actively engaging in public welfare initiatives. Through practical actions, we deliver care and warmth, contributing to the development of a harmonious society.

Community Communication

Trust and support from the public and communities are essential safeguards for industrial operations. The Company focuses on the needs of stakeholders including local governments, the public, and communities in areas where its projects are operated, establishing smooth communication mechanisms with communities and building strong relationships of mutual trust and collaboration. In 2025, during the construction of United Water Suqian Second Water Plant Phase V Project and the construction project of Tongxiang Shenhe Water Industrial Sewage Treatment Plant, the Company attaches great importance on communication and collaboration with surrounding communities and project management committees, enhancing project transparency and social sustainability. Throughout the construction period, neither project experienced major complaints or disputes.

Information Transparency

Public notice boards were installed around construction sites to promptly disseminate information on project progress, construction plans, and temporary changes, ensuring surrounding residents' right to know and participation.


Valuing Concerns

Regular coordination meetings were organized involving site management personnel, community resident representatives, and relevant government departments to collectively discuss potential issues during construction and directions for improvement, continuously listening to and addressing residents' concerns, and promptly responding to and resolving issues raised by residents.



Impact Mitigation

Various noise control measures were actively implemented to reduce inconvenience caused by construction to community residents, minimizing the impact of construction on residents' daily lives as much as possible.


The Company focuses on people's livelihoods, continuously making efforts to "address public concerns and take practical actions." Annual targeted assistance activities are regularly conducted to identify the difficulties and needs of vulnerable groups. Maintenance teams visit villages and households to assist elderly residents with water supply facility repairs, resolving practical life difficulties and fully enhancing the sense of well-being among community residents.



United Water participated in Suqian's "Government Hotline" program, engaging in interactive exchanges with listeners about residential water supply issues.

Through needs-assessment visits, distribution of informational leaflets, posting of freeze prevention tips, and door-to-door awareness campaigns, United Water promoted knowledge related to water pipe freeze protection and water meter crack prevention.



Public Welfare and Charity

The Company integrates high-quality corporate development with social responsibility, actively practicing public welfare and charity, continuously expanding its charitable footprint across multiple domains including volunteer services, cultural and sports initiatives, and educational support.

Total public welfare investment

RMB **3.24** million

Employee volunteers

591

Employee volunteer teams

19

Total employee volunteer service hours

811.15 hours

Employee volunteer participants

498

Xianning United Water was honored with the **"2024 Charitable Enterprise"** by Xianning Volunteer Association and Xianning Qishan Social Work Service Center.

Jishan United Water was honored with the **"Charitable Enterprise"** award by Jishan County Civil Affairs Bureau.

Volunteer Services

The Company promotes the volunteer spirit of "dedication, friendship, mutual assistance, and progress," connecting with vulnerable social groups, actively organizing public welfare activities, and encouraging and guiding employees to participate extensively in volunteer services.



United Water organized employees to participate in voluntary blood donation.



Multiple subsidiaries including United Water's Ningxia region, South China region, and Shanxi region conducted Double Ninth Festival visits to elderly groups.



Helan United Water, in collaboration with Helan County Taiyangcheng Community, conducted warm visits and material donations for female sanitation workers who stuck to their posts.



Nanjing United Water and Pinghe United Water conducted the "Water Supports Your Journey of National College Entrance Examination" initiative to assist with college entrance examinations, providing convenience and support to exam candidates and their parents.

Cultural and Sports Initiatives

The Company has long-term supported and participated in various sports events and cultural activities, supporting the flourishing development of local cultural and sports initiatives, enriching the spiritual lives and leisure activities of the public, and embodying the vision of enterprises about mutual development and prosperity with cities and culture.



United Water supported the hosting of the Suqian Marathon as an official support unit, injecting "water momentum" into the flourishing development of public health initiatives.



United Water supported the 3rd Suqian Citizens' Cultural and Arts Season "Joyful Arts."



Jingzhou Shenlian Water and Jingzhou Shenlian Environment formed a green running team to support the 2025 Jingzhou Marathon.

Educational Support

The Company continuously advances educational public welfare initiatives through donations to education development funds and establishment of scholarship programs, supporting talent team building and cultivation in higher education institutions. Additionally, the Company provides financial aid to primary and secondary schools, contributing to China's educational development.



United Water donated RMB 2 million to establish the "AI Future Fund" at Shanghai Jiao Tong University.



Jishan United Water visited to impoverished children on Children's Day and donated materials to support children's study and growth.



Tongxiang Shenhe Water conducted a scholarship donation activity at Tongxiang Gaoqiao Experimental School (Primary Division).



Xianning Siyuan Water donated scholarships to impoverished college students in Suntian Village, Henggouqiao Town, Xian'an District, Xianning City.



Excellence in Operations

Investment in work safety

RMB **2.18** million

Occupational health and work safety training

187

Occupational health and work safety training participants

2,715

Contributing to UN SDGs



Corporate Governance

A sound governance framework is the cornerstone of sustainable enterprise development. United Water continuously optimizes its corporate governance system, enhances governance capabilities and standardized operations, effectively safeguards investor rights and interests, and practices compliant operations with high standards.

Improving Corporate Governance

The Company strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Shanghai Stock Exchange Listing Rules*, the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 1 – Standardized Operations*, and other relevant laws, regulations, and normative documents. A governance structure with clear authorities and responsibilities has been established, forming a coordinated, efficient, and robust governance mechanism. In 2025, in accordance with the *Company Law of the People's Republic of China* and other relevant laws, regulations, and regulatory requirements, the Company strategically adjusted its corporate governance structure, legally abolishing the Board of Supervisors, with the Board Audit Committee assuming supervisory functions. Employee Representative Directors were established to further optimize the Board's composition and solidify the foundation for the Company's standardized operations.

The Company has formulated a series of management systems including the *Articles of Association*, *Rules of Procedure for the General Meeting of Shareholders*, and *Rules of Procedure for the Board of Directors*, establishing a "1+2+5+N" corporate governance system framework, which is continuously revised and improved based on development conditions and regulatory standards. In 2025, we revised 22 system documents, newly formulated the *Information Disclosure Exemption and Deferral Management System* and the *Shareholding and Change Management System for Directors and Senior Executives*, and abolished internal systems and related provisions concerning supervisors or the Board of Supervisors, including the *Rules of Procedure for the Board of Supervisors*, further enhancing the standardization and effectiveness of governance work.

The General Meeting of Shareholders is the supreme decision-making entity of the Company, exercising voting rights. During the reporting period, the Company revised the *Rules of Procedure for the General Meeting of Shareholders*, strictly standardizing the procedures for the General Meeting to exercise its powers legally, fully safeguarding the legitimate rights and interests of shareholders. The Board of Directors is the decision-making body for the Company's operations and management, responsible to the General Meeting of Shareholders and all shareholders, effectively fulfilling its functions of setting strategy, making decisions, and preventing risks. Four special committees are established under the Board: the Strategy and ESG Committee, the Audit Committee, the Nomination Committee, and the Compensation and Assessment Committee. Each committee fully leverages its professional advantages, providing scientific basis and professional support for Board decisions.

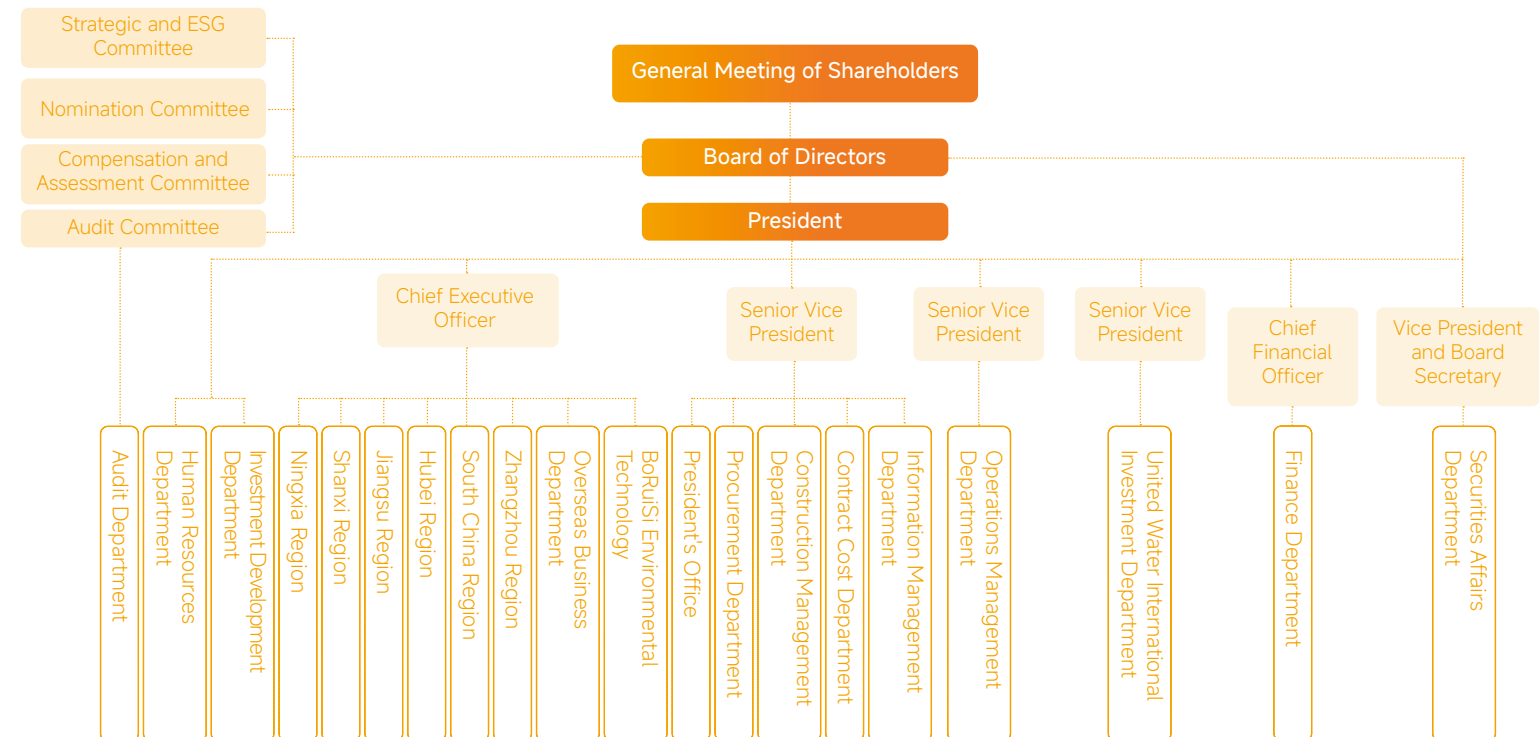


Diagram of United Water Governance Structure

General Meetings of Shareholders convened

3 times

with

15 proposals approved



Board of Directors meetings held

7 times

with

33 proposals approved

attendance rate of Board members

100%

Strategy and ESG Committee meetings held

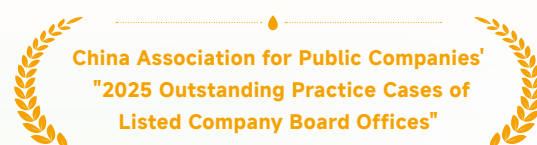
3 times

Audit Committee meetings held

4 times

Compensation and Assessment Committee meeting held

1 time



Board Effectiveness and Diversity

Board Effectiveness

The Company strictly complies with laws, regulations, and regulatory requirements such as the *Company Law of the People's Republic of China* and the *Administrative Measures for Independent Directors of Listed Companies*, formulating and actively implementing the *Independent Directors' Work System* and the *Independent Directors' Special Committee Meeting Work System*. These clarify the roles and responsibilities of independent directors in corporate governance, ensuring they diligently perform their duties. During the reporting period, the Board of Directors comprised 9 members, including 3 independent directors, with independent directors accounting for 33.33%. The Audit Committee, Nomination Committee, and Compensation and Assessment Committee under the Board are all chaired by independent directors, effectively ensuring the objectivity and impartiality of Board decisions.

Board Special Committees	Proportion of Independent Directors	Attendance rate of independent directors at committee meetings
Strategy and ESG Committee*	20%	100%
Nomination Committee*	66.67%	100%
Compensation and Assessment Committee*	66.67%	100%
Audit Committee*	66.67%	100%

Note: * indicates the committee is chaired by independent directors.

The Company attaches great importance to the development and practical exploration of the independent director system. By strengthening duty performance support, innovating duty performance mechanisms, and enriching duty performance scenarios, the Company promotes the deep integration of independent directors into the corporate governance chain, fully leveraging their professional supervision and decision-support roles. In 2025, the Company added a dedicated "Independent Directors" section to the *Articles of Association*, revised the *Independent Directors' Work System* and the *Independent Directors' Special Committee Meeting Work System*, and improved the system for safeguarding independent directors' duty performance. By organizing independent directors to participate in regular report performance briefings, establishing a mechanism for regular reporting by senior executives to independent directors, and convening independent directors' special committee meetings, the Company deepened communication and exchanges between independent directors, management, and the capital market, ensuring independent directors could perform their duties. Relying on the professional expertise of independent directors, through diverse forms such as thematic sharing and project research, a bridge for knowledge transfer from "external think tanks to company decisions" was built, fully leveraging the role of independent directors as external consulting experts and providing support in areas such as macroeconomics and technological innovation for the Company to solidify its governance foundation in a complex external environment.

Case Enriching Independent Director Duty Performance to Professionally Empower Company's Development

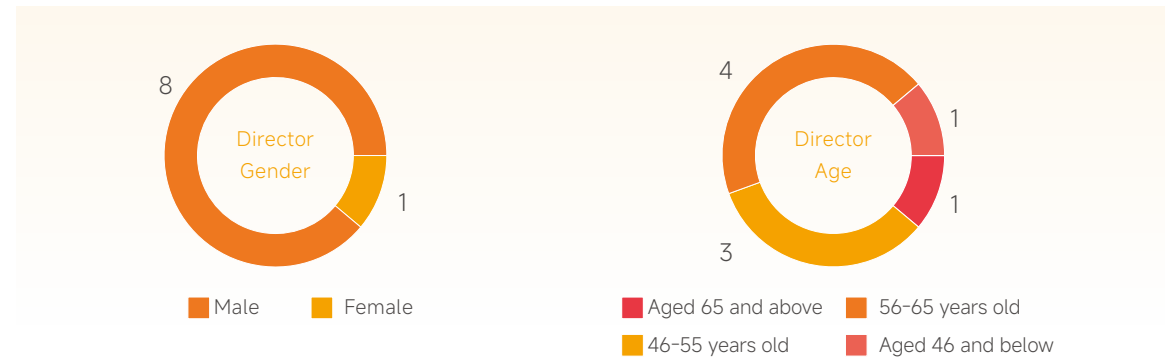
On April 23, 2025, United Water invited its independent director, Prof. Lian Ping, Chairman of the China Chief Economist Forum, President and Chief Economist of the Guang Kai Chief Industry Research Institute, to deliver a lecture on "China's Economy under the Tariff War Background." This provided forward-looking decision-making reference for the Company's strategic planning and risk prevention and control, providing valuable guidance for the Company to achieve high-quality development in a complex economic environment.



