

NAAS 2022 SEMI-ANNUAL ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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About the Report

Subject of the Report

NaaS Technology Inc. ("NaaS", "Company" or "We").

Reporting Period

From January 1, 2022 to June 30, 2022.

Contents of the Report

The Report covers significant events, as well as the performance of the Company on environmental, social and governance (ESG) during the Reporting Period.

Data and Information

The Data and information in the Report are all sourced from internal statistics, Company documents and reports, surveys and interviews with stakeholders of NaaS. The emissions and energy use indicators of the Company are counted and calculated in accordance with national regulations or international standards.

Language

The Report is rendered and released in Chinese and English. In case of any discrepancy, the Chinese version shall prevail.

Reference

The Report is prepared with reference to the NASDAQ *ESG Reporting Guide 2.0*, *Environmental, Social and Governance Reporting Guide* by Hong Kong Exchanges and Clearing Limited (HKEx), and *GRI Standards* by Global Reporting Initiative (GRI).

Reporting Principles

- **Principle of Materiality:** In the preparation of this report, key stakeholders are identified, and Materiality Analysis is conducted as the basis for defining essential ESG issues.
- **Principle of Quantification:** The contents under the Report are sourced from relevant statistical reports or documents, and key performance indicators are measurable. The standards and methods applied in the calculation of emissions/energy consumption have been reported.
- **Principle of Balance:** The Report, adhering to the principle of balance, presents fairly and objectively the current ESG status of the Company.
- **Principle of Consistency:** The Report is made with the same approach to disclose key performance indicators under the same coverage as the subsequent annual Environmental, Social and Governance Reports. Any changes hereto will be explained separately.

About the Company

History

In 2019

NaaS was established, dedicated to providing industrial solutions for the new energy charging market.

On June 13, 2022

NaaS became China's first charging service provider that was listed on NASDAQ (stock code: NAAS) and the third China Concept Stock listed in the United States this year.

As of June 30, 2022

NaaS has extended its businesses to 358 cities across China, with over 44,000 charging stations and over 400,000 charging guns.

Business Overview

Online Charging Service

- Thanks to the various modes of connection, we provide charging service interfaces for travel service platforms and car owners service platforms. Our interconnected charging network brings platform users and car owners services featuring visualized power station distribution, convenient price comparison and easy QR code scanning for charging.
- We provide charging interconnection services for new energy vehicle (NEV) manufacturers and also for car owners to locate charging piles efficiently with the support of central control screens and APPs. We provide customization services for major channels to assist manufacturers in integrating charging resources.

Offline Charging Service

- Based on intelligent charging products, smart station management platforms and professional experience, we are able to provide hardware, software and comprehensive technical services to charging station operators, including electricity generation operation, optimized selection, intelligent operation and maintenance, power trade, energy storage, and photovoltaics.
- We sell private charging piles characterized by a high level of safety, quiet operations, strong reliability, and smart and very efficient for individual users, and we offer private pile sharing software.
- Given the brand orientation and different types of customers from our partners, we are capable of providing personalized and customized charging solutions for various brands.

Non-charging Service

- We have built value-added service facilities at stations, such as lounges for owners, self-service cabinets, fast food cabinets, shared massage chairs, shared portable chargers, and automatic car washers.
- We strive to enhance owners' experience at stations based on our delicate operation and management, thus bringing more revenue and higher pile utilization and customer stickiness.

Topic Green Development for Transportation and Energy in Response to Climate Change

Our Vision:



>> By 2030, the emission reduction will account for 1.26% of road traffic emissions

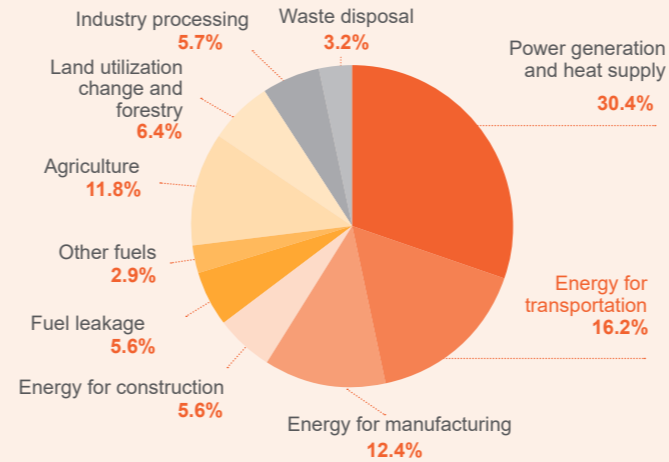
1.26%

In 2021, NaaS launched travel charging services with the aid of KuaiDian, contributing to a reduction of 896,800 tons of carbon. Another 700,400 tons of emission reduction was also registered in the first half of 2022. In the future, NaaS and KuaiDian will promote together toward the transformation of a public green lifestyle under the "dual carbon goals" (China's pledge to peak its carbon dioxide emissions before 2030 and achieve carbon neutrality before 2060).

In 2022, a wave of high temperatures swept over various locations worldwide, with the concentration of carbon dioxide hitting record highs over the past century. From a macro perspective, the climate crisis caused by massive carbon dioxide emissions has severely affected lives, for which a global consensus on climate change has been reached. In active response to climate change, NaaS has been endeavoring to promote the green development of society while engaged in the NEV industry guided by the "dual carbon goals" amid the growth of the global energy market.

As a sector, transportation produces 16.2% of worldwide greenhouse gas emissions, making it the most promising sector for the development and application of new energy. The major countries and regions, including China, the United States and the European Union, are focusing on the development of NEVs for carbon emission reduction. In the first half of 2022, the sales of new energy passenger cars around the world increased by 71%, of which China still tops all other runners. Also, during the same period, the volume of NEVs in China exceeded 10 million, accounting for 56% of the global total.

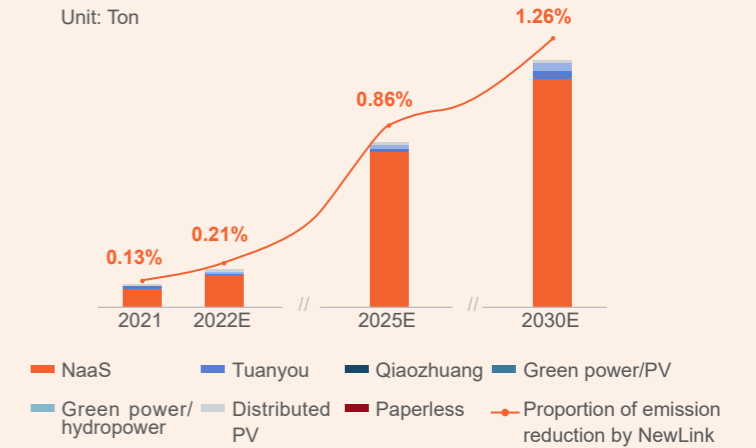
Proportion of Greenhouse Gas Emissions by Sectors, Globally



Source: International Energy Agency and public information

NewLink Carbon Emission Reduction Trend

Unit: Ton



Topic Green Development for Transportation and Energy in Response to Climate Change

The charging/battery swap industry, as infrastructure to the NEV industry, poses enormous potential in the domestic market. It is expected that by 2030, the volume of NEVs in China will reach 120 million, for which about 20 million charging piles will be needed. Unlike the European and American markets dominated by private piles, equal emphasis will be put on public piles and special piles in the domestic market where, by then, the charging capacity of public and special piles will exceed 80%. With a focus on transportation energy, NaaS took the lead in quantitative methodology research on carbon emission reduction in transportation in collaboration with world-renowned testing and certification institutions like Société Générale de Surveillance SA (SGS) and China Beijing Green Exchange. NaaS, a third-party charging service provider, has been striving for green development from the source, for the stations and in the application.

Green development from the source

Aimed at “green development from the source” for charging stations, NaaS supplies photovoltaic (PV), wind power, hydropower and other clean energies for charging stations. NaaS has traded 458 million kWh of power by June 2022, including 360 million kWh of clean energies (PV, wind power and hydropower), accounting for 78.6% of the total.

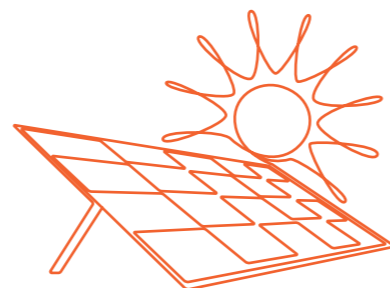


Share of clean energy

78.6%

Green development for the stations:

NaaS provides customized services for stations, such as integration of PV facilities in buildings, installation of PV equipment on the roof, application of the generated electricity by operating station, higher utilization of clean energy, and the development of PV energy storage and charging technology to solve the problem of green energy absorption facing stations.



Green development in the application

Amid the development of better incentives for users, NaaS has created an innovative mechanism for the inclusive benefits of carbon emission. In 2022, KuaiDian, a strategic partner of NaaS, took part in the “Season of Green Life in Beijing,” instructed by the Beijing Municipal Commission of Development and Reform and organized by the Beijing Energy Conservation and Environmental Protection Center. The Carbon Account (KuaiDian App), yet enabled for drivers, has been registered with over 280,000 users since its launch in August 2021. Thanks to the innovative mechanism, an increasing number of electric vehicle owners adhere to the practices of green development. Users, through charging, will be given carbon credits in their Carbon Account Book that can be redeemed for gifts at the Carbon Mall as an incentive to join the campaign of “Carbon Emission Reduction”.



By 2030, the volume of NEVs in China will reach

120M



More charging piles will be needed, the number will reach

20M



The charging capacity of public and special piles in domestic market will exceed

80%



Topic

Green Development for Transportation and Energy in Response to Climate Change

Case: NaaS works with Green Intelligent Link to provide a one-stop charging service for commercial NEVs.

In 2022, NaaS reached a strategic partnership with Green Intelligent Link, a service provider of green capacity and smart IOV. For the fast-growing market of commercial NEVs, the two partners launched one-stop charging solutions integrating charging pile connection and digital management solutions for fleets. In-depth cooperation is going extremely well in the areas of charging pile connection, order data and payment services with a focus on smart energy supply, bringing efficient, convenient and affordable charging services to commercial vehicle owners.

Based on the cooperation, NaaS positions itself as the “connector” of the new energy industry between the charging network nationwide and commercial NEV users for the purpose of further improving the charging efficiency of commercial NEVs and lowering the charging cost, thus laying a solid foundation for the sustainable growth of the commercial NEV market.

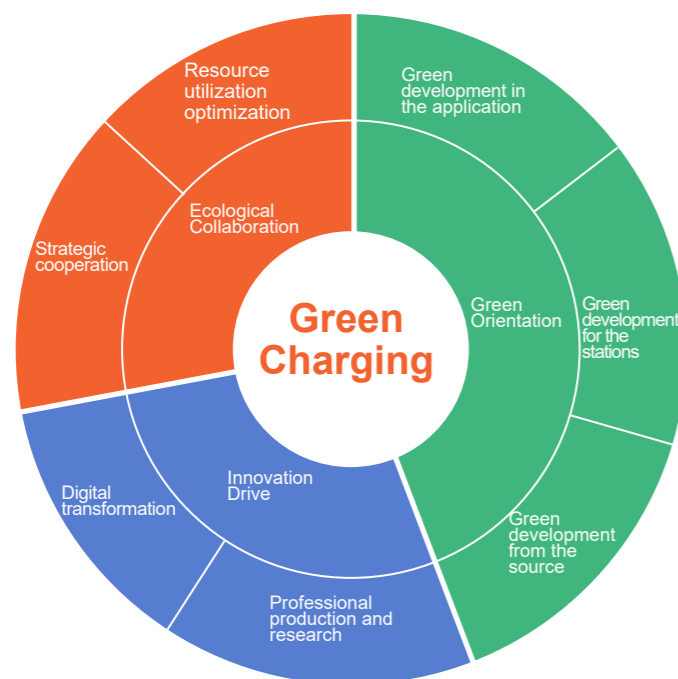
Case: NaaS Started Strategic Cooperation with the Shunyi Base of the National Smart Car and Smart Transportation (Beijing-Hebei) Demonstration Zone.