The Company is committed to building a learning-oriented Board of Directors, regularly organizing Board members to participate in relevant training organized by the CSRC, stock exchanges, and associations of listed companies. In 2025, the Company conducted multiple professional skill enhancement training sessions for directors and organized all directors to study and implement the *Typical Cases of Illegal Activities by Listed Companies* and the *Reminder List of Common Violations by Listed Companies* from the *Notice of the Jiangsu Regulatory Bureau on Further Strengthening the Standardized Operation of Listed Companies and Preventing Illegal and Risk-Related Activities*. Directors participated in the "Listed Company High-Quality Development Series Training" organized by the Jiangsu Regulatory Bureau, and independent directors participated in the Shanghai Stock Exchange's "2025 6th Follow-up Training for Independent Directors of Listed Companies." These initiatives contributed to directors gaining a deeper understanding of the latest regulatory policies, further strengthened compliance awareness, enhanced capabilities of duty performance, thereby promoting the improvement of listed company standardized operations.

Board Diversity

The Company recognizes that board diversity is a crucial factor in maintaining effective corporate governance. Considering the Company's development strategy and business needs, the composition of Board members is determined by comprehensively considering multiple factors such as age, gender, educational background, professional skills, and industry experience. This enables a more comprehensive perspective to enhance corporate governance efficiency and ensure the scientific nature and effectiveness of Board decisions. The Company's current directors possess professional backgrounds and experience in multiple fields including finance, financial management, corporate management, and environmental water services. One independent director on the Audit Committee is an accounting professional, and the Chairman of the Audit Committee, Mr. Jiang Qifa, possesses financial background and abundant experience, enabling effective internal financial management and risk control.



Compensation and Assessment

The Company has established a compensation management and incentive-constraint mechanism for directors and senior executives, clearly stipulating that the Board Compensation and Assessment Committee is responsible for formulating and reviewing the compensation policies and plans for directors and senior executives. The compensation for the Company's directors and senior executives adopts an annual salary system, comprising fixed salary and year-end bonus. The year-end bonus is linked to the performance of the Company and the individual, evaluated based on established assessment indicator systems. Deductions are made if relevant requirements are not met. This further enhances the motivation and creativity of the Company's operators and managers, promoting the Company's sustained performance growth.



Investor Rights Protection

The Company strictly complies with relevant laws and regulations including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Guidelines for Investor Relations Management of Listed Companies*, and relevant provisions of the *Articles of Association*, establishing and continuously improving investor rights protection mechanisms. Adhering to the principles of fairness, justice, transparency, and objectivity, the Company fully safeguards all investors' right to know and other legitimate rights and interests. To ensure convenient participation for more shareholders, the Company convenes general meetings using a combination of on-site voting and online voting, enabling all shareholders, especially those unable to attend in person, to fully exercise their voting rights. When deliberating major matters affecting the interests of small and medium investors, separate vote counting is implemented for small and medium investors with public disclosure, effectively safeguarding the legitimate rights and interests of minority shareholders.

Information Disclosure

The Company strictly complies with regulatory documents such as the *Administrative Measures on Information Disclosure of Listed Companies* and the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 2 – Information Disclosure Management*. It has formulated and rigorously implements the *Information Disclosure Management System*. Guided by investor needs, the Company ensures the preparation, review, and disclosure of interim reports and regular reports, guaranteeing that information disclosure is truthful, accurate, timely, and complete. The Company strengthens insider information management by revising the *Insider Information Registration and Management System*, regulating the management of company insiders and enhancing confidentiality of insider information. Additionally, the Company prioritizes standardized management of related-party transactions, revising the *Related-Party Transaction Management System* and the *Guidelines for Regulating Fund Transactions with Related Parties*, clarifying decision-making procedures, information disclosure requirements, and pricing mechanisms to safeguard the Company's overall interests and maintain fair market competition order. During the reporting period, no false records, misleading statements, material omissions, or improper disclosures occurred in the Company's information disclosure.

Shanghai Stock Exchange 2024-2025 Information Disclosure A-Level Rating.

Investor Communication

The Company attaches great importance to investor relations management. In accordance with the *Guidelines for Investor Relations Management of Listed Companies*, we continuously improve the *Investor Relations Management Measures*, establishing an investor management system led by the Board Secretary and creating multi-level, positive interaction communication mechanisms. Through multiple channels including investor hotlines, IR email, and the Shanghai Stock Exchange e-interactive platform, as well as regularly convening performance briefings, actively participating in strategy conferences organized by securities institutions, and conducting roadshows and reverse roadshows, we strengthen interaction and communication with investors, ensuring rapid response and efficient feedback to investor concerns.



On September 9, 2025, under the guidance of the Shanghai Stock Exchange, United Water cooperated with East Money to host the "Serve Investors, Share High-Quality Development – 'I Am a Shareholder' Visit to Shanghai Stock Exchange-listed Companies" themed investor communication activity.

Investor Returns

While focusing on its own development, the Company adheres to an investor-centric principle, strictly implementing a consistent and stable cash dividend policy under its *Articles of Association* to share development achievements with investors. The Board formulates annual profit distribution plans based on operational performance and submits them to the General Meeting of Shareholders for approval, ensuring the legitimate rights and interests of shareholders, particularly minority shareholders, are fully protected. In 2025, the Company implemented the 2024 Annual Profit Distribution Plan, distributing RMB 1.50 per 10 shares (tax-inclusive), totaling RMB 63,483,090.60 (tax-inclusive). Combined with the cash dividend of RMB 14,812,721.14 (tax-inclusive) distributed to all shareholders in the first half of 2024, the total cash dividends distributed by the Company for 2024 (including interim distributions) amounted to RMB 78,295,811.74 (tax-inclusive), representing 52.22% of the net profit attributable to shareholders of the listed company in the Company's 2024 consolidated statements.

Compliant and Sound Operations

United Water consistently adheres to the principle of compliant operations, continuously deepening its risk management system and strengthening internal controls to ensure the standardization and compliance of all business activities. This solidifies the defense line of risk prevention and control for high-quality corporate development and ensures the Company's stable operations.

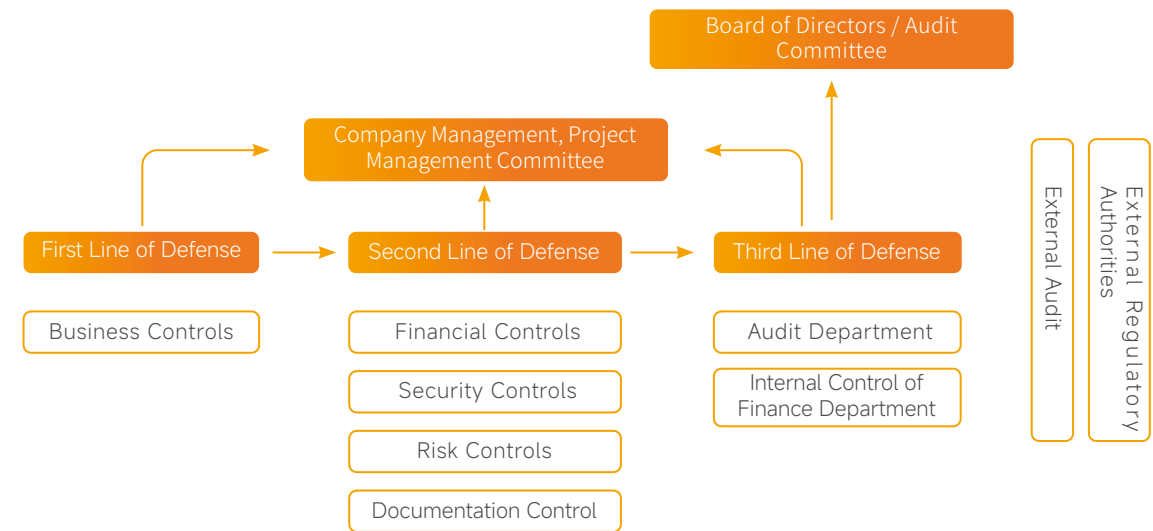
Governance

- The Board of Directors is charged with overseeing risk management and governance, while the Audit Committee regularly supervises and evaluates the effectiveness of internal controls, providing unified leadership, assessment, and reporting to the Board on internal audit work.
- Finance Department is responsible for effective risk management and internal controls, overseeing the Company's tax management operations. In 2025, the Finance Department appointed a Deputy Manager for Financial Internal Control and Risk, responsible for advancing the development of the financial internal control system for operating companies and conducting special inspections on the implementation of internal controls.
- Audit Department is responsible for internal auditing and establishes a comprehensive internal audit management system.

Strategy and Management Approach

Risk Management

The Company has established a comprehensive risk management and internal control system. The Board of Directors is charged with overseeing risk management and governance, while the Audit Committee regularly supervises and evaluates the effectiveness of internal controls, providing unified leadership, assessment, and reporting to the Board on internal audit work. Through the "Three Defense Lines" and internal-external supervision mechanisms, we effectively prevent and control direct and indirect risks that may cause losses, ensuring compliant operations and sustainable development.



The Company's Risk Management System

The Company continuously advances the development of fundamental risk management workflows, achieving full-process risk management through risk information collection, risk assessment, risk solution formulation, and risk monitoring and evaluation. We continuously optimize our risk monitoring and early warning systems, strengthening monitoring of multi-dimensional risks including market, operational, and regulatory risks. We regularly evaluate potential market risks, operational risks, financial risks, tax risks, legal risks, as well as ESG risk factors such as work safety, human resources, and environmental protection, understanding various potential threats and opportunities faced by the Company and achieving comprehensive mastery of key business areas. Additionally, we formulate and continuously improve a series of risk response measures and emergency plans, strengthening employees' risk prevention awareness and emergency response capabilities to ensure rapid, orderly, and effective response to emergency risks.

Internal Control and Compliance

Financial Internal Control

The Company has established a robust financial internal control management mechanism, strictly adhering to internal systems such as the *Financial Internal Control Management Manual* and *Financial Reimbursement Regulations* to ensure standardized implementation of financial internal control management. During the reporting period, we revised and improved the *Financial Internal Control Management Manual*, adding specific internal control management requirements for various operational processes, including improving procurement warehousing processes, strengthening project progress management, enhancing contract management, and clarifying contract approval requirements. These additions help departments at all levels clarify responsibilities and implement requirements, further effectively preventing financial risks.

The Company annually engages professional accounting firms to audit the effectiveness of internal controls over financial reporting, effectively mitigating potential risks and ensuring the Company's compliant and sound operations. In 2025, we conducted special internal control inspections on six operating companies, including a follow-up investigation on the 2024 internal control inspection results of one operating company to verify past rectification effectiveness and consolidate internal control achievements. Additionally, Northern Regional companies organized two regional interactive internal control inspections, promoting mutual study and supervision among regions and effectively enhancing internal control capability. Furthermore, the Company continuously promotes the integration of internal control compliance principles into daily operations management, actively organizing financial personnel and relevant management personnel from operating companies to participate in internal control system training, continuously improving the Company's internal control management capability.

Internal Audit

The Company has formulated and continuously improves the *Internal Audit System*, standardizing audit workflows and fully leveraging the effectiveness of internal audit supervision. We continuously strengthens our audit system construction, focusing on key business areas and critical risk links, intensifying audit efforts, and conducting special audit work in an orderly manner according to annual plans. Issues identified during audits are promptly rectified and incorporated into assessments, forming a virtuous cycle of promoting management through rectification and ensuring compliant business operations across the Company.

Tax Management

The Company strictly complies with relevant tax laws and regulations including the *Law of the People's Republic of China on the Administration of Tax Collection* and the *Enterprise Income Tax Law of the People's Republic of China*, formulating and continuously improving the *Tax Management Manual* to standardize tax operational procedures. We have established a robust tax management system, implementing a three-tier tax management structure with clearly defined responsibilities at each level and centralized oversight of all tax-related matters to effectively prevent tax-related violations. In this management structure, the Chief Financial Officer oversees overall strategic planning and risk management. The Tax Manager, in collaboration with Regional Financial Directors, manages standardized tax processes, regulatory compliance, and responses to internal-external tax audits. Each operating company has dedicated tax positions responsible for daily tax filings and basic tax risk controls. During the reporting period, the Company experienced no major tax violations and was not involved in any tax-related major litigation or arbitration.

The Company conducts regular tax risk assessments, reviewing monthly tax filings across all operating companies via tax declaration control sheets to prevent omissions, delays, or late tax payments, ensuring zero tax risks during the reporting period. We regularly organize professional tax training for employees to accurately interpret policy support directions and priorities, share updates on government regulations and industry trends, and guide various departments in correctly understanding and applying relevant policies to conduct related business while avoiding tax risks. These continuously enhance the professional competence and practical operational capabilities of tax personnel. During the reporting period, the Company paid total taxes of RMB 105.49 million.

Impact, Risk, and Opportunity Management

The Company has established a fundamental risk management workflow system, regularly identifying and assessing potential risks, clearly defining and refining risk control measures, implementing risk tracking and monitoring, and continuously enhancing its risk prevention and control capabilities. We prioritize internal control and compliance management, regularly evaluating the effectiveness of risk management and internal control systems, and conducting special audit work as planned to ensure the efficient and sound operation of the internal control and compliance system, effectively preventing operational risks. Additionally, we conduct regular tax risk assessments, strengthening employee tax risk awareness to ensure compliant operations in the tax area.

Metrics & Targets

Compliance and Sound Operations Targets		Achievement Status in 2025
Financial Internal Control	Special internal control inspections conducted: 6	Achieved ✓
	Internal control system training sessions held: 2	Achieved ✓ Internal control system training sessions held: 4
Tax Management	Professional tax training sessions conducted: 12	Achieved ✓ Professional tax training participants: 488
	Number of Class-A Tax Credit taxpayers to be maintained at no less than the previous year	Achieved ✓ Subsidiaries rated as Class-A taxpayers: 23
Internal Audit	Audits conducted on 15 operating companies or 1 functional department	
	Full-process supervision of approximately 94 online or on-site major bidding meetings	Achieved ✓
	Major risk incidents reported: 0	



Business Ethics

United Water upholds the principle of integrity in its operations, adheres to business conduct standards, participates in market competition in compliance with laws and regulations, maintains a zero-tolerance principle towards corrupt practices, opposes all forms of commercial bribery, money laundering, monopoly, and unfair competition, thereby strengthening its business ethics defense line.

Governance

The Company has established a three-tier management structure comprising the Board of Directors, the Board Audit Committee, and the Audit Department. The Board is responsible for urging management to foster an anti-fraud culture and improve the internal control system covering fraud prevention, whistleblowing acceptance, and investigation handling. The Board authorizes the Board Audit Committee to guide the Company's anti-fraud efforts, while the Audit Department oversees the implementation of business ethics and anti-corruption work. We have formulated and continuously improves the *Anti-Fraud and Whistleblowing System*, the *Integrity and Compliance Policy*, and the *Employee Integrity Agreement* to regulate the Company's business ethics and anti-corruption management.