On January 26, NaaS concluded a strategic cooperation agreement with Shunyi Base of the National Smart Car and Smart Transportation (Beijing-Hebei) Demonstration Zone (“Shunyi Base”), for which the two parties held in-depth talks on building an intelligent network and developing smart energy services in the future. Pursuant to the agreement, the cooperation will focus on charging and battery swap infrastructure and automated charging and battery swap under a self-driving scenario. NaaS will continue to support the construction, operation and service of charging and battery swap infrastructure in Shunyi Base for further assurance for the base and testing operators. Thanks to the complementary advantages and resources of both parties, the cooperation is believed to lift the overall operating efficiency of Shunyi Base. Facing the upsurging changes in the automotive industry, the two parties will work together to advance the integration of intelligent connection and self-driving technology toward the goal of carbon neutrality for the field of transportation energy.



ESG Policy

Echoing national policy, NaaS integrates ESG concepts into its development strategies to build an impressive vision of Green Charging. Guided by Green Orientation, Ecological Collaboration and Innovation Drive under ESG policy, we prioritize seven aspects, namely: green development from the source, green development for the stations, green development in the application, resource utilization optimization, strategic cooperation, digital transformation and professional production and research, while actively promoting the sustainable growth of the new energy service industry.



Green Orientation

We practice the philosophy of green operation for enterprises, and lead enterprises within the industrial chain in ecological operations for the sustainable development of enterprises, individuals and cities

- **Green development from the source:** We provide clean energy for cooperating charging stations for their ecological operation;
- **Green development for the stations:** We customize ecological services for stations and leverage the technologies like PV energy storage and charging to solve the problem of green energy absorption facing stations;
- **Green development in the application:** We have created an innovative mechanism for carbon emission inclusiveness to guide individuals in their environmental actions.

Ecological Collaboration

We maintain efficient strategic cooperation with partners to boost the development of the new energy industry and the improvement of the new energy ecosphere.

- **Strategic cooperation:** We have established strategic cooperations with many enterprises for win-win s toward ecological conservation and enhancement.
- **Resource utilization optimization:** We always help enterprises integrate charging resources efficiently.

Innovation Drive

We are committed to accelerating the digitalization of the new energy industry by grasping the development law of the industry .

- **Digital transformation:** We spare no effort to promote the digital transformation of energy infrastructure in urban areas and enhance progress in the industry's prosperity.
- **Professional production and research:** With the support of production and research experts, we are confident and competent in the provision of customized services.

Corporate Governance

Guarantee

The Company's Board of Directors consisted of seven members, including two independent directors, as of June 30, 2022, and has a complete governance structure with specific and clear responsibilities for the General Meeting, Board of Directors, Board of Supervisors and management, all of which are operating under well-organized and established communication mechanisms. The Board of Directors is mainly responsible for reviewing and approving long-term strategic plans and annual business plans, and supervising the implementation and execution of such plans; examining and approving major financial and commercial transactions and other essential corporate activities; auditing and approving financial statements and reports, supervising the establishment and maintenance of control processes and procedures and ensuring the accuracy, completeness and clarity of financial and other disclosures. The Board of Directors comprises a Corporate Governance and Nomination Committee, an Audit Committee and a Remuneration Committee, whose members are also from the Board of Directors.

ESG Governance

With an eye on the sustainable development of the Company, the Board of Directors meticulously and sincerely controls and evaluates the major risks of the Company's ESG issues by formulating and improving ESG-related policies for effective ESG governance. The Company has incorporated ESG governance into corporate governance and established an ESG governance structure reflecting its operation and management. An ESG and Carbon Neutrality Working Group is set up under the President's Office and is in charge of ESG information disclosure and the development of emission reduction scenarios in related fields. The Board of Directors is accountable for the ESG strategy, management and information disclosure of the Company and authorizes the ESG and Carbon Neutrality Working Group to assist the Board of Directors in administration and decision-making on ESG issues, evaluating and defining ESG governance strategies and risks, organizing the implementation of ESG management measures, and reporting ESG performance to the Board of Directors and committees on a regular basis.

Anti-corruption and Integrity










Adhering to the stringent business ethics of honesty, integrity and fair competition, NaaS established a strict internal prevention and management system to regulate the Company and employees for duly performing duties. The Company believes that strict and high-level corporate governance would guarantee a stable and efficient operation and, thereby, cater to the long-term interests of the Company and its shareholders. The Company is fully compliant with the relevant laws and regulations of the country of business operation, such as the *Company Law of the People's Republic of China*, *Anti-Money Laundering Law of the People's Republic of China*, *Anti-Unfair Competition Law of the People's Republic of China*, and *Prevention of Bribery Ordinance*. Meanwhile, the Company also prepared the *Compliance Policy on Anti-Corruption*, which aims to regulate the business conduct of relevant parties inside and outside the Company. All on-the-job and newly recruited employees are required to sign the letter of consent on the *Compliance Policy on Anti-Corruption* as a commitment to their business ethics.



Stakeholder Communication

The Company is highly aware that stakeholder engagement is a key to sustainable development. It is also vital to respond positively to investors and take the concerns of stakeholders seriously and meet their expectations. The Company, through various channels, understands and responds to the demands of stakeholders, protects their rights and interests, and takes efficient actions on ESG.

The Company provides diversified communication channels for stakeholders. Any interested stakeholders in the business or the green development of the Company are free to contact us through the Company's website, official WeChat account or the Company's e-mail. NaaS values the suggestions of stakeholders, gives timely responses, and takes proper measures in this regard.

Stakeholders	 Government and regulatory agencies	 Investors/shareholders	 Partners	 Experts	 Customers and potential customers	 Employees	 Supply chain	 Community and the public	 Media	NGO
Concerns	<ul style="list-style-type: none"> • Service for national development strategy • Legal compliance • Tax payment in accordance with the law 	<ul style="list-style-type: none"> • Satisfactory returns • Strict risk control • High credit rating • Unblocked information exchange 	<ul style="list-style-type: none"> • Performance with integrity • Risk prevention and control • Win-win cooperation 	<ul style="list-style-type: none"> • Green and low-carbon development • Guidance for industry transformation and upgrading 	<ul style="list-style-type: none"> • Performance with integrity • Information disclosure • Privacy protection • Quality service 	<ul style="list-style-type: none"> • Protection of employees' rights and interests • Grow together • Salary and welfare • Health and safety • Employee care 	<ul style="list-style-type: none"> • Win-win cooperation • Common development • Resource sharing 	<ul style="list-style-type: none"> • Support for local economic development • Better employment • Public Welfare • Community participation 	<ul style="list-style-type: none"> • Transparent information • Good public relations 	<ul style="list-style-type: none"> • NGO support and cooperation • Harmonious cooperation
Communication and Response	<ul style="list-style-type: none"> • Response to the national strategy on new energy development • Law-abiding governance for turnover growth • Tax payment pursuant to law 	<ul style="list-style-type: none"> • Steady operation for greater business performance • Standardized corporate governance and compliance with laws • Regular communication with investors in an active and effective manner 	<ul style="list-style-type: none"> • Sincere fulfillment of contracts • Stricter management of operational risks • Further strategic cooperation 	<ul style="list-style-type: none"> • New energy industry as support to the transportation sector in carbon emission reduction • Enhanced management of energy conservation and emission reduction 	<ul style="list-style-type: none"> • Publicity events • Customer service • Questionnaire • Official website and WeChat official account 	<ul style="list-style-type: none"> • Fair employment policy • Perfect salary incentive mechanism • Staff compliance and anti-corruption training • Healthy working environment • Thoughtful care 	<ul style="list-style-type: none"> • Good partnership • Unblocked communication • Earnest performance of contracts 	<ul style="list-style-type: none"> • Volunteer activities • More jobs for local employment 	<ul style="list-style-type: none"> • News reports and publicity • Active participation in various thematic forums • Unblocked communication between the public and the media 	<ul style="list-style-type: none"> • Support to NGO activities • Further communication with NGOs

Materiality Analysis

With reference to NASDAQ ESG Reporting Guide 2.0 and the *Environmental, Social and Governance Reporting Guide* of HKEx and through questionnaires, business reviews and internal interviews, we improved our understanding of the views of stakeholders on ESG-related issues and identified and defined the level of importance of the issues concerning stakeholders for more accurate and comprehensive disclosure of ESG information.

Process:

Issue collection

Issues were identified by independent third-party consultants. A total of 40 issues related to environment, labor and product liability were collected and assessed. Such issues were selected from a wide range of sources, including the NASDAQ ESG Reporting Guide, HKEx ESG Guide, opinions of relevant parties, industry benchmarks, corporate policies and management strategies.

Survey focus

Independent third-party consultants collected a total of 98 questionnaires from nine stakeholders, including government and regulation authorities, investors/shareholders, Company directors/senior management, employees, customers and potential customers, suppliers, partners, communities and the public, NGOs, media and experts, all of whom evaluated the importance of different issues from their own perspectives.

Analysis of operating impacts

We solicited opinions from relevant management staff on the importance of issues to NaaS from the perspective of the Company.

Ranking of issues

On the basis of the results of this analysis, the issues were presented in a matrix considering the importance of every issue to stakeholders and also to NaaS.

NaaS Materiality Matrix:



Low-carbon Operation for Sustainable Development



Emission management

Taking environmental protection as the foundation of sustainable development, the Company, in strict compliance with the *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on Promoting Clean Production*, *Water Pollution Prevention and Control Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and relevant state laws and local regulations, earnestly implemented the policies of low carbon and emission reduction, and actively fulfilled corporate responsibilities on environmental protection. During the reporting period, there was no lawsuit or penalty arising from a violation of environment-related laws and regulations.

Greenhouse gas

In response to the national strategy on “dual carbon goals”, NaaS incorporated the concept of low carbon into corporate governance. The greenhouse gases discharged by the Company were directly sourced from the gasoline consumed by mobile vehicles and indirectly from the use of electricity during operation and other emissions on the value chain, including purchased goods and services, waste generated from operations, business travel, employee commuting and upstream asset leasing. While integrating the concept of green and low-carbon development into the corporate culture, NaaS conducted regular monitoring and summary of emission Data and enhanced the management of greenhouse gas emissions under the leadership of the Carbon Neutrality Working Group.

Waste

No hazardous waste was discharged by NaaS. The harmless waste was mainly kitchen waste, which was disposed of in a hazard-free manner for further reduction in accordance with the *Regulations of Beijing Municipality on the Classification and Management of Domestic Waste*. NaaS also took active measures in the utilization of waste and entrusted specialized companies for disposal. The Company launched an employee-wide initiative to properly sort the garbage in the workplace and issued strict regulations on the classification and placement of garbage.

The Company's major emissions and greenhouse gas discharge during the reporting period are as follows:

First half of 2022

<div>Total quantity of greenhouse gas directly discharged (Scope 1)</div> <div>2.98</div> <div>Tons of carbon dioxide equivalentt</div>	<div>Quantity of greenhouse gas indirectly discharged (Scope 2)</div> <div>30.24</div> <div>Tons of carbon dioxide equivalent</div>	<div>Quantity of greenhouse gas otherwise indirectly discharged (Scope 3)</div> <div>834.20</div> <div>Tons of carbon dioxide equivalent</div>	
<div>Category 1: Goods and services purchased</div> <div>647.69</div> <div>Tons of carbon dioxide equivalent</div>	<div>Category 5: Waste generated from operations</div> <div>0.03</div> <div>Tons of carbon dioxide equivalent</div>	<div>Category 6: Business travel</div> <div>167.07</div> <div>Tons of carbon dioxide equivalent</div>	
<div>Category 7: Employee commuting</div> <div>11.70</div> <div>Tons of carbon dioxide equivalent</div>	<div>Class 8: Upstream asset leasing</div> <div>7.71</div> <div>Tons of carbon dioxide equivalent</div>	<div>Total quantity of greenhouse gas emissions</div> <div>867.42</div> <div>Tons of carbon dioxide equivalent</div>	<div>Total quantity of greenhouse gas emissions per unit of revenue</div> <div>8.03</div> <div>Tons of carbon dioxide equivalent/ revenue in million</div>

Note: The greenhouse gas emissions are calculated according to the GHG Protocol Corporate Accounting and Reporting Standard issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), the *Sixth Assessment Report* of the Intergovernmental Panel on Climate Change (IPCC), *China Products Carbon Footprint Factors Database* issued by the Chinese Academy of Environmental Planning, and *UK Government GHG Conversion Factors for Company Reporting* released by the Department for Environment, Food & Rural Affairs of the UK.