Strategy and Management Approach

Anti-Corruption and Anti-Fraud

We have established a robust business ethics and anti-corruption management system, explicitly opposing all forms of bribery, corruption, fraudulent practices, extortion, fraud, and other improper conduct that violates business ethics standards. It promotes the construction of an integrity culture, strengthens supply chain integrity management, maintains open channels for reporting business ethics and anti-corruption violations, and collaborates with employees, suppliers, and other partners to develop a trustworthy and honest business environment.



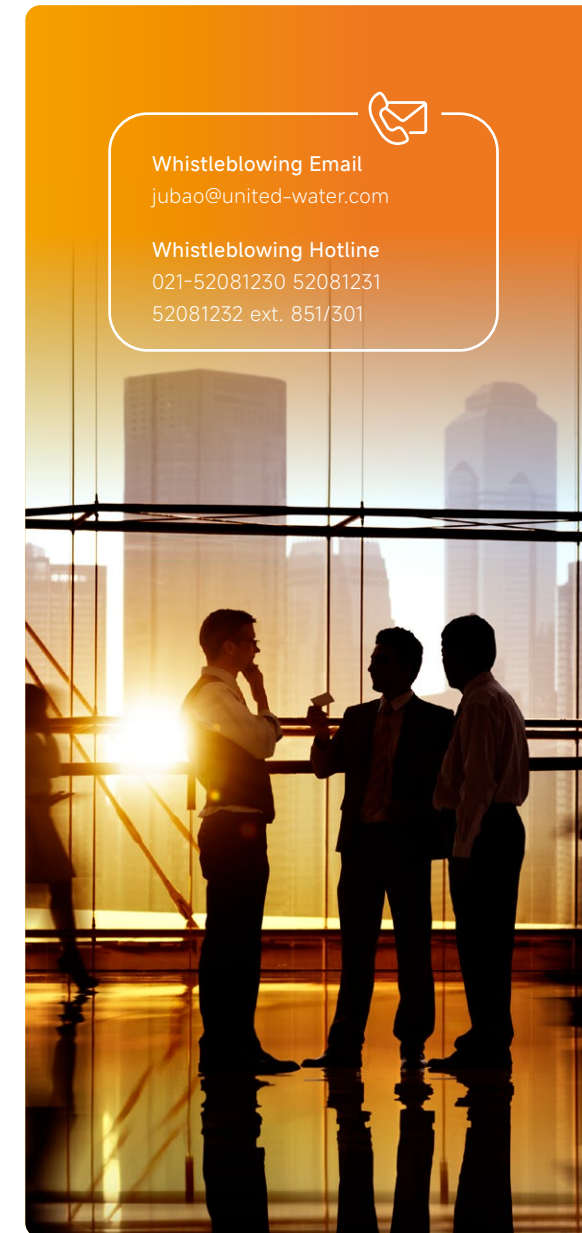
The *Employee Code of Conduct* has been formulated, clearly defining provisions regarding business conduct standards, conflicts of interest, and commercial secret confidentiality. Employees are strictly prohibited from accepting improper benefits such as bribes or kickbacks from stakeholders in business activities. Regular communication and training are conducted to ensure employees deeply understand and strictly comply with the Code's requirements. Integrity agreements are signed with employees, clarifying professional standards and red line to strengthen employees' business ethics awareness. Business ethics and anti-corruption training and case studies of warning education activities are conducted to popularize business ethics and anti-corruption knowledge among all employees, enhance their professional ethical standards, and foster a clean and upright culture within the Company.

The Company attaches great importance on integrity and honesty in the procurement process, strengthening business ethics and compliance management for suppliers. Anti-corruption clauses are incorporated into contracts, clearly specifying requirements for suppliers regarding integrity and business ethics, resolutely opposing all forms of commercial bribery. Dedicated channels for reporting violations are established, and integrity promotion efforts are emphasized to build honest, transparent, and clean cooperative relationships.

An effective internal whistleblowing and investigation mechanism has been established, with a dedicated reporting email address set up. Real-name reporting is encouraged and promoted. Whistleblowers and reporters are explicitly protected during investigations, and any illegal discrimination, retaliation, or hostile actions against employees involved in investigations are prohibited. Personnel who illegally disclose whistleblower information or retaliate against reporters will be subject to removal from positions and termination of labor contracts, and those violating the law will be transferred to judiciary authorities for legal processing.

Anti-Unfair Competition

The Company strictly complies with the *Civil Code of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Regulations on Prohibiting Infringement of Trade Secrets*, as well as anti-monopoly and fair competition laws and regulations in countries where it operates. We adhere to the principles of fair and free competition in all business activities, comprehensively regulate our operations, resolutely prohibit any unfair competition practices and monopolistic behaviors, and maintains a fair market competition environment. Additionally, we commit to refraining from illegally obtaining competitors' commercial secrets or confidential information, and avoid engaging in illegal activities such as collusive pricing with peers that disrupt market order.



Impact, Risk and Opportunity Management

The Company regularly reviews the effectiveness and compliance of its internal control system, conducts audits covering anti-corruption and anti-fraud, promptly rectifies issues identified during reviews and audits, and implements follow-up supervision. It actively manages potential business ethics risks in operational processes, ensuring the Company's sustained, healthy, and stable development.

Metrics & Targets

We will focus on strengthening supervision over corruption-prone links such as procurement and project construction, improving internal control processes and risk early warning mechanisms, promoting transparent operations and management. Additionally, we are committed to effective prevention and curbing corrupt practices through rigorous accountability.

Full-process supervision of bidding evaluation for projects or procurements with a value of RMB 500,000 or above

94 times

Supply Chain Management

The quality, resilience, and sustainability of the supply chain are critical to United Water's achievement of stable development. Adhering to the principle of "mutually beneficial relationships and long-term cooperation with suppliers and customers," the Company actively promotes the development of a sustainable supply chain, improves risk prevention and control mechanisms, and builds a healthy and sustainable supply chain "ecosystem."

Governance

The Company strictly complies with relevant national laws and regulations, including the *Tendering and Bidding Law of the People's Republic of China* and its implementing regulations. It has formulated and continuously improves the *Procurement Management System*, the *Project Procurement Management System*, and the *Bidding Management System*, consistently enhancing the standardization and normalization of supply chain management. A comprehensive supply chain management system has been established, with a Senior Vice President overseeing the Company's supply chain management. The Group Procurement Department and operating company procurement departments are responsible for professional procurement management and daily organizational management, respectively. Audit Department, Finance Department, and operating company finance departments jointly supervise the entire procurement process, with various departments cooperating closely and fulfilling their respective duties to ensure the stability and continuity of the supply chain.

Strategy and Management Approach

Standardized Procurement

Comprehensive Quality Control

Procurement contracts clearly specify material technical standards and the handling and penalty measures for non-compliance. For critical equipment, key Quality Control Points (QCP) are established to oversee production processes and pre-shipment inspections. Before warehousing materials, the quality inspection department conducts tests in accordance with contract stipulations. For certain materials that cannot be tested in-house (such as activated carbon and other chemicals), third-party inspections are commissioned. After warehousing materials, a warranty period is set for all items.

Strengthening Standardized Procurement Management

Monthly company-wide meetings are organized, including training sessions on the new procurement system to help employees promptly grasp the latest procurement norms and requirements. Specialized training on procurement risk control is conducted to strengthen employees' risk awareness during the procurement process, standardize procurement practices, and prevent potential risks. In November 2025, the Company held the "Engineering Project Procurement Management Training," covering full-process management of engineering project material procurement and in-depth interpretation of project procurement systems and processes, enhancing procurement personnel's standardized management capabilities.

Effectively Safeguarding Supplier Rights and Interests

Throughout cooperation with suppliers, the Company strictly adheres to relevant provisions in the *Procurement Management System* and contract clauses, promptly completing invoice transfer and payment procedures. Payment progress is tracked accordingly. Except for special circumstances where consensus is reached with suppliers, payments are made strictly in accordance with contract terms, effectively safeguarding the legitimate rights and interests of suppliers. Furthermore, the Company focuses on and supports the development of small and medium-sized suppliers, prioritizing their payments. During the reporting period, there were no overdue payments to small and medium-sized enterprises and no supplier litigation incidents.

Full-Process Control

The Company continuously improves supplier lifecycle management, establishing a full-process management system covering supplier development and admission, evaluation and classification, and exit, thereby building a sustainable supply chain.

Supplier Lifecycle Management

Supplier Development and Admission

Strictly control supplier entry, standardize admission processes, seek suppliers through multiple departments and channels, collect and review supplier qualification materials, and conduct on-site inspections to verify authenticity. Companies with affiliated relationships are prohibited from participating in bids, and warnings and penalties are issued for violations such as false documentation and bid rigging.

Evaluation and Classification

Establish a comprehensive evaluation mechanism, conduct annual supplier assessments, and classify suppliers into four grades: "Excellent," "Good," "Average," and "Poor" based on assessment results. An annual supplier evaluation report is produced, serving as a basis for updating the *Group Supplier Directory*. Based on supplier classification results, corresponding classification management measures are implemented, including prioritized procurement, rectification, and termination of procurement.

Exit

Suppliers rated "Poor" in annual evaluations, or those experiencing major quality issues, significant safety and environmental hazards, or serious integrity violations, will have procurement terminated and be removed from the supplier directory, with a three-year prohibition from participating in quotations or bids.

Promoting Growth and Mutual Benefit

The Company actively empowers suppliers by continuously strengthening communication and exchange, promptly providing feedback on market dynamics and customer needs, and offering targeted resources and assistance to help suppliers enhance their core competitiveness and establish sustainable cooperative relationships. In 2025, we organized visits and exchanges with 36 suppliers and hosted 20 supplier visits, emphasizing requirements for product quality control and ESG management, and consciously guiding suppliers to fulfill their social responsibility.

Impact, Risk and Management

Establishing a sustainable and resilient supply chain is a crucial guarantee for the Company's stable operations. We actively conduct supply chain risk identification and assessment, defining control measures for potential risks, and strengthening communication and collaboration with suppliers to ensure prompt corrective actions can be taken when problems arise, thereby safeguarding business continuity and supply stability.

Supply Chain Risk Identification and Response

Risk Category	Risk Identification	Response Measures
Supply Disruption Risk	Assess suppliers' financial condition and operational stability, understand their market position, competitiveness, and production equipment status, and evaluate their production capacity and sustainable supply capability.	Establish a multi-supplier system, seek and develop alternative suppliers, sign supply guarantee contracts with breach penalties and compensation terms for supply interruption, and strengthen inventory management and determine appropriate safety stock levels.
Price Increase Risk	Monitor market dynamics, track raw material market price indices, analyze changes in industry supply and demand, understand suppliers' raw material procurement costs, maintain regular communication with suppliers to establish price early warning mechanisms.	Negotiate prices with suppliers, demonstrate procurement scale advantages, sign long-term procurement contracts to secure favorable prices, and optimize production processes to reduce raw material usage.
Related-Party Transaction Risk	Review suppliers' equity structures, investigate potential familial or other connections between suppliers and internal personnel, compare transaction prices with related or non-related suppliers, and verify compliance of internal decision-making procedures for supplier selection and transactions.	Clarify related-party transaction decision-making procedures and approval systems, continuously strengthen procurement personnel education. The internal supervisory bodies conduct regular special audits on related-party transactions and encourage employees to report violations.

Strengthening Supply Chain ESG Risk Management

The Company actively focuses on ESG risks in the supply chain. The *Procurement Management System* and *Supplier Code of Conduct* establish requirements for suppliers regarding integrity and compliance, anti-corruption, human rights, health, workplace safety, and environmental protection, specifying that "under equal conditions, priority is given to suppliers certified with quality management systems, environmental management systems, and occupational health and safety management systems." For long-term cooperation critical equipment and material production enterprises, we urge and require them to obtain quality, environmental, and health and safety system certifications. Additionally, we have established a *Supplier Blacklist*, explicitly stipulating that violators of the Code will be added to the procurement blacklist. In 2025, seven suppliers were blacklisted the *Supplier Blacklist* and had cooperation terminated due to bid rigging or suspected bid rigging.

The Company deepens supplier integrity management by implementing strict cross-departmental supervision mechanisms for all procurement activities, incorporating anti-corruption clauses in contracts explicitly prohibiting any form of commercial bribery, conducting integrity warning education in daily communications and training, and establishing dedicated channels for reporting violations to ensure suppliers adhere to business ethics standards and foster clean, trustworthy, and mutual benefit cooperation relationships.

Metrics & Targets

Supply Chain Management Targets	Achievement Status in 2025
Production operations unaffected by supply chain anomalies	 Achieved
Procurement process compliance rate: ≥ 99%	
On-time delivery rate for project construction equipment and materials: 100%	
Quality management system certification rate for major production equipment suppliers: 100%	



Total number of suppliers	1,421	Proportion of suppliers with quality management system certification	39.83%
Suppliers annual review and evaluation	304	Proportion of suppliers with environmental management system certification	37.86%
Suppliers penalized for economic, social, or environmental violations	1	Proportion of suppliers with occupational health and safety management system certification	38.85%

Safety Prevention Measures

United Water integrates the principle of safe development into all aspects of its production and operations, continuously improving its occupational health and work safety management system, establishing safety risk prevention and control mechanisms, and strengthening corporate information security protection. This builds a solid safety defense line and creates a stable and reliable operating environment.

Work Safety Management

The Company strictly complies with the requirements of laws and regulations such as the *Work Safety Law of the People's Republic of China*, implements the principle of "Safety First, Prevention First, Comprehensive Governance," formulates the *Work Safety Regulations and Operational Procedures Management System*, improves the work safety management system, perfects the production safety responsibility system, and effectively carries out management actions to ensure the Company upholds the bottom line of work safety.

Safety Management Structure

The Company has established a sound work safety management structure, focusing on work safety by establishing an EHS management system and strengthening guarantees. The Group EHS Committee serves as the highest decision-making body for EHS management, coordinates the Company's work safety management decisions. Six regional EHS committees have been formed, and each operating company has established an EHS management team. Operating companies with more than 50 employees or higher risk profiles have established EHS management departments or appointed EHS engineers to promote the implementation of daily work safety management, creating a safe, healthy, and sustainable working environment for employees.

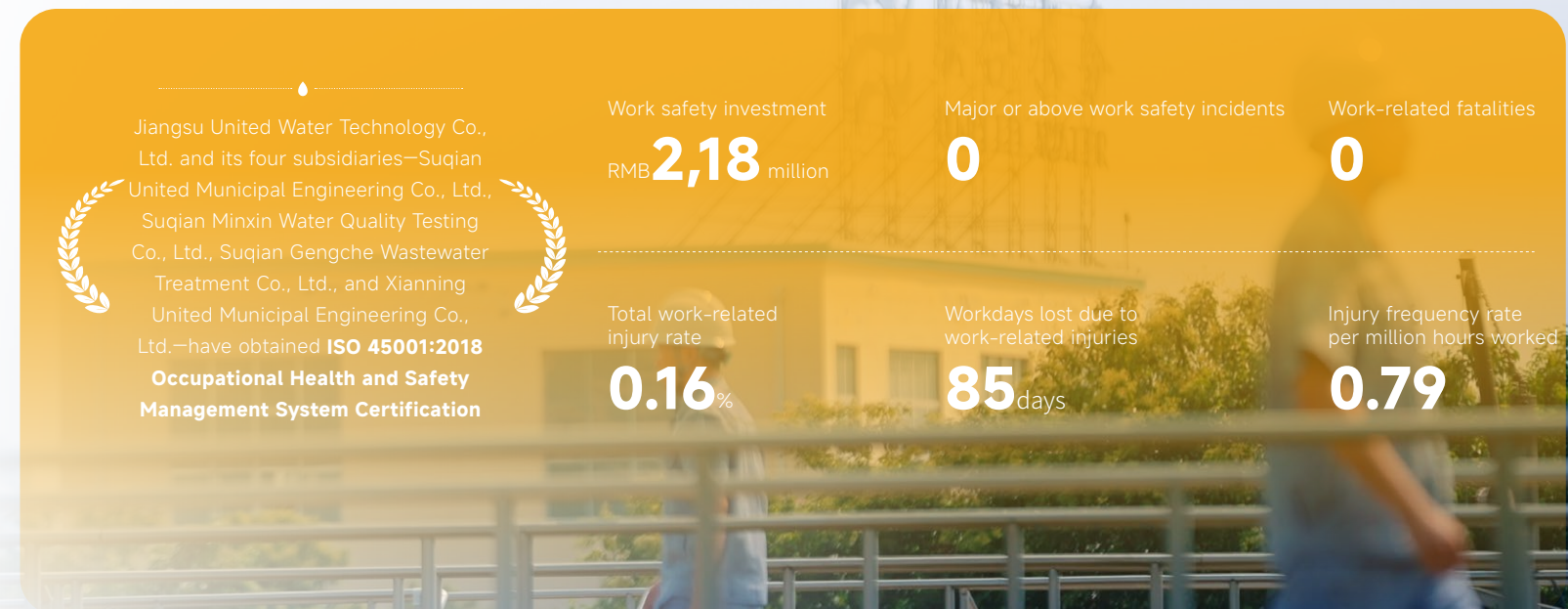
Safety Responsibility System

The Company has constructed a work safety responsibility system of "one position with dual responsibilities, joint management across all levels," strengthening the implementation of work safety responsibilities. A responsibility chain for fundamentally strengthening work safety has been established. The Company organizes managers at all levels to sign work safety responsibility agreements, promoting the strict implementation of the responsibilities of the "Three Management and Three Musts", and deeply integrating safety indicators into the KPI assessment system for construction projects. This builds an all-round responsibility network that covers all aspects horizontally and reaches all levels vertically.

Safety Management Informatization

The Company vigorously promotes the informatization of work safety management, actively advancing the launch and operation of a smart safety platform integrating functions such as daily safety management, safety inspections, classified risk control, safety documentation management, and safety education and training. This helps the Company achieve standardized, unified, and intelligent safety management.

Work Safety Targets	Achievement Status in 2025
Major accidents and significant fire accidents: 0	Achieved
Minor work-related injuries (including those caused by traffic accidents) lost time injury frequency rate per million hours worked: ≤4	
Safety training completion rate: 100%	
Emergency drill completion rate: 100%	
Safety hazard rectification rate: 100%	
Certificate holding rate for special operations personnel: 100%	



Safety Risk Prevention and Control

The Company constructs a long-term mechanism for work safety, continuously advancing the construction of a dual prevention mechanism for classified safety risk control and hazard investigation and rectification, strengthening safety risk prevention and control, and enhancing its work safety management capability.



Conducting Safety Risk Identification

The *Hazard Identification and Risk Assessment System* has been formulated. Conduct risk identification and assessment work and a comprehensive investigation of various safety risks, establish a dynamic risk data list, promptly update risk information, and promote the "operationalization" and "refinement" of risk identification work, ensuring the prevention and reduction of work safety accidents from the source.



Establishing an Accident Hazard Reporting Mechanism

An accident hazard reporting and reward mechanism has been implemented, clarifying accident reporting and investigation processing procedures, encouraging all employees to actively engage in work safety management, promptly identifying and eliminating potential safety hazards, and enhancing employees' alertness to safety accidents and hazards.



Deepening Hazard Investigation and Rectification

The *Safety Inspection and Hazard Rectification Management System* has been formulated, strictly implementing the normalized mechanism of "daily inspections, weekly checks, monthly supervision." Relying on the safety management platform, management of safety facilities and equipment is implemented, achieving self-reporting of hazards, regular inspections, special rectifications, and tracking and statistical analysis of safety hazard rectification. In 2025, the Company conducted 249 safety inspections and hazard investigations, identifying 892 safety hazards or problems, with a 100% rectification rate.



On-site Safety Management

The Company adheres and strictly implements the "Three Simultaneities" system for new construction, renovation, and expansion projects. Through pre-construction checks and strict controls during construction, potential safety hazards in construction projects are effectively eliminated, on-site safety is practically guaranteed, and the safety defense line for engineering is consolidated.



Case Intelligent Technology Empowering Construction Safety Management

In 2025, the Company piloted the Suqian Second Water Plant Phase V Project, focused on key aspects such as formwork supports and steel structures, deepened the application of intelligent technologies, and constructed a smart safety management system. Relying on the "Smart Construction Site" platform, it achieved the automatic warning and intelligent identification of safety risks, improving disposal efficiency. A closed-loop management mechanism from hazard discovery and reporting to rectification and closure was established, ensuring all safety hazards were properly addressed and traceable. Through a series of innovative practices, the Company has significantly improved the level of intelligence and refinement in construction safety management, laying a solid foundation for the future promotion of the smart safety management model.

The Suqian Second Water Plant Phase V Project was awarded the title of **"Jiangsu Province 2025 Construction Work Safety Standardized Site"**.

Emergency Management

The Company insists on closely integrating accident emergency response with prevention work, establishes a sound emergency response mechanism, continuously optimizes emergency management processes, formulates comprehensive emergency plans, actively conducts various work safety accident emergency drills. This enhances employees' practical capability for emergency response and accident rescue, ensuring orderly and efficient response to safety accidents.

Emergency drills conducted

120 times

Emergency drill participants

1,459



Case Conducting Liquid Chlorine Leak Emergency Drill

On October 29, 2025, the Company organized a liquid chlorine leak emergency drill to effectively enhance emergency response capability for sudden liquid chlorine leak accidents and strengthen employees' safety prevention awareness. The drill simulated an emergency scenario of liquid chlorine leakage in the chlorine warehouse, comprehensively covering all key aspects of emergency response after the accidents occurred. This helped employees grasp basic knowledge and operational methods related to liquid chlorine leakage and plugging, further improving their practical response capabilities for emergencies.

Hazardous Chemicals Management

The Company strictly complies with relevant laws and regulations such as the *Regulations on the Safety Management of Hazardous Chemicals*, formulating systems including the *Hazardous Waste Management Regulations*, *Hazardous Material Storage Management Regulations*, and *Hazardous Substance Usage Management Regulations*, establishing a full-process management system covering hazardous chemical procurement, storage and transportation, requisition, and disposal. The Company has established a hazardous chemical inventory and dedicated hazardous chemical warehouses, assigns qualified personnel to strictly implement entry and exit inspection and registration. Safety equipment and facilities are installed in hazardous chemical warehouses, hazardous waste storage areas, and storage tanks, ensuring explosion-proof lighting, emergency lighting, electrical equipment, and power transmission lines, and equipped with explosion-proof ventilation systems. In strict accordance with hazardous chemical storage requirements, the Company scientifically plans the storage areas to avoid mixed storage of incompatible hazardous chemicals. Additionally, the Company regularly conducts laboratory safety knowledge training to improve employees' safe operation skills, maximizing the safety of hazardous chemicals. During the reporting period, no major accidents or penalties involving hazardous chemicals occurred.

Safety Culture Development

The Company continuously promotes the development of a safety culture, organizes work safety publicity and employee work safety education and training to enhance the red-line awareness and bottom-line thinking across all employees, promoting the deep integration and effective implementation of work safety principle, and fostering a safety culture across the Company.



In March 2025, the Company organized confined space operation safety training for employees of the Pipeline Network Department.



In 2025, the Company conducted the "Safety Management Skills and Experience Exchange Training Meeting."

Occupational health and safety education sessions

187 times

Occupational health and safety education participants

2,715

Total occupational health and safety education hours

385.50 hours

Average safety training hours per employee

4.40 hours

Occupational Health and Safety

The Company attaches importance on employees' occupational health and safety, strictly complies with the requirements of relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Administrative Measures for the Reporting of Occupational Hazard Projects*, establishes an occupational health and safety management system, provides a safe working environment for employees to effectively protect employees from occupational hazards.

Occupational Health Targets	Achievement Status in 2025
Employee occupational disease incidence rate: 0	Achieved ✓
Employee occupational health examination rate: 100%	

Strengthening Daily Protection	Improving Working Conditions	Conducting Testing and Evaluation	Occupational Health Management	Improving Safety Guarantees
Based on specific work methods and conditions, provide employees with appropriate personal protective equipment and distribute it on time according to regulations to protect employees from occupational hazard factors.	Establish necessary occupational disease prevention measures in workplaces and post occupational hazard warning notices to enhance the safety of the working environment.	Commission qualified third-party professional institutions to conduct testing and evaluation of occupational disease hazard factors in workplaces and disclose the results to employees.	Regularly organize employees for occupational health checkups, establish health records and worker health monitoring records, and continuously follow-up employee health status.	Provide comprehensive safety insurance protection for employees by purchasing employer's liability insurance and work safety liability insurance based on different employee situations.

Occupational disease incidence rate

0%

Employees participating in occupational health checkups

286

Employees participating in general health checkups

898

Work safety liability insurance investment

RMB **345,500**

Employees covered

947

Coverage rate

74.45%

Employer's liability insurance investment

RMB **140,200**

Employees covered

387

Coverage rate of employer's liability and work safety liability insurance

100%

Work-related injury insurance investment

RMB **780,100**

Employees covered

1,272

Coverage rate

100%

Information Security Protection

The Company strictly complies with relevant laws and regulations such as the *Data Security Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. It has formulated 18 management systems including the *Information Security Management Measures* and the *Cybersecurity Incident Reporting and Handling Management System*, established an Information Security Leadership Group, and integrated information security protection into the performance assessment indicators for related personnel, ensuring the effective implementation of information security management work. Additionally, the Company conducts comprehensive information security management covering information system security construction, information asset security, and cybersecurity, effectively ensures network information data security, achieving information security that is controllable, manageable, and real-time controllable.

Suqian Industrial Control System, Secondary Pump Room Management System, and United Water Revenue System obtained

Classified Cybersecurity Protection Level 3 Certification

Information security training sessions conducted	Information security training participants	Attack-defense drills conducted
2	850	2

Data security and privacy protection disputes	Information leakage incidents	
0	0	

Information Security Protection Measures

Physical Security

- Zoning and management implemented, with physical isolation maintained between designated areas.
- Deployment of foundational protection systems and devices includes electronic access control systems, surveillance alarms, UPS power supplies, electromagnetic shielding, lightning protection, fire suppression, and waterproofing systems.

Information Security

- Utilize leading domestic cloud servers and supporting security products, deploy systems such as routers, switches, firewalls, anti-virus gateways, and log auditing systems to enhance information system attack resistance.
- Improve network device self-protection policies, implementing multi-factor authentication (MFA) for user identity verification through technical and administrative measures.

Host Security

- User access to operating systems and databases requires authentication, with unique user IDs enforced and shared accounts prohibited.
- Adopt remote management protocols to safeguard authentication data from interception over networks.

Application Security

- Application systems enforce identity verification, unique user identification checks, complexity checks of identity authentication information, and login failure handling mechanisms.

Data Security

- Regular backups are performed for business application data and device configuration files.
- Backup copies are stored locally and offsite: local backups are periodically copied to secondary servers, while cloud servers utilize offsite storage for backup data.

Personnel Management

- The Personnel Security Management Regulations is formulated to manage recruitment, performance reviews, non-disclosure agreements, training, and offboarding procedures.
- Regularly conduct security awareness and skill assessments, organize safety education and training, and send key personnel to participate in external information network security management skill enhancement training to strengthen employees' information security awareness.
- Engage security evaluation providers and cybersecurity associations to conduct simulated attack-defense drills, testing the effectiveness and vulnerabilities of the security protection system.
- Organize group-wide email security exercises to improve employee safety awareness and emergency response capabilities.
- Implement temporary management for third-party personnel, requiring them to sign confidentiality agreements specifying security responsibilities, with access restrictions and supervision by designated staff.



Advanced Technology

R&D Personnel

7

R&D Investment

RMB **3.26** million

Cumulative Number of Registered Patents

30

Cumulative Number of Software Copyrights

13

Contributing to UN SDGs



Digital Intelligence Empowerment

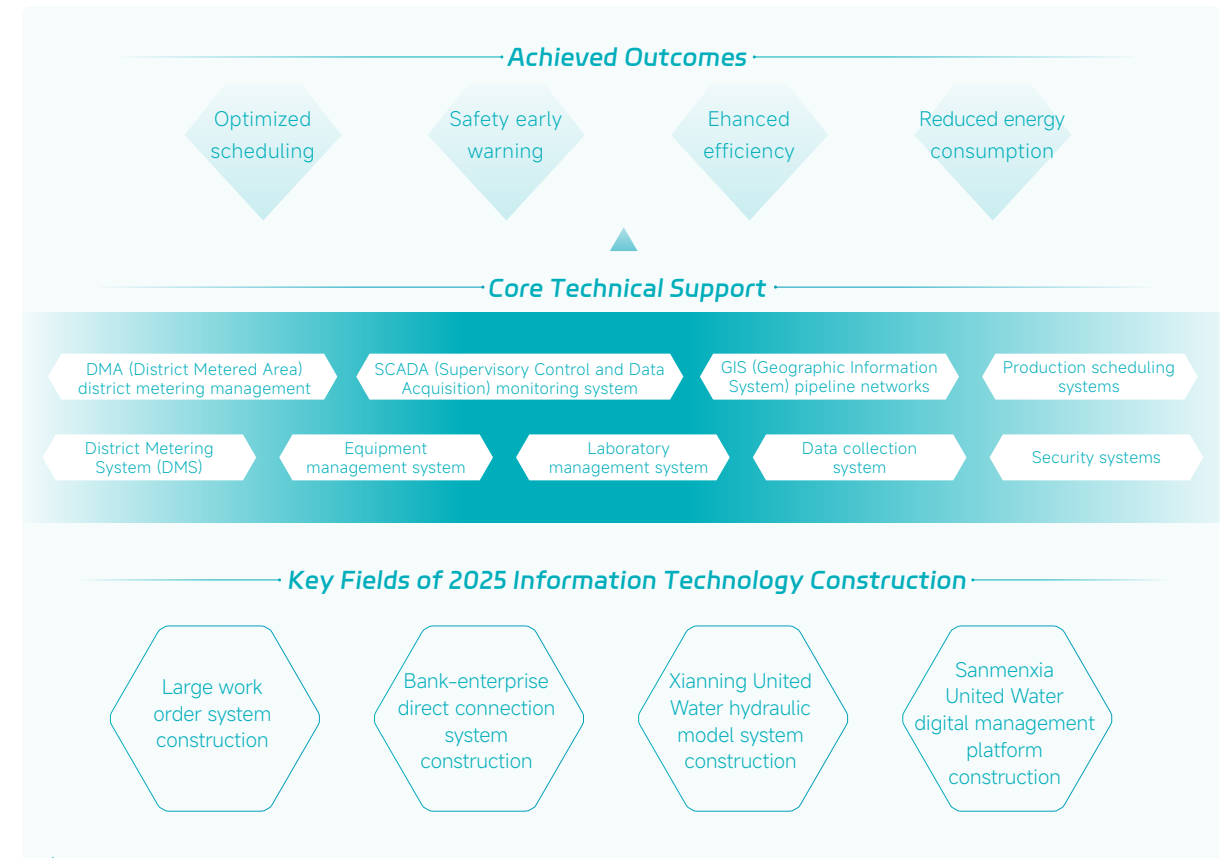
United Water aligns with the trend of digital development, actively promoting information technology construction, transformation, and upgrading. Through the systematic deployment of information technology and intelligent equipment, the Company has achieved deep integration and unified management of multi-source data encompassing production, customer service, pipeline networks, users, and the supply chain. This breaks down information silos and drives water utility operations towards automation, digitization, collaboration, and intelligence, significantly enhancing the scientific nature of decision-making and execution efficiency.