Resource usage

NaaS, in compliance with *The Energy Conservation Law of the People's Republic of China*, *The Water Law of the People's Republic of China*, and other laws and regulations, makes unremitting efforts to formulate and improve the energy-related systems within the Company. The operations of the Company neither involve any industries with high energy consumption and heavy pollution, and large-scale production processes nor have any significant impact on the environment and natural resources.

Electricity management

While ensuring the power supply for normal operations, the Company went all out to save electricity. All unnecessary lighting was turned off on sunny days, and employees were requested to turn off lights when leaving to avoid electricity waste. Electrical equipment, such as computers, printers, copiers, and air conditioners, were also shut off if left unused.

Water resource management

NaaS underlined the daily maintenance and management of water-using equipment: Faucets should be turned off after use, and water-saving notes and signs were also posted properly in all places where necessary to avoid water wastes like dripping and leakage. Anyone who is caught wasting water would be warned, educated or even disciplined, as the case may be, in order to enhance the consciousness and awareness of water conservation.

Major energy consumption of the Company during the reporting period is set forth as follows:

First half of 2022



Electricity consumption

52053.72

kWh



Gasoline consumption

0.97

Tons



Comprehensive energy consumption
in total

7.83

Tons of standard coal equivalent



Total consumption of water
resources

255.1

Tons



Proportion of electricity consumption in
comprehensive energy consumption

81.70%



Proportion of gasoline consumption in
comprehensive energy consumption

18.30%



Comprehensive energy consumption in total
per unit revenue

0.07

Tons of standard coal equivalent/revenue
in million



Water consumption per unit
revenue

2.36

Tons/revenue in million

Note: The comprehensive energy consumption is the sum of all types of energy consumption, which is calculated according to the General Rules for Calculation of Comprehensive Energy Consumption (GB/T2589-2020).

Active Innovation for Quality Improvement

Product quality management

The Company is dedicated to providing one-stop services for charging pile manufacturers, operators, end users and OEMs, covering the whole value chain of new energy through online, offline and non-electric products and services. Focusing on quality management, we maintained regular evaluations with advanced detection techniques and scientific methods for constant improvement of quality, efficiency and professionalism for users.

In process management, we have a complete and proof-based business process of pile marketing covering pre-sales, procurement, delivery,

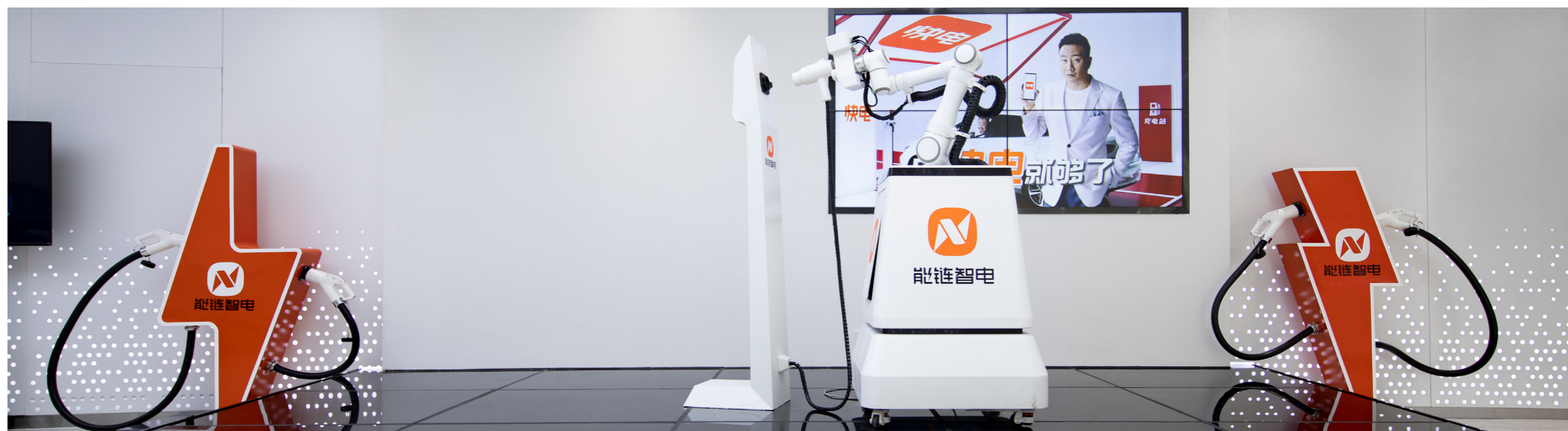
collection, payment, and after-sales and featuring impressive convenience and efficiency.

For the after-sales service, we take the problems reported by customers seriously. In view of product quality problems, we will inform suppliers in time to rectify them and will follow up on the progress.

In order to improve the quality of customer service and customer satisfaction, we have prepared internal procedures such as *Standard Service Terms* as a guide for customer service staff. We also organized appraisals on customer service quality in aspects of service terms, standards, attitude and skills.

Supply chain management

The Company, in strict compliance with the *Bidding Law of the People's Republic of China* and other laws and regulations, has established the *Access Rules for Upstream Suppliers* that explicitly provides the requirements for the access of upstream suppliers and has launched the *Code of Business Conduct and Ethics* for all the suppliers concerned. For the purchase of charging piles, priority is given to the suppliers that are able to use recyclable materials. Those qualified suppliers were included in our list of supplier access for further selection. During the reporting period, a total of 30 upstream suppliers were included in such a list.



Data security management

Data security is of great importance for science and technology enterprises. The Company gives much weight to Data security management, setting up several internal rules such as *Data Security Management Standards and Rules* and *Cybersecurity Management System* pursuant to the *Data Security Law of the People's Republic of China* and other laws and regulations to effectively enhance data security governance in security management and security operation and maintenance. In addition, we also provided regular Data compliance training for leaders, business personnel, technical personnel and security management staff to strengthen their awareness of compliance, thereby safeguarding the information security of enterprises and users.

Data Security Management Measures

Organizational assurance

A safety management structure is built with specific and full coverage of responsibilities from three levels, namely decision-making, management and implementation, on the basis of regular assessment.

Hierarchical management

Data is classified and managed effectively as per user permissions.