Governance

The Company's Information Management Department, directly led by a Senior Vice President, is responsible for planning the medium-to-long-term information system construction, enhancing the integration of various information systems to progressively achieve inter-connectivity, high efficiency, and intelligence, and is fully responsible for the information security. The Information Management Department undertakes the overall governance of information security and digital development, providing a solid guarantee for the Company's digital operations and data asset security.

Strategy and Management Approach

In 2025, United Water continuously deepens its smart water utility transformation, established a group-level digital management platform, integrated multiple underlying technical systems, and implemented diverse intelligent applications such as robotic dog intelligent inspections, smart dosing optimization, and unmanned surface vehicles for water environment management. The smart security system was upgraded, providing scientific decision-supporting for key production operation activities. Ultimately, the Company has achieved remarkable results in rational scheduling, safety early warning, efficiency improvement, and energy consumption reduction, driving the in-depth integration of digital technology with water production and operations. *(For more on smart water utilities, see "Special Feature: Transformations Synergy: Charting a New Course for 'Digital + Low-Carbon' Water Utilities")*



Case Upgrading GIS Collection and District Metering Systems to Enhance Refined Water Utility Operations

In May 2025, Xianning United Water officially launched the GIS integrated collection system construction project. Based on the Android mobile platform and integrating high-precision positioning technology, it achieved full digitization of field surveying and mapping, eliminating manual transcription errors and significantly improving the efficiency of data collection and warehousing. Furthermore, Xianning United Water has been constructing a DMA district metering system since 2024. In 2025, this project focused on deepening construction in the old Xian'an urban area. By large-scale installation of 112 online flow meters and remote transmission assessment meters at key nodes such as urban main pipelines, branch pipelines, and community inlets, a full-domain real-time monitoring network was constructed. Relying on the data, leakage early warning and precise inspection and repair were achieved, forming a "monitoring-disposal" closed-loop management system and effectively controlling the leakage rate.

Impact, Risk and Opportunity Management

United Water deepens its information security management, conducts comprehensive work in areas such as information system security construction, information asset security, cybersecurity, and information system emergency plans, and carries out information security attack-defense drills. These effectively prevent and mitigate security risks in the digital and intelligent transformation process, building a solid security barrier for the stable operation of the smart water utility system.

Metrics & Targets

Digital Intelligence Empowerment Targets	Achievement Status in 2025
Complete the construction of the United Water headquarters bank-enterprise interconnection system	<p>Achieved</p>
Complete the construction of the Sanmenxia United Water digital management platform	
Complete the construction of the Xianning United Water hydraulic model system	

R&D Innovation

United Water adheres to innovation-led development, relying on its subsidiary BoRuiSi R&D platform to deepen the integration of technological innovation and industrial upgrading. It actively expands industry-research cooperation and accelerates the transformation of R&D achievements into practical applications. The Company consistently upholds scientific ethics, attaches high importance to intellectual property protection, respects and safeguards the innovative achievements of partners, and resolutely prohibits any infringement.

Governance

Adhering to an innovation-driven development strategy, the Company attaches high importance on R&D innovation. Its wholly-owned subsidiary, Shanghai Bo Rui Si Environmental Technology Co., Ltd., serves as a platform dedicated to technological R&D and innovation. Relying on the Group's operating companies, it systematically conducts R&D work targeting technical difficulties across the business chains of water supply, wastewater treatment and resource utilization, and water environment management, and has established a water technology R&D practice base.

BoRuiSi has established a comprehensive R&D and innovation management system. Vertically, it has constructed an R&D structure of "One Institute, Four Divisions": the Low-Carbon Industry Research Institute, Equipment R&D Division, Chemical R&D Division, Biological R&D Division, and Smart R&D Division. Horizontally, following the Company's business distribution, it forms a "core and branch" R&D system, continuously producing competitive technological achievements such as process packages, equipment, and chemicals. This builds a technological layout covering the entire industrial chain of "plant-network-river integration," enhancing the core competitiveness of the Company's technology engine platform. To ensure the efficient operation of the R&D system, BoRuiSi continuously improves relevant systems, formulating internal management systems including the *Open Innovation and Entrepreneurship Platform Management System*, *Technology Achievement Transformation Implementation and Incentive Reward Measures*, *R&D Personnel Performance Assessment and Reward System*, and *Intellectual Property Management System*, providing solid institutional support for technological innovation.

Strategy and Management Approach

Talent Team Development



Talent Recruitment and Development

To build a research-oriented talent team with a scientific structure and sustainable innovation capacity, the Company systematically advances talent work around the goals of "addressing weaknesses, strengthening core members, and cultivating echelon." We have established a "project-empowered" training system for technical core members, and implement a "project tackling" driven training model, placing them in charge of important projects, granting them "project leader responsibility," and activating their internal motivation. Additionally, we implement a "targeted talent attraction" strategy to precisely recruit professionals in fields such as intelligent equipment, accurately matching the R&D needs for intelligent equipment. Furthermore, top experts from institutions like the Chinese Academy of Sciences and the Chinese Research Academy of Environmental Sciences are flexibly engaged for specialized technical cooperation.



Innovation Incentives

The Company has formulated internal incentive systems including the *Measures for the Implementation and Incentives of Scientific and Technological Achievement Transformation*, the *Performance Appraisal and Incentive System for R&D Personnel*, the *Management System for the Open Innovation and Entrepreneurship Platform*, and *Growing Together with the Enterprise*, accompanied by corresponding performance and honor incentives to stimulate internal motivation. Additionally, we focus on creating a "full-cycle incentive" ecosystem, establishing a dual incentive system of "base salary + achievement rewards," providing corresponding rewards based on intellectual property achievements, and offering supporting services such as housing subsidies for high-level talents, comprehensively building a sound ecosystem for talent development and retention.

R&D Innovation Achievements

Focusing on smart water equipment R&D, the Company concentrates on three core directions: optimization of water supply technologies, innovation in wastewater treatment and resource utilization and innovation, and upgrading of water environment management solutions. Supported by core technological products such as smart dosing systems, intelligent inspection robots, and smart unmanned surface vehicles for water environment management, these have been implemented and proven effective in regions such as Shanghai, Suqian in Jiangsu Province, and Xianning in Hubei Province.

Shanghai Bo Rui Si Environmental Technology Co., Ltd. has been recognized as



Shanghai High-Tech Enterprise
Shanghai Innovative Small and Medium-sized Enterprise
Shanghai Science and Technology Small and Medium-sized Enterprise



District-Level Awards



Enterprise High-Growth Project in Zhangjiang High-Tech Park
Qingpu Park and Xicen Park
2024 Shanghai Science and Technology Small and Medium-sized
Enterprise Technological Innovation Fund Project



Tongxiang Shenhe Water Co., Ltd. has been recognized as



Zhejiang Province Science and Technology Small and Medium-sized
Enterprise



Case Application of Smart Unmanned Surface Vehicle for Water Environment Management

From January to December 2025, the smart unmanned surface vehicle for water environment management conducted routine operation and maintenance tasks on the 120,000-square-meter Yangjia Lake in Chibi City after water environment treatment. Replacing traditional manual operation modes, it undertook tasks such as water surface cleaning, dynamic water quality monitoring, and precise aquatic plant harvesting, significantly improving the efficiency and refinement level of lake operation and maintenance through intelligent methods. The relevant results and practical achievements were highly recognized by the owner unit.



In May 2025, the smart unmanned surface vehicle for water environment management was transported to the banks of the Suzhou Creek in Shanghai, where it conducted intelligent cruising and maintenance operations. By simulating complex working conditions such as different water flow speeds, wind conditions, and high-speed vessel disturbances, it performed water surface cleaning and water quality monitoring in the operational section, fully verifying its adaptability and reliability in urban open waters.



Strengthening Industry-University-Research Cooperation

United Water actively practices the integrated development model of "industry-university-research-application," fully leveraging its leading role as an enterprise, collaborating with universities and research institutes, integrating their advantages in research field, professional talents, and platform resources, and promoting the efficient chain of technological R&D, achievement transformation, and industrial application.

Case Research on Ecological Advanced Purification Technology for Wastewater Treatment Plant Tailwater

BoRuiSi, in collaboration with the Chinese Research Academy of Environmental Sciences and Hubei University, jointly carried out an industry-university-research collaborative innovation project—Research on Ecological Advanced Purification Technology for Wastewater Treatment Plant Tailwater—focusing on cooperation in the R&D and engineering transformation of advanced tailwater purification technologies. During the reporting period, the project has completed novelty search scientific and technological achievements for three core innovation points and obtained corresponding novelty search reports, had one paper accepted by a core journal, and filed applications for two utility model patents. This project established a collaborative innovation model of "enterprise + research institute + university," achieving precise alignment between technological R&D and industrial needs.

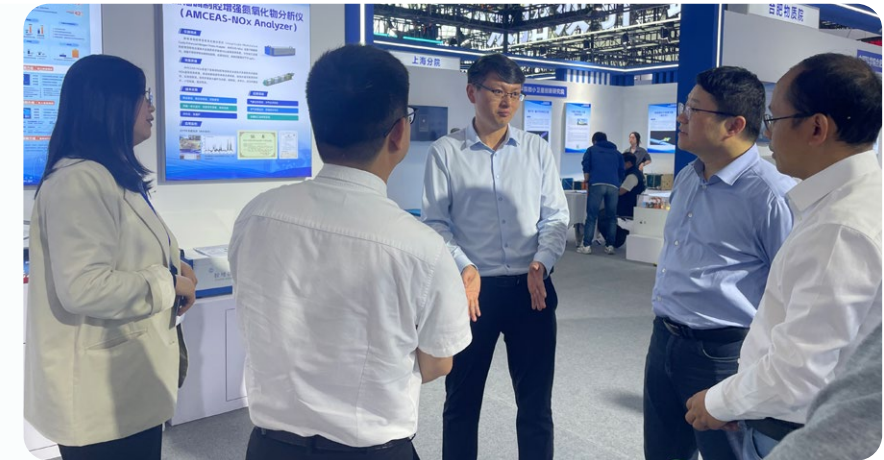


Case United Water Actively Participates in Industry Exchanges



On October 22, 2025, United Water showcased its "Smart Unmanned Surface Vehicle for Water Environment Management" at the Jiangsu Water Association and Sponge City Alliance Annual Conference. This product utilizes a new energy unmanned vehicle as a carrier, integrating an advanced water environment smart management system, comprehensively demonstrating United Water's cutting-edge achievements in empowering high-quality development through innovative technology.

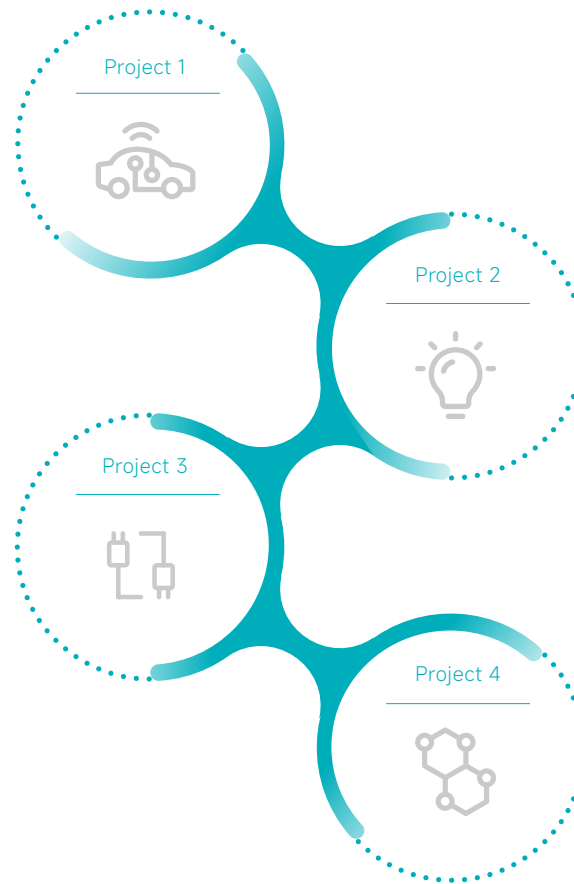
From April 26 to 28, 2025, the 3rd China (Anhui) Science and Technology Innovation Achievement Transformation and Trade Fair (a national-level benchmark platform), hosted by the Anhui Provincial People's Government and themed "Technology Leads the Way, Innovation Wins the Future," was held in Hefei. United Water made a striking appearance with its smart unmanned surface vehicle for water environment management, showcasing the vehicle's technical features and application advantages to audiences from all walks of life, highlighting the Company's innovative strength in the field of smart water management and providing new solutions for water environment management.



Innovative Industrial Investment

United Water invested and participated in establishing Shanghai Yixin Hengsheng Venture Capital Partnership (Limited Partnership) through its wholly-owned subsidiary Shanghai Deshenshanhe Technology Development Co., Ltd... This specialized fund platform serves as the Company's core investment vehicle for dual carbon, ESG technology, advanced manufacturing, and new materials, focusing on exploring cutting-edge technologies, integrating industrial chain resources, and achieving extensional development. Since its establishment, it has successfully invested in four projects, empowering innovation through industrial investment and driving the Company's sustainable development through innovation.

An automotive intelligent component enterprise integrates aerodynamics, intelligent light sources, intelligent interaction, and precision interiors and exteriors trims. It contributes to driving the intelligent and low-carbon development of the automotive industry and shaping the new future of the new energy sector.



A professional enterprise engages in the R&D, design, production, and testing of special light sources. It develops and manufactures various specifications of repetitive pulse xenon (krypton) lamps, continuous xenon (krypton) lamps, and non-standard special light sources. Products are applied in industries such as laser welding, cutting, and beauty. This company has been successfully included in the third batch of science and technology-based small and medium-sized enterprises in Zhejiang Province for 2025.

A high-tech enterprise focuses on the R&D and innovation of new material technologies. Its core business covers the R&D, production, and application of Metal-Organic Frameworks (MOFs) powder. It is committed to providing high-performance material solutions for the industrial sector, and addressing the challenges of traditional materials in terms of performance, cost, and environmental protection through independent R&D and technological breakthroughs.

A science and technology-based enterprise focuses on the development and application of electrolysis technology. Its core products are mainly used in key fields such as integrated circuit cleaning fluids, Lyocell fiber production, molecular sieve templates for coal-to-olefins, and catalysts for the polymerization of organosilicon products.

Intellectual Property Protection

United Water strictly complies with laws, regulations, and policy requirements such as the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Guidelines on Strengthening Intellectual Property Protection*. It promotes the formulation and implementation of internal management systems by its subsidiary BoRuiSi, including the *Intellectual Property Management System* and the *R&D Organization Management System*, comprehensively standardizing the entire process of intellectual property creation, application, management, and protection. A dedicated intellectual property management position has been established, responsible for conducting intellectual property supervision work, fully safeguarding the Company's legitimate intellectual property rights. In September 2025, BoRuiSi completed the annual supervision and transition audit of its intellectual property management system, achieving continuous compliance with the GB/T 29490-2023 standard.



BoRuiSi Intellectual Property Compliance Management System Certificate

Case Conducting Patent Training to Enhance Employees' Innovation Capability

On April 18, 2025, the Company organized a company-wide patent training session. This training focused on "How to Efficiently Identify Patent Authorization Points in Technological R&D: An Analysis of the Idea of Invention by Application Transfer," aiming to guide employees to break through traditional R&D thinking, grasp methods and pathways for transforming technological achievements into high-quality patents, and to achieve a key shift from "technical thinking" to "patent thinking."

Impact, Risk and Opportunity Management

To ensure the steady progress of R&D activities, United Water has constructed a closed-loop risk management mechanism, systematically identifying three key risks closely related to R&D innovation and formulates targeted response measures, effectively enhancing risk prevention and control capabilities and ensuring the steady advancement of innovation activities.

Risk	Specific Description	Response Measures
R&D Cooperation Risk	<ul style="list-style-type: none"> Intellectual property ownership issues arising from cooperation 	<ul style="list-style-type: none"> Clearly stipulate the scope of use the parties' background intellectual property in cooperation agreements, and the ownership of foreground intellectual property generated from the cooperation, benefit distribution mechanisms, confidentiality obligations, and liability for breach of contract to avoid disputes.
Resource Guarantee Risk	<ul style="list-style-type: none"> Excessively long procurement cycles for core components or materials required for R&D, affecting project progress and production arrangements 	<ul style="list-style-type: none"> For core components, sign long-term cooperation agreements with suppliers to ensure supply, and establish a backup supplier database to shorten procurement cycles.
Intellectual Property Application and Protection Risk	<ul style="list-style-type: none"> Duplicate intellectual property applications or inappropriate scope of claims, resulting in failure to obtain effective protection Company's own intellectual property infringed by others 	<ul style="list-style-type: none"> Establish a dual review mechanism of "self-application + external review." The R&D department uniformly registers and conducts preliminary reviews, with professional agencies conducting secondary reviews to avoid duplicate applications or infringement. Engage agencies with legal backgrounds to conduct regular infringement searches in market and technology fields to prevent infringement incidents.

The Company has established a sound closed-loop risk management system of "identification—assessment—control—monitoring," ensuring early identification, assessment, and timely risk treatment.



Metrics & Targets

The core objective of the Company's R&D innovation is to achieve "cost reduction and efficiency enhancement, low-carbon and environmental protection" in its water utility operations through technological breakthroughs and management optimization. Centering on this objective, the Company is progressively building an intelligent equipment matrix covering the entire industrial chain of "water plants, networks, stations, rivers, and lakes" to achieve intelligent layout across all scenarios from source water monitoring to end-treatment. With a quantitative metrics of no less than 8 new patents annually, we are steadily improving the Company's independent intellectual property system, ultimately achieving a win-win situation for both corporate economic benefits and social benefits.

R&D Innovation Targets(BoRuiSi)	Achievement Status in 2025
<p>Science and Technology Soft Power Achievements</p> <ul style="list-style-type: none"> Project aimed at strengthening core technology barriers, planning to submit 3 invention patents, 10 utility model patents, 1 design patent, and 1 software copyright. 	<ul style="list-style-type: none"> 3 invention patents, 10 utility model patents, 1 design patent, and 1 software copyright have been submitted.
<p>Honors and Awards</p> <ul style="list-style-type: none"> Enhance industry recognition and standardized management level through qualification recognition and system construction. Targets included completing the recognition as a Science and Technology Small and Medium-sized Enterprise, completing the annual supervision audit of the Intellectual Property Management System certification, and applying for the 2025 Enterprise High-Growth Project in Zhangjiang High-Tech Park Qingpu Park and Xicen Park. 	<ul style="list-style-type: none"> Recognition as a Science and Technology Small and Medium-sized Enterprise completed. Annual supervision audit of the Intellectual Property Management System certification completed, certificate issued. Application for the 2025 Enterprise High-Growth Project in Zhangjiang High-Tech Park Qingpu Park and Xicen Park submitted and project approved.

R&D Investment RMB 3.26 million	New patent applications filed in 2025 14	New registered patents added in 2025 12	Cumulative number of registered patents 30
R&D Personnel 7	New software copyrights applications filed in 2025 1	New software copyrights added in 2025 1	Cumulative number of software copyrights 13





Talent Oriented

Total Employees
1,272

Overseas Localization Hiring Rate
98.41%

Total Employee Training Investment
RMB **831,100**

Total Employee Training Hours
32,423.62 hours

Contributing to UN SDGs



Employment and Employee Rights Protection

Talent is the core competitiveness of enterprise development and the cornerstone for United Water to achieve sustainable development. The Company adheres to the principle of equal employment, continuously strengthens talent team development, provides employees with competitive compensation and benefits, smooths the channels for democratic communication, and effectively safeguards employee rights and interests.

Adherence to Compliant Employment

Labor and Human Rights Management

The Company strictly complies with national laws and regulations including the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Law on the Protection of Minors*, and the *Provisions on the Prohibition of Child Labor*, as well as legal policies in overseas operating locations. It also adheres to international human rights norms such as the *International Bill of Human Rights*, *International Labour Conventions*, the *ILO Declaration on Fundamental Principles and Rights at Work*, and the *UN Guiding Principles on Business and Human Rights*. Additionally, the Company has formulated systems including the *Recruitment Management Measures*, *Recruitment Management Process*, *Employee Handbook*, and *Corporate Culture and Values Manual*. These systems explicitly prohibit child labor, forced labor, and inappropriate behaviors such as humiliation, threats or harassment, stipulate relevant provisions on occupational health and safety, and opposes all forms of discrimination based on gender, ethnicity, religion, or age, thereby establishing a comprehensive labor rights protection system. In 2025, the Company had no incidents of employee discrimination or other human rights-related violations.

The Company respects and protects human rights, actively advances the prevention of human rights risk regularly reviews operating companies for potential illegal employment practices or human rights risks during employment, and organizes training on the *Employee Handbook* to disseminate and implement the Company's provisions on anti-discrimination, anti-harassment, anti-child labor, and forced labor. Furthermore, the Company strictly complies with the *Regulations on Ensuring Wage Payment for Migrant Workers*, fully safeguarding the legitimate rights and interests of migrant workers.



Labor contract signing rate

100%

Social insurance coverage rate

100%

Talent Attraction

Adhering to the principle of equal employment, the Company has formulated the *Recruitment Management Measures* to standardize employee recruitment processes and improve talent selection mechanisms. We diversify our recruitment channels, adopting approaches such as "online + offline" and "external recruitment + internal referral." By organizing offline information sessions, participating in recruitment fairs at renowned universities, special offline recruitment fairs for disabled graduates and veterans, organizing social recruitment, and conducting school-enterprise cooperation, the Company attracts talent through multiple channels and widely recruits outstanding talent, reserving talent resources for the Company's development.



Overseas Project Talent Reserves

In line with its overseas business development plans and realities, United Water has created an overseas talent pool through external introduction and internal cultivation.

External Introduction

The Company actively participates in human resource management forums for Chinese enterprises going global to understand talent management experiences and recruitment channels for overseas expansion. Additionally, it engages with specialized overseas talent exchange communities to conduct recruitment and establishes connections with human resource service providers who have already expanded overseas. By advancing to understand the local talent market and employment policies, we establish the cooperation for talent recruitment, laying the foundation for international talent reserves for overseas projects.

Internal Cultivation

For seasoned professionals with profound industry experienced and extensive expertise, the Company provides opportunities for language learning and proficiency improvement training. For young talents with outstanding educational backgrounds and strong personal capabilities, it intensifies cultivation efforts to achieve sustainable supply of the talent echelon.



School-Enterprise Cooperation Talent Support

United Water and its subsidiaries actively explore new pathways for school-enterprise cooperation by participating in campus recruitment, organizing specialized information sessions, conducting regular exchanges and visits, and arranging student internships and practical training. These efforts build diverse platforms for exchanging knowledge and practical skills, supplying the Company with professional talent.

- United Water continues to engage in in-depth cooperation with universities such as Shanghai Jiao Tong University, Tongji University, Hohai University, and Yangzhou University, participating in campus recruitment fairs and conducting targeted information sessions.
- Xianning United Water renewed the cooperation agreement for the undergraduate teaching internship base with Wuhan University of Science and Technology, providing on-site visit and internship activities for 60 teachers and students and offering short-term internships for 7 students.
- Jingzhou Shenlian Environment conducted in-depth exchanges with Yangtze University and collaborated with the Hubei regional production technology and human resources teams to organize interviews for graduates from multiple universities.



- Helan United Water and Ningxia Hongze Water Purification Company respectively established school-enterprise cooperation with Ningxia Construction Vocational and Technical College and Ningxia Institute of Technology, continuously enhancing talent development through management trainees, internships, and academic exchanges.



Teachers and students from Wuhan University of Science and Technology visited the Wangying Water Plant of Xianning United Water for internship and water treatment processes learning.

Total Employees
1,272

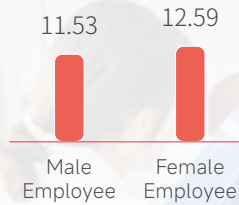
New Hires During Reporting Period
99

Number of Newly Hired Fresh Graduates
20

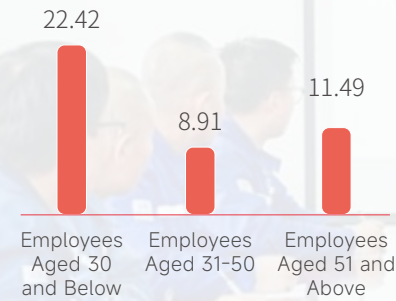


Annual Employee Turnover Rate
11.91%

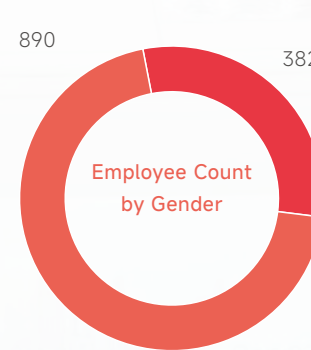
Employee Turnover Rate by Gender (%)



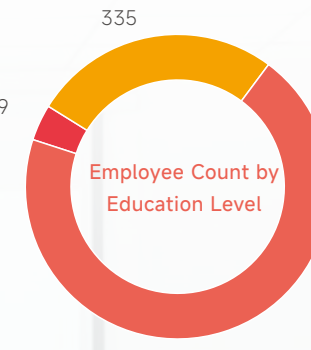
Employee Turnover Rate by Age Group (%)



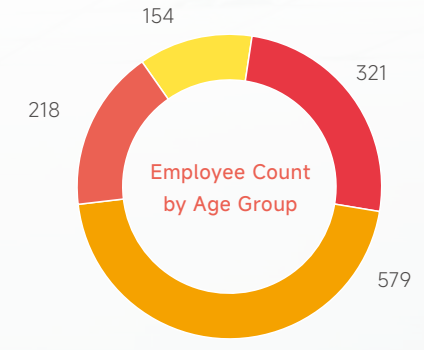
Note: During the reporting period, the Company had a total of 1,272 regular employees and 57 dispatched workers.



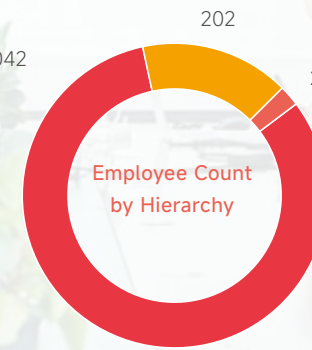
Male Employees
Female Employees



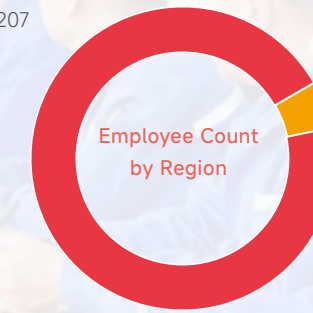
Employees with Associate Degree or Below
Employees with Bachelor's Degree
Employees with Master's/MBA Degree or Above



Employees Aged 30 and Below
Employees Aged 31-40
Employees Aged 41-50
Employees Aged 51 and Above



Senior Management
Middle Management
General Staff
Domestic Employees
Overseas Employees



Compensation and Benefits Incentives

The Company has constructed a differentiated compensation management system linked to job value, individual capability, and performance contributions, providing employees with competitive compensation levels in the industry. It continuously optimizes the employee welfare security system, enhances employees' sense of happiness and belonging, deepens value co-creation, interest sharing, and risk sharing between the enterprise and employees, thereby building a closer community of shared purpose.

● Parental leave return-to-work rate

97.44 %

● Maternity leave female employee retention rate

85.71 %



Optimizing Compensation and Benefits



- Establish a compensation system that is both externally competitive and internally equitable, fully boosting employees' work initiative.
- Formulate systems such as the *Group Project Company Excess Performance Incentive Scheme*, the *"Growing Together with the Enterprise" Internal Reward System*, and the *Internal Talent Referral Reward Measures*. Revise the *Management and Incentive System for Professional Titles and Vocational Qualifications*, the *New Project (Business) Development Bonus Incentive Scheme*, the *Construction Project Team Incentive Scheme*, and the Group's "President's Special Award" selection process, improving diversified bonus incentive mechanisms.



- Pay the five social insurances and one housing fund for employees in full and on time. Formulate the *Employee Accident Insurance Policy*, purchasing employer's liability insurance for engineering, field service, and on-site operation employees, travel accident insurance for employees with frequent business trips, and providing work safety liability insurance for employees in certain regions and positions.
- In addition to statutory holidays, ensure every employee enjoys paid annual leave, marriage leave, and bereavement leave. Follow the *Employee Benefits Policy for Major Holidays*, providing employees with holiday benefits, work meals, condolence payments, and offering diversified benefits such as position-adapted seasonal allowances, meal subsidies, and transportation subsidies.
- Regularly organize employee health checkups, providing additional health protection measures for overseas project employees and certain special position employees.
- Formulate the *Management Regulations for Mid-to-Long-Term Expatriate and Seconded Employees* and the *Compensation and Benefits Management Regulations for Employees Stationed in Bangladesh Projects*, providing expatriate employees with benefits such as expatriate subsidies, housing security, and monthly paid leave for home visits.