Data security protection

Data is under all-round protection for its whole life-cycle covering collection, use, storage, transmission, sharing and destruction.

Risk prevention

Regular assessment is conducted on data security risks, and emergency response and incident handling measures have been formulated.



Intellectual property protection

The Company puts all the research and innovation achievements under strict protection in accordance with the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and other laws and regulations. During the reporting period, the Company successfully applied for seven invention patents, sixteen trademarks and four software copyrights. We also pay respect to the intellectual property achievements of other parties, for which no infringement upon any intellectual property right of any other party was found during the reporting period.

Care for Employees and their Rights and Interests

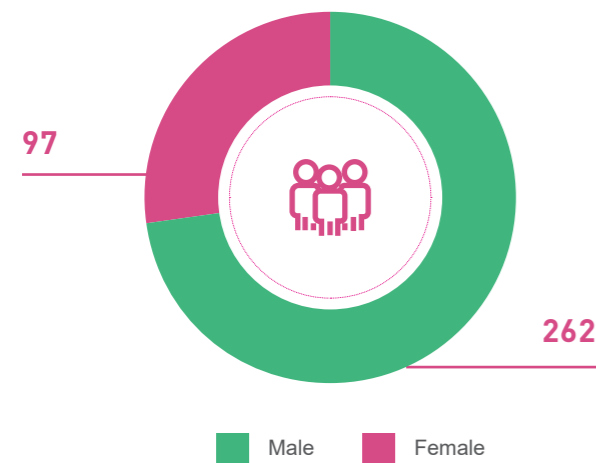


Legitimate employment procedures

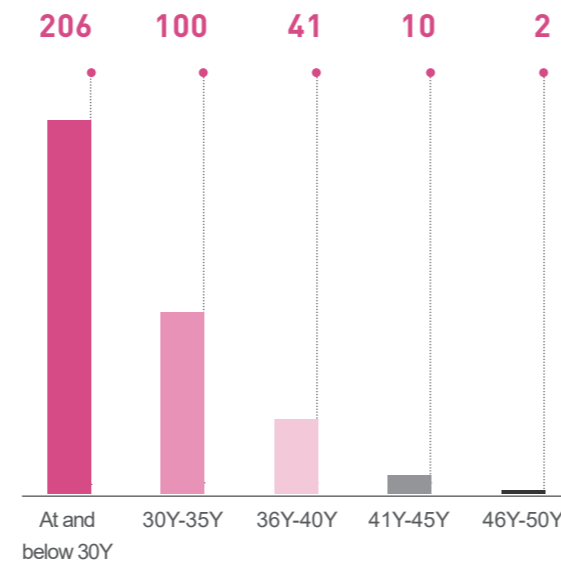
We have always believed that our ability to attract, train and retain talents is one of the keys to our rapid development and innovation. The Company maintains a good relationship with employees, without any major labor dispute having occurred at any time as a result of strict compliance with the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China*, *Law of the People's Republic of China on the Protection of Minors*, *Provisions on the Prohibition of Using Child Labor*, and other laws and regulations. The Company opposes

any form of child labor and forced labor. In terms of employment, the Company signs standard employment agreements, non-disclosure agreements and non-competition agreements with employees to protect the legitimate rights and interests of the Company and employees. In terms of talent recruitment, the Company, in the principle of equality and diversity, has compiled the *Recruitment Specifications* to regulate the recruitment process, establish a good image as an employer, provide a useful experience for candidates, and, thus, select the talents matching our core values - "Achievement, Experience and Fastness".

Number of Male and Female Employees

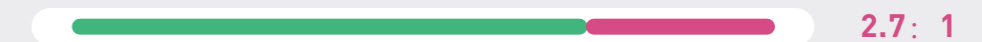


Number of Employees by Age

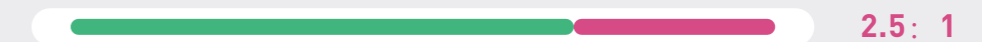


Gender Diversity in the Company

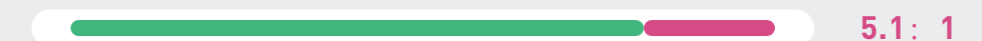
Ratio of male and female employees of all employees



Ratio of male to female employed as standard employees



Ratio of male to female employed as senior employees



Employee Turnover Rate



Turnover rate of full-time employees

26%



Turnover rate of part-time employees

0%



Turnover rate of contractors

0%

Under the influence of founder Ms. Wang Yang, the Company encourages the development of female employees in different aspects and pays attention to the care of female employees. We provide equal opportunities for female and male employees, and in addition, comprehensive welfare such as maternity leave, paternity leave, and women's holiday benefits.

Case: Wang Yang, founder of NaaS, was granted the Mulan Award of 2022, BRICS Women Innovation Contest

BRICS Women Innovation Contest is a competition initiated by China during the BRICS Summit in 2020 and supported by other countries, with an aim to recognize outstanding businesswomen in BRICS countries who have made outstanding contributions and performances in such fields as women's spirit, social responsibility, unique technology and business model, as well as industry and market prospects. In May 2022, Ms. Wang Yang, founder of NaaS, was honored with the Mulan Award of 2022, BRICS Women Innovation Contest.



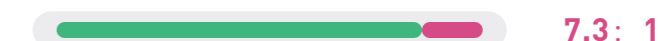
In respect of employees' promotion, the Company established the *Band Management Rules* and *Promotion Management Rules* to ensure the fairness, impartiality and openness of employees' promotion. The well-established promotion mechanism not only provides a clear path for career development but also serves as an incentive for employees to improve themselves across the board.

Protection of employees' rights and interests

While offering a salary not lower than the statutory minimum and equal to the industry average, the Company has also established a unique salary system that focuses on performance appraisal as "job graded by position and salary determined by grade". We have purchased basic social insurance and a housing fund for every employee pursuant to law to protect their legal rights and interests. We also provide well-balanced lunches and dinners for employees on weekdays. During the reporting period, we invested a total of RMB335,200 in catering for employees.

CEO Remuneration Ratio

Ratio of CEO remuneration to the median of remuneration to all full-time employees



With an emphasis on the safety and health of employees, the Company has formulated relevant safety management rules, system operation and maintenance operating procedures, and provides regular training for maintenance staff, expecting to improve employees' awareness of safety and ability of self-protection so as to ensure the normal operation of systems and the personal safety of employees. During the reporting period, the Company maintained a stable and safe operation. Relevant Data are shown below.

Employee Casualty



Number of work-related casualties

1



Recordable number of accidents

1



Total working hours

0.42 per million man-hours



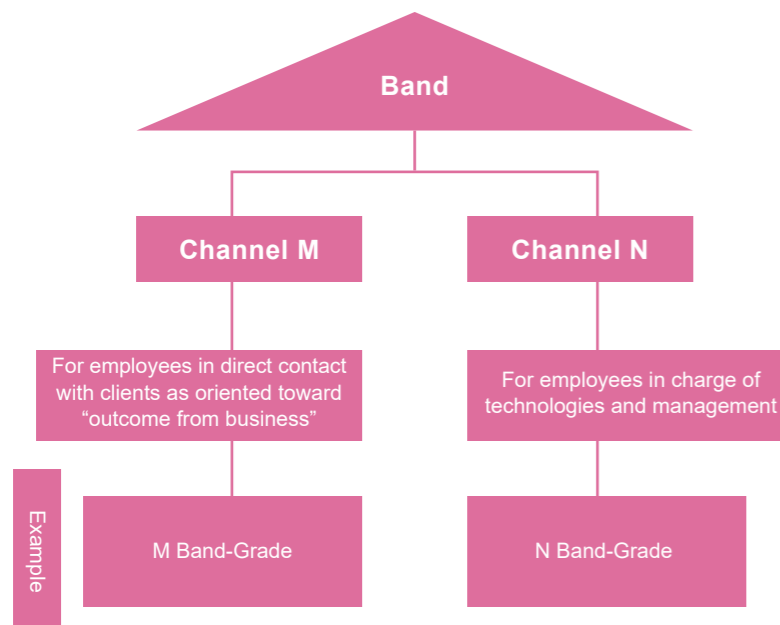
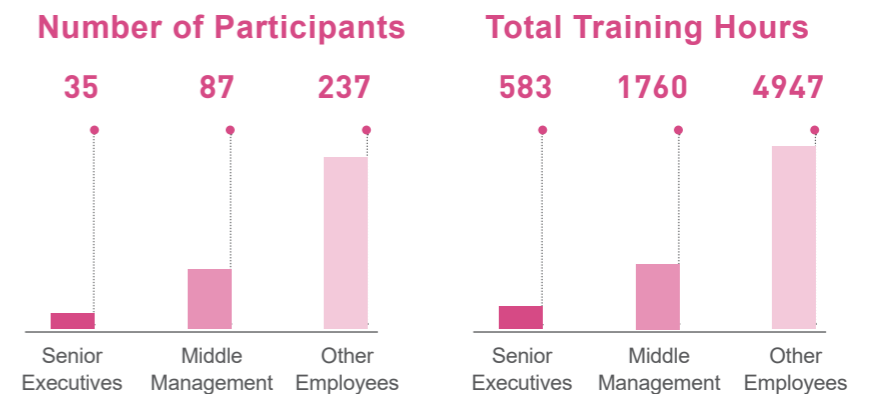
Rate of total recordable events per million man-hours

238%

Support for employee development

The *Band Management Rules* and *Promotion Management Rules* clarify the procedures for grade management and improvement for employees. Based on content, difficulty and responsibilities, the jobs within the Company are classified into 13 Bands and 21 Grades. Meanwhile, the Company also developed M (Marketing & Manufacturing) and N (NewLink) channels, and between them, no further classification is made, which means that all the employees are on the same channel. Employees who meet the standards are entitled to promotion by band/grade during set window periods (two periods in a year).

We hope to grow with our employees and deepen our efforts to realize "Power the World with Green Energy". Therefore, we invited professionals and lecturers to provide training for our employees in the aspects of ability enhancement and personal life, such as the knowledge on settlement and payment of individual income tax. For more extensive participation, the Company created a WeChat group for live broadcasts. Before each session, the HR Department prepared a poster containing information on courses, instructors and time. Some quizzes were also initiated after each session to help employees acquire the knowledge better. During the reporting period, the Company organized a total of 7,290 hours of training sessions.



Community Support with Focus on People's Livelihood



Volunteers

Amid the rapid growth, NaaS actively undertakes corporate responsibilities by making full use of its own resources to support social welfare development, providing necessary funds and resources to the sectors in need, and sharing our experience and achievements with other parties.

- In scorching or extremely cold weather, NaaS launched several public service activities with hundreds of charging stations in Beijing, Qingdao, Hangzhou, Changsha and Wuhan. In the summer, we provided cooling materials to drivers busy on route as a tiny but significant support. In winter, we have offered hot water to drivers to warm the cold days.
- In the fight against COVID-19, NaaS distributed masks, buckets, towels and other materials for local people free of charge and called for protection in a scientific manner.
- During the voluntary activities against the pandemic, our employees played an active role in every link, such as in-time and appropriate disinfection and sterilization to ensure the safety and health of the public.



Public Service Activity of NaaS in Winter



Volunteers of NaaS at Stations



Industry empowered for green development

At present, domestic charging operators present are highly fragmented across China and face challenges in the construction of charging stations due to four key factors: site, power, service, and charging pile equipment. If it gets worse, the whole industry may find itself in trouble. For instance, C-end car owners have to download a bunch of charging APPs for the use of different brands of charging piles, which is cumbersome and unsatisfactory; the charging pile manufacturers do not have sufficient channels to connect with customers, especially small and medium-sized customers; and the small and medium-sized operators are not strong enough to acquire customers to increase profitability. In this regard, NaaS has established an interconnected charging network and efficient operation and maintenance mode that can solve all the problems mentioned.

As the world's leading new energy service provider, NaaS positions itself as a "property Company" in the new energy industry or an aggregate of virtual power plants and new energy service providers that can offer

industry-level solutions covering the entire industrial chain. NaaS, adhering to the concept of low-carbon development, has been actively building and extending an all-round ecosystem of the new energy industry in collaboration with partners for the purpose of promoting the efficient coordination of NEVs, green infrastructure and renewable energy, thereby further boosting the green and sustainable development of the transportation sector. The online and offline services of NaaS are designed to assist charging pile manufacturers in broadening marketing networks and increasing sales, assist the OEMs in reinforcing the intelligence of vehicles and also increasing sales, assist electric vehicle users in locating piles more efficiently to meet diversified needs and improve user experience; assist charging pile operators in acquiring more customers, lifting the utilization of electric piles and the efficiency of operation and management, lowering the cost of hardware and power procurement, and increasing the income and also the source of income. By enhancing the efficiency of energy delivery, NaaS has effectively pushed forward the progress of the new energy industry and the achievement of the carbon neutrality goal.