Standardizing Performance Management

The Company formulates and improves the Performance Management System, establishing rigorous indicator review and assessment processes, promoting continuous improvement and upgrading of the performance appraisal system. Additionally, the Company formulates the Operational Management Assessment Standards, integrating ESG performance such as energy conservation and consumption reduction, environmental protection, and occupational health and safety into the performance appraisal system. While optimizing performance appraisal indicators, this helps the Company enhance its sustainable development capabilities.

Performance Goal System

Establish a three-tier performance goal system at the "corporate, departmental, and employee levels." Indicators combine KPIs and OKRs, covering performance results, job behaviors, competency and other dimensions, clarifying business priorities and assessing employees' performance from multiple levels and dimensions.

Performance Feedback and Appeals

Through daily communication between superiors and subordinates, as well as quarterly reviews and year-end performance interview mechanisms, timely communicate employees' strengths and existing problems, helping employees improve individual performance. Establish smooth channels for employee performance feedback and appeal. For feedback on performance appraisals, establish an appeal handling team to conduct analysis and evaluation and make appropriate decisions.

Closed-Loop Performance Management

Establish a closed-loop performance management system covering five stages: goal setting, continuous feedback, daily training, performance evaluation, and employee development improvement. This helps employees continuously improve and optimize in practical work, enhancing their professional competitiveness.

Strengthening Democratic Management

The Company actively listens to employee voices, fosters a harmonious labor relationship, and effectively safeguards employees' rights to information, participation, expression, and supervision. It has established a democratic management system with the Staff Congress as the basic form, ensuring employees' participation in democratic supervision and management in accordance with the law. In 2025, we established employee representative directors on the Board of Directors, enabling employees to deeply participate in the Company's major decision-making processes, fully safeguarding employees' democratic management rights, and making Board decisions more aligned with the actual needs of employees and the enterprise.



Labor union members

997

Labor union membership rate

78.38%

Staff Congress sessions held

4

All-employee meetings held

4

Information Transparency

- **Broadening Communication Channels:** Implement a "double-channel integration" model, utilizing online and offline channels such as the OA system, WeChat public accounts, bulletin boards, and workshop display boards to ensure employees are promptly informed of company policies and relevant matters.
- **Refining Information Disclosure Details:** Specify that the Company's development plans, remuneration, social insurance and benefits, and employee rewards and disciplinary actions are disclosed to employees, facilitating the effective implementation of internal policies and systems and safeguarding employees' right to information and supervision.

Communication and Feedback

- **Establishing Communication and Feedback Mechanisms:** Set up diverse and smooth communication channels such as seminars, the Staff Congress, and suggestion boxes. Assign dedicated personnel to regularly summarize collected opinions and suggestions, and adopt and implement appropriate suggestions, ensuring that employee demands receive timely responses.
- **Advancing Digital Empowerment:** Build the "Cloud Home" online platform and establishes modules for employee services and supervision to create an "accessible democratic window" and enhance the efficiency of democratic management.

Employee Satisfaction

- **Interviews with Group Functional Lines:** Group operations management, finance, human resources, procurement, and other lines interviewed team members from corresponding lines in project companies to understand the implementation of systems, existing problems, and service needs from group functional departments. They also gathered information on local business operations and compensation levels, conducted internal compensation comparisons with external analysis, and provided adjustment suggestions.
- **Interviews with Management Teams within Project Companies:** Communicated with middle and first-line managers to understand their perspectives on subordinates' work capabilities, team execution, and talent development. Communicated with employees to understand their feelings about superiors' management styles, the reasonableness of work assignment, and support for individual growth.
- **Exchanges between HR and Heads of Business and Other Functional Departments and Employees:** Understood actual obstacles encountered by various departments in collaboration and their support needs for HR management work. Understood employee satisfaction with career development (including promotion pathways, training opportunities, and job growth) as well as compensation levels and benefits policies, facilitating optimization and improvement.

Diverse Workplace and Employee Care

United Water attaches importance on humanistic care for employees, promotes work-life balance, and strives to create a diverse, equitable, and inclusive workplace environment.



Promoting Equality and Inclusion

The Company adheres to the principles of fairness and justice, providing equal opportunities and treatment to every employee in all aspects including recruitment, training, promotion, and compensation incentives. We integrate the concepts of diversity, equity, and inclusion into our operational systems, continuously enhancing inclusion in workplace and ensuring that all employees, regardless of age, gender, ethnicity, nationality, or religious belief, are treated fairly. Furthermore, we strengthen local employee recruitment, promoting local employment and improving the quality of life for local residents.

Supporting Women's Career Development

- **Safeguarding Female Employees' Rights:** Strictly comply with relevant national laws and regulations to ensure female employees enjoy rights during pregnancy, childbirth, lactation, and parental leave. Jingzhou Shenlian Water and Jingzhou Shenlian Environment conducted investigations and analyses of compensation structures to promptly identify and refine inappropriate situations, ensuring that employees in equal positions receive equal pay regardless of gender.
- **Promoting Female Employees' Growth:** Provide fair training opportunities for female employees, assisting them in continuously improving their skills and encourage and cultivate female employees for management positions, ensuring that capable employees can fully participate in company management.

Encouraging Overseas Talent Growth

- Actively implement localization hiring policies in Bangladesh, implementing localized talent recruitment and development. In the initial phase, dispatched employees provided one-on-one guidance to local employees to enhance their technical capabilities.
- Implement a recruitment program for Bangladeshi students, developing specialized training for international assignees to help them adapt to culture and language and understand local business practices. Provide multilingual communication materials to meet the needs of employees from different language backgrounds.
- Establish an Employee Assistance Program (EAP) to provide counseling services for employees facing personal or professional challenges.

Proportion of female employees in middle and senior management

25.65%

Proportion of employees with disabilities

0.16%

Proportion of ethnic minority employees

1.81%

Local employees hired in overseas operations

62

Localization hiring rate in overseas operations

98.41%

Local senior executives hired in overseas operations

1

Proportion of local senior executives in overseas operations

50%

Total training hours for overseas employees

160 hours

Total number of overseas employees trained

50

Employee Care and Support Initiatives

The Company consistently places employee care in a crucial position, vigorously assisting employees in difficulty, safeguarding the health of frontline employees, caring for female and retired employees, and actively providing proactive and preventive mental health support to employees. In 2025, we organized training seminars for new employees to popularize techniques for stress management, emotional regulation, and effective communication. We also guided department heads and mentors to pay attention to the psychological dynamics of new employees, helped them balance work expectations with practical challenges, and fostered a positive and optimistic workplace mindset, demonstrating the Company's humanistic care and sense of responsibility.

Assisted disadvantaged employees

3



Suizhou United Water organized a DIY pressed flower lamp activity for International Women's Day.



Xianning United Water visited families of employees in difficulty.



Xianning United Water organized a Double Ninth Festival activity for retired employees.



Xianning United Water visited frontline employees at water plants.

Work-Life Balance

The Company focuses on work-life balance for employees, providing abundant and diverse cultural and recreational activities to enhance employees' sense of belonging and happiness, and fostering a harmonious and cohesive team atmosphere.



Helan United Water and Ningxia Hongze Water Purification Company jointly organized a "Land Dragon Boat Race to Welcome the Dragon Boat Festival" themed activity.



Ruichang United Water organized employees to participate in the city union's staff sports meet.



United Water's Shanxi region organized team-building and Outward Bound activities.



Suizhou United Water organized a persimmon-picking activity.



Tongxiang Shenhe Water held a collective birthday party for employees whose birthdays fall in that quarter.



Xianning United Water organized employees to participate in the 2025 Xianning Marathon.

Talent Cultivation and Development

United Water regards talent as the core driving force for enterprise development. It has constructed a comprehensive employee training and development system, smooth career development pathways for employees, and continuously motivates employee growth and development, achieving an organic integration and mutual promotion of personal employee growth and corporate development.

Deepening Talent Cultivation

The Company focuses on employee development and growth, constructing a comprehensive employee training system and formulating and actively implementing training plans. It provides personalized training opportunities tailored to the needs of talents at different levels, thereby stimulating employee potential and continuously building a talent team that adapts to business development. During the reporting period, the Company conducted a total of 466 training sessions, including 45 key training sessions, and headquarters led the organization of 17 key special training sessions and thematic meetings.

Talent Development Programs

Aimed at internal young talents, this program provides systematic training including rotational learning, vocational skill training, specialized training, and practical research, strengthening the robust talent pool of future leaders and technical experts. During the reporting period, 5 employees were cultivated through rotational programs in United Water Suqian Water Supply Company, 5 through rotational and cross-regional learning programs in Xianning United Water, and 2 through mentorship programs in Suizhou United Water.

This program includes tailored training modules such as *"Becoming a Corporate Professional"* (focusing on workplace competencies), *Water Quality Engineering* (industry-specific knowledge), and rotational assignments across departments. Through these initiatives, trainees gain hands-on exposure to business operations, enabling them to apply theoretical knowledge in practice.

Targeted at management trainees, this program provides specialized training including the "Becoming a Corporate Professional" professional competency training, industry-specific knowledge training in *Water Quality Engineering*, and rotational learning, helping management trainees quickly familiarize themselves with the business operations and enabling them to apply knowledge in practice. During the reporting period, the Company and its subsidiaries cultivated management trainees with 1 at headquarters, 1 continuing in United Water Suqian Water Supply Company, and 2 at Xianning United Water. Additionally, a cumulative total of 32 management trainees have been cultivated.



United Water's Jiangsu region aims to optimize the young talent echelon, adhering to the principle of combining targeted cultivation with overall capabilities improvement. Through multiple approaches including team cultivation, rotational learning, specialized workshops, Outward Bound, and online training, the program effectively enhances the comprehensive capabilities and competencies of outstanding young employees.





Career Advancement and Mastery

Frontline Production Employees

- United Water conducts production technology learning and training, enhancing employee capabilities through self-study, thematic training, group discussions, and regular examinations. During the reporting period, a total of 133 employees participated in the training.
- Tongxiang Shenhe Water organized relevant personnel from the production department to systematically study professional books such as *Water Pollution Control Engineering (Volume 2)* and *Design and Calculation of Urban Wastewater Treatment Plant Facilities*, helping employees deeply understand core theories in the environmental engineering field and providing solid theoretical support for practical work.

High-Potential Talents

- United Water Suqian Water Supply Company organized high-potential talents to study the *Dual Leap of Management Thinking and Management Capabilities*, effectively enhancing participants' management thinking and abilities.
- Xianning United Water organized specialized training for 9 key position personnel and high-potential talents in the pipeline network module on knowledge of reducing production and sales differences and the application of pipeline leakage detection equipment, strengthening participants' professional knowledge foundation and practical work capabilities.
- Xianning United Water conducted courses for 24 key position personnel and high-potential talents in the production technology module. During the reporting period, participants studied 5 professional courses, 30 regulations, and completed online examinations.

Middle and Senior Management

- Jingzhou Shenlian Environment and Jingzhou Shenlian Water organized a two-month online training course for middle and senior management, effectively cultivating team leadership among middle and senior managers.
- Suizhou United Water adopted a format of "online learning + learning reports + summary sharing sessions" to organize training about *Replicable Leadership*, with two months training period, involving a total of 8 participants.
- Ruichang United Water conducted training for middle managers and supervisors, including courses on Design and Calculation of Urban Wastewater Treatment Plant Facilities, enhancing participants' understanding of wastewater production processes.

Specialized Cultivation Mechanisms

In-house Trainer Management

To promote the inheritance and application of knowledge and experience, the Company actively promotes the construction of an in-house trainer system, committed to building a high-quality, professional team of in-house trainers. It has formulated the *In-house Trainer Management System* to improve mechanisms for the selection, cultivation, incentivization, and assessment of in-house trainers, and regularly organizes exchanges and learning sessions for in-house trainers. During the reporting period, the Company had 18 certified in-house trainers.

Mentorship Program Management

Guided by the *United Water Group Mentorship Management System (Trial)*, the Company instructs operating companies to continuously advance mentorship cultivation programs based on needs. In 2025, the Company increases 14 mentor-mentee pairs, cultivating highly skilled young talents for operating companies in areas such as production, electromechanical operations, laboratory testing, and pipeline networks.

Online Course Learning

Operating companies organize employees to participate in series of courses through online learning platforms, covering learning content such as professional skills, leadership, and management skills, closely aligned with business and employee needs. During the reporting period, a cumulative number of online training participants was 70.



Total Employee Training Investment

RMB **831,100**

Total Employee Training Participants

5,997

Total Training Hours

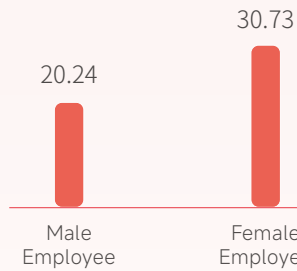
32,423.62 hours



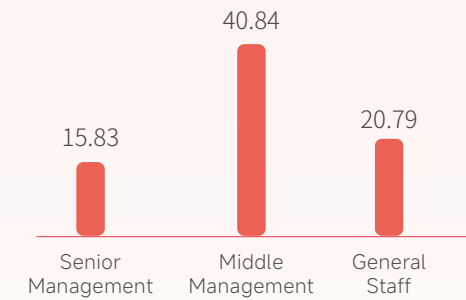
Average Annual Training Hours per Employee

25.49 hours

Average Training Hours per Employee by Gender (hours)



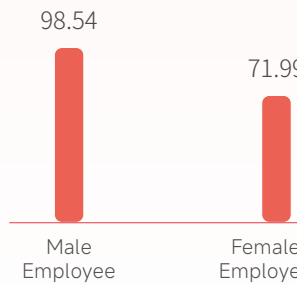
Average Training Hours per Employee by Hierarchy (hours)



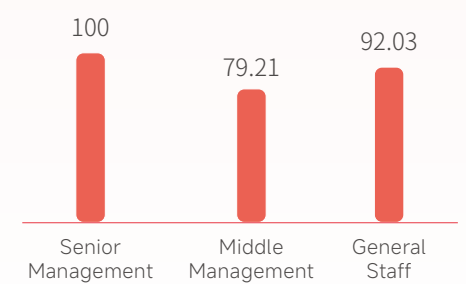
Overall Employee Training Participation Rate

90.57 %

Training Participation Rate by Gender (%)



Training Participation Rate by Hierarchy (%)



Smooth Career Development

Smooth Development Pathways

Adhering to the principle of "appointing people on their merits and valuing talents based on their abilities," the Company continuously optimizes its employee promotion management system, ensuring transparency and fairness in employee career development channels. Vertically, the Company continuously improves the dual promotion system for management and technical tracks. By selecting relevant technical positions in the Suqian region for dual-track pilot programs, it has established competency standards and evaluation methods, providing employees with clear, fair, and diversified development paths. Horizontally, centering on the dual cores of "enhancing employees' comprehensive quality" and "adjusting business strategy," the Company establishes a dynamic personnel allocation mechanism across organizations and departments. Relying on a full-cycle management mechanism of "tracking-feedback-optimization," it breaks down barriers to talent flow between headquarters, regions, and operating companies, fully activating internal talent resources and ultimately achieving mutual growth for individuals and the organization.

Academic and Qualification Support

The Company has revised the *Management and Incentive System for Professional Titles and Vocational Qualifications* to encourage employees to actively engage in professional knowledge learning and skill enhancement within their work areas and obtain professional title certifications and qualifications from external authoritative institutions. Employees meeting the incentive conditions receive cash rewards on a monthly or annual basis. The Company has obtained nationally recognized autonomous certification authority for vocational skill levels, conducting junior, intermediate, and senior vocational qualification certifications for three occupations: water treatment operators, electromechanical equipment installers, and plumbers. In 2025, Xianning Siyuan Water newly obtained 2 professional certificates in welding and low-voltage electrical work. Jingzhou Shenlian Environment newly obtained 4 intermediate professional title certificates, covering environmental protection, electrical engineering, and water supply and drainage. Ruichang United Water newly obtained 1 professional certificate in high-voltage electrical work, 6 professional certificates in industrial wastewater treatment, and 3 professional certificates in chemical testing.

Growth Incentives

The Company consistently promotes the "Growing Together with the Enterprise" program, implementing the *"Growing Together with the Enterprise" Internal Reward System* to encourage employees to continuously learn and enhance their professional skills. It provides practical opportunities for employees to engage in innovations and inventions, obtaining patent authorizations or association awards. Additionally, it encourages employees to explore work-related technologies, carry out technological improvements and upgrades, and create economic benefits for the Company. Furthermore, it organizes employees to participate in various external skills competitions, striving for honors for the Company. At the end of the year, the Company provides cash rewards to eligible employees and teams. In 2025, 110 employees received cash rewards.



About This Report

This report is the 3rd Environmental, Social, and Governance (ESG) Report publicly released by Jiangsu United Water Technology Co., Ltd. (hereinafter referred to as "this report"). It aims to disclose the Company's principles, practices, and key performance in sustainable development, fully addressing critical concerns raised by stakeholders.

Definition of Terms

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

Partial List of Subsidiary Abbreviations

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

Reporting Period

The Report primarily covers the period from January 1, 2025, to December 31, 2025. Certain content is extended appropriately to prior and subsequent years for contextual completeness. This Report is an annual publication.

Reporting Boundary

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

Assurance of Accuracy

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

Data Sources

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

Reporting Standards

This Report is prepared in accordance with the Global Reporting Initiative (GRI)– *Sustainability Reporting Standards (GRI Standards)*, Shanghai Stock Exchange – *Guidelines for Self-Regulation of Listed Companies No. 1 – Standardized Operations of Listed Companies on the Shanghai Stock Exchange*, Shanghai Stock Exchange – *Guidelines for Self-Regulation of Listed Companies No. 14 – Sustainability Reporting (Trial)*, Shanghai Stock Exchange – *Guidance for Self-Regulation of Listed Companies No. 4 – Preparation of Sustainability Reports (Revised in January 2026)*, and the United Nations Sustainable Development Goals (SDGs).

Accessibility

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

Feedback

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

Email: IR@united-water.com

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Key Performance

Economic Performance

Indicator	Unit	2023	2024	2025
Total Assets	million RMB	3,635.14	3,715.24	3,799.88
Operating Revenue	million RMB	1,127.81	1,140.40	1,102.94
Operating Profit	million RMB	214.44	190.98	135.14
Total Tax	million RMB	109.87	112.41	105.49

Governance Performance

Indicator	Unit	2023	2024	2025
Proportion of Independent Directors	%	33.33	33.33	33.33

Environmental Performance

Indicator	Unit	2023	2024	2025
Environmental Management				
Environmental Protection Investment ¹	million RMB	141.74	69.82	48.58
Number of Environmental Training	times	22	18	56
Environmental Training Personnel	/	301	168	733
Energy Consumption				
Gasoline	liters (L)	154,466.54	89,921.11	129,520.31
Diesel	liters (L)	55,535.46	54,745.04	43,761.13

Indicator	Unit	2023	2024	2025
Natural Gas	cubic meters (m ³)	135,137.28	132,954.00	108,020.20
LPG	kilograms (kg)	5,463.00	6,770.00	9,632.00
Purchased Electricity	kilowatt-hours (kWh)	130,418,203.00	134,330,988.60	140,830,142.10
Clean/ Renewable Energy Consumption	kilowatt-hours (kWh)	/	/	5,326,532.00
Total Energy Consumption	tonnes of standard coal equivalent	16,451.62	16,860.92	18,315.00
Energy Consumption Density	tonnes of standard coal equivalent per RMB 10,000 of revenue	0.15	0.15	0.17

Greenhouse Gas Emissions

Scope 1: Direct Greenhouse Gas Emissions	tonnes of CO ₂ equivalent	799.38	651.10	664.11
Scope 2: Indirect Greenhouse Gas Emissions	tonnes of CO ₂ equivalent	74,377.5	72,082.01	74,724.47
Total Greenhouse Gas Emissions	tonnes of CO ₂ equivalent	75,176.88	72,733.11	75,388.58
Greenhouse Gas Emissions Intensity	tonnes of CO ₂ equivalent per RMB 10,000 of revenue	0.67	0.64	0.68

Water Resource Management

Freshwater Withdrawals	million cubic meters	224.96	245.08	230.96
Water Plant Self-consumption	million cubic meters	4.40	5.79	3.74
Water Plant Self-consumption Rate	%	1.96	2.45	1.64
Recycled Water Output	million cubic meters	49.94	24.33	38.74

Indicator	Unit	2023	2024	2025
Wastewater Treatment Volume	million cubic meters	144.19	151.52	150.26
Reduction in Pollutants, Quantified by Chemical Oxygen Demand (COD)	tonnes	44,894	49,079.30	47,901.45
Wastewater Discharge				
Ammonia Nitrogen Emissions	tonnes	/	77.25	71.20
Total Nitrogen Emissions	tonnes	/	1,048.98	951.57
Total Phosphorus Emissions	tonnes	/	22.05	16.74
Suspended Solids Emissions	tonnes	/	800.21	672.82
Exhaust Emissions				
Total Exhaust Gas Emissions ²	million cubic meters	/	1,628.82	1,295.57
Volume of Nitrogen Oxides Emitted	tonnes	0.25	0.26	0.32
Volume of Sulfur Oxides Emitted	tonnes	0.12	0.03	0.03
Volume of Particulate Matter and Suspended Particles Emitted	tonnes	0.03	0.04	16.58
Emissions of Volatile Organic Compounds	tonnes	0	0	0
Waste Management				
Volume of Hazardous Waste ³	tonnes	12.72	14.67	17.04
Volume of Non-hazardous Waste	tonnes	/	120,580.85	122,161.24
Volume of Waste Recycled and Reused ⁴	tonnes	94,891	/	14,300.96

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

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

3.Hazardous waste mainly consists of used engine oil and laboratory waste liquids.

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

Social Performance

Indicator	Unit	2023	2024	2025
R&D Innovation				
R&D Investment	million RMB	1.76	3.15	3.26
R&D Personnel	persons	7	6	7
New Registered Patents added in 2025	/	5	6	12
Cumulative Registered Patents	/	14	18	30
Cumulative Software Copyrights	/	10	12	13
Customer Rights and Interests				
United Water Suqian Water Supply Company				
Customer Complaint Resolution Rate	%	100	100	100
Customer Satisfaction Rate	%	98	99.40	98
Xianning United Water				
Customer Complaint Resolution Rate	%	100	100	100
Customer Satisfaction Rate	%	96	99.90	99.80
Supply Chain Management				
Suppliers Obtained Quality Management System Certification	%	41.96	38.58	39.83
Suppliers Obtained Occupational Health and Safety Management System Certification	%	22.69	35.67	38.85
Suppliers Obtained Environmental Management System Certification	%	22.69	36.14	37.86
Employment				
Total Employees	persons	1,407	1,337	1,272
Total New Hires During Reporting Period	persons	198	103	99
Number of Newly Hired Fresh Graduates	persons	14	9	20
Labor Contract Signing Rate	%	100	100	100
Union Membership Rate	%	56	73	78.38
Employee Count by Gender				
Male Employees	persons	961	917	890
Female Employees	persons	446	420	382

Indicator	Unit	2023	2024	2025
Employee Count by Group				
Employees Aged 30 and Below	persons	336	276	218
Employees Aged 31-40	persons	593	594	579
Employees Aged 41-50		329	312	321
Employees Aged 51 and Above	persons	149	155	154
Employee Count by Hierarchy				
Senior Management	persons	50	47	28
Middle Management	persons	225	186	202
General Staff	persons	1,132	1,104	1,042
Employee Count by Education Level				
Employees with Associate Degree or Below	persons	1,001	942	888
Employees with Bachelor's Degree	persons	369	352	335
Employees with Master's /MBA Degree or Above	persons	37	43	49
Employee Count by Region				
Domestic Employees	persons	1,367	1,294	1,207
Overseas Employees	persons	40	43	65
Equality Diversity				
Proportion of Female Employees	%	31.70	31.41	30.03
Proportion of Ethnic Minority Employees	%	1.28	1.12	1.81
Proportion of Employees with Disabilities	%	0.14	0.22	0.16
Return-to-work Rate after Parental Leave	%	95.65	100	97.44
Employee Training				
Total Employee Training Investment	RMB	845,000	1,022,400	831,100
Total Training Participants	/	3,338	5,965	5,997
Total Training Hours	hours	23,768.02	23,782.35	32,423.62
Average Annual Training Hours per Employee	hours	17.01	17.79	25.49

Indicator	Unit	2023	2024	2025
Male Employees' Average Training Hours	hours	30.21	17.27	20.24
Female Employees' Average Training Hours	hours	15.78	18.91	30.73
Senior Management's Average Training Hours	hours	9.49	20.50	15.83
Middle Management's Average Training Hours	hours	20.90	35.62	40.84
General Staff Average Training Hours	hours	16.34	14.65	20.79
Over all Employee Training Participation Rate	%	83.36	92.52	90.57
Male Employee Training Participation Rate	%	85.33	94.66	98.54
Female Employee Training Participation Rate	%	81.06	87.86	71.99
Senior Management Training Participation Rate	%	60.00	74.47	100
Middle Management Training Participation Rate	%	57.73	95.16	79.21
General Staff Training Participation Rate	%	89.50	92.84	92.03
Occupational Health and Safety				
Safety Production Investment	million RMB	6.18	2.47	2.18
Work-related Fatalities	persons	0	0	0
Emergency Drills Conducted	times	61	85	120
Occupational Health and Safety Training Participations	/	2,742	2,836	2,715
Total Occupational Health and Safety Education Hours	hours	589.25	377.50	385.50
Occupational Disease Incidence Rate	%	0	0	0
Total Work-related Injury Rate	%	0.21	0.30	0.16
Workdays Lost due to Work-related Injuries	days	85	318	85
Days Lost per RMB 1 Million of Revenue due to Work Injuries	days	0.08	0.28	0.08
Community Engagement				
Charitable Contributions	million RMB	1.54	1.88	3.24
Volunteer Hours	hours	1,390	1,087	811.15
Employee Volunteer Participants	/	459	549	498

Index of Indicators

Reporting Compliance Statement: United Water disclosed the information referenced in this index for the period from January 1, 2025, to December 31, 2025, in accordance with the *Shanghai Stock Exchange-Guidelines for Self-Regulation of Listed Companies No. 14 - Sustainability Reporting (Trial)*, and aligned with the Global Reporting Initiative (GRI) Standards.

Report Structure	Sustainability Reporting Guidance	GRI Standards
Chairman's Message	/	/
About United Water	/	2-1/2-6/2-23
Sustainable Development Management	Section 12.1, Section 12.2, Section 12.4, Section 12.5, Section 13, Section 14.1, Section 15.3, Section 17, Section 18.1, Section 18.2, Section 18.3, Section 18.4, Section 51, Section 52, Section 53.1, Section 53.2	2-9/2-12/2-13/2-14/ 2-16/2-17/2-22/2-24/ 2-29/3-1/3-2/3-3
Special Feature: Transformations Synergy: Charting a New Course for "Digital + Low- Carbon" Water Utilities	Section 27, Section 28, Section 41, Section 42.4	305-5
Green Planet		
Water Resource Management	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 34, Section 36.1, Section 36.2	3-3/303-1/303-3/ 303-5
Eco-Environmental Protection	Section 32.2, Section 32.3, Section 42.4	3-3/101-2/101-5/ 101-8/304-1/304-3
Responding to Climate Change	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 20, Section 21, Section 22.1, Section 22.2, Section 22.3, Section 23.1, Section 23.2, Section 23.3, Section 23.5, Section 24, Section 25.3, Section 26, Section 27, Section 28, Section 35.1, Section 35.2, Section 35.3	3-3/201-2/203-2/ 302-1/302-3/ 302-4/302-5/ 305-1/305-2/305-4
Reducing Environment Impact	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 29, Section 30.1, Section 30.2, Section 30.3, Section 30.4, Section 30.5, Section 31.1, Section 31.2, Section 31.3, Section 33.1, Section 33.2, Section 33.3, Section 34, Section 35.3, Section 37.2, Section 38, Section 40	2-27/3-3/303-2/ 303-4/305-7/ 306-1/306-2/ 306-3/306-4/306-5
Reliable Partner		
Water Supply Resilience	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 44, Section 47.1, Section 47.2, Section 47.3	3-3/203-1/203-2
Premium Services	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 44, Section 47.4, Section 48.3	2-6/3-3/203-1/203-2

Report Structure	Sustainability Reporting Guidance	GRI Standards
Water Accessibility	Section 39.1, Section 39.3, Section 44, Section 47.4	2-6/203-1/203-2
Community Involvement	Section 38, Section 40	3-3/203-1/203-2
Operation in Excellence		
Corporate Governance	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 53.1, Section 53.2	2-9/2-10/2-12/3-3/ 207-2/405-1
Compliant and Sound Operations	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19	2-27
Business Ethics	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 54, Section 55.1, Section 55.4, Section 56.1, Section 56.2	2-27/3-3/205-2/ 205-3/206-1
Supply Chain Management	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 44, Section 45.1, Section 45.2	2-6/2-23/3-3/308-1/ 308-2/414-1/414-2
Safety Prevention Measures	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 48.1, Section 48.2, Section 48.4, Section 49, Section 50.2	2-27/3-3/401-2/ 403-1/403-2/403-5/ 403-6/403-7/403-9/403-10
Advanced Technology		
Digital Intelligence Empowerment	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 42.4	3-3/203-2
R&D Innovation	Section 11.1, Section 11.2, Section 11.3, Section 11.4, Section 19, Section 41, Section 42.1, Section 42.2, Section 42.3, Section 42.4, Section 43.1, Section 43.2, Section 43.4	3-3/201-4
Talent Oriented		
Employment and Employee Rights Protection	Section 49, Section 50.1	2-7/3-3/401-1/401-2/ 401-3/405-1/406-1
Diverse Workplace and Employee Care	/	401-2/405-1
Talent Cultivation and Development	Section 49, Section 50.3	3-3/404-1/404-2



联合水务
UNITED WATER