Case: NaaS worked with State Grid Changzhi Electric Power Supply Company to Build New Infrastructure for Chargers

On June 16, 2022, NaaS entered into a strategic partnership with State Grid Changzhi Electric Power Supply Company to build new electric vehicle charging stations in a move to enhance the local charging services in Changzhi, Shanxi Province. Under the agreement, NaaS will build and operate the charging facilities, providing all-round services integrating site selection, construction, and operation and maintenance for stable operation of stations. The Company will also provide charging pile operators with online and offline services for charging operators, including customer acquisition, marketing, operation and maintenance, and facilities cleaning, alongside the provision of onsite food outlets as well as aftermarket and other value-added services - all as part of the city's overall plan to increase the utilization and quality of charging infrastructure. The strategic cooperation marks a substantial step to create a green and low-carbon Changzhi toward the "dual carbon goals" and energy structure transformation. Both parties will work together to effectively boost the advancement of Changzhi toward a green and low-carbon future.



Appendix

Nasdaq ESG Reporting Guide

Aspect	Content	Location in the Report
E1 GHG Emissions	E1.1 Total amount, in CO2 equivalents, for Scope 1	11
	E1.2 Total amount, in CO2 equivalents, for Scope 2	11
	E1.3 Total amount, in CO2 equivalents, for Scope 3	11
E2 Emissions Intensity	E2.1 Total GhG emissions per output scaling factor	11
	E2.2 Total non-GhG emissions per output scaling factor	-
E3 Energy Usage	E3.1 Total amount of energy directly consumed	12
	E3.2 Total amount of energy indirectly consumed	12
E4 Energy Intensity	E4 Total direct energy usage per output scaling factor	12
E5 Energy Mix	E5 Percentage: Energy usage by generation type	12
E6 Water Usage	E6.1 Total amount of water consumed	12
	E6.2 Total amount of water reclaimed	-
E7 Environmental Operations	E7.1 Does your company follow a formal Environmental Policy	11
	E7.2 Does your company follow specific waste, water, energy, and/or recycling policies	11
	E7.3 Does your company use a recognized energy management system?	12
E8 Climate Oversight / Board	E8 Does your Board of Directors oversee and/or manage climate-related risks	7
E9 Climate Oversight / Management	E9 Does your Senior Management Team oversee and/or manage climate-related risks	7
E10 Climate Risk Mitigation	E10 Total amount invested, annually, in climate-related infrastructure, resilience, and product development.	-
S1 CEO Pay Ratio	S1.1 Ratio: CEO total compensation to median FTE total compensation	18
	S1.2 Does your company report this metric in regulatory filings	18
S2 Gender Pay Ratio	S2 Ratio: Median male compensation to median female compensation	-

Aspect	Content	Location in the Report
S3 Employee Turnover	S3.1 Percentage: Year-over-year change for full-time employees	17
	S3.2 Percentage: Year-over-year change for part-time employees	17
	S3.3 Percentage: Year-over-year change for contractors and/or consultants	17
S4 Gender Diversity	S4.1 Percentage: Total enterprise headcount held by men and women	17
	S4.2 Percentage: Entry- and mid-level positions held by men and women	-
	S4.3 Percentage: Senior- and executive-level positions held by men and women	-
S5 Temporary Worker Ratio	S5.1 Percentage: Total enterprise headcount held by part-time employees	-
	S5.2 Percentage: Total enterprise headcount held by contractors and/or consultants	-
S6 Non-Discrimination	S6 Does your company follow a sexual harassment and/or non-discrimination policy	17
S7 Injury Rate	S7 Percentage: Frequency of injury events relative to total workforce time	18
S8 Global Health & Safety	S8 Does your company follow an occupational health and/or global health & safety policy	18
S9 Child & Forced Labor	S9.1 Does your company follow a child and/or forced labor policy	17
	S9.2 If yes, does your child and/or forced labor policy See also: cover suppliers and vendors	-
S10 Human Rights	S10.1 Does your company follow a human rights policy	-
	S10.2 If yes, does your human rights policy See also: cover suppliers and vendors	-
G1 Board Diversity	G1.1 Percentage: Total board seats occupied by women (as compared to men)	-
	G1.2 Percentage: Committee chairs occupied by women (as compared to men)	-
G2 Board Independence	S2.1 Does the company prohibit the CEO from serving as board chair?	-
	S2.2 Percentage: Total board seats occupied by independents	-

Aspect	Content	Location in the Report
G3 Incentivized Pay	G3 Are executives formally incentivized to perform on sustainability	-
G4 Collective Bargaining	S4 Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	-
G5 Supplier Code of Conduct	G5.1 Are your vendors or suppliers required to follow a Code of Conduct	-
	G5.2 If yes, what percentage of your suppliers have formally certified their compliance with the code	-
G6 Ethics & Anti-Corruption	G6.1 Does your company follow an Ethics and/or Anti-Corruption policy	7
	G6.2 If yes, what percentage of your workforce has formally certified its compliance with the policy	-
G7 Data Privacy	G7.1 Does your company follow a Data Privacy policy	15
	G7.2 Has your company taken steps to comply with GDPR rules	-
G8 ESG Reporting	G8.1 Does your company publish a sustainability report	1
	G8.2 Is sustainability data included in your regulatory filings	1
G9 Disclosure Practices	G9.1 Does your company provide sustainability data to sustainability reporting frameworks	1
	G9.2 Does your company focus on specific UN Sustainable Development Goals (SDGs)	10, 13, 16
	G9.3 Does your company set targets and report progress on the UN SDGs	-
G10 External Assurance	G10 Are your sustainability disclosures assured or validated by a third party	-

HKEX ESG Indicators

Aspect	KPIs	Location in the Report
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	11
	A1.1 The types of emissions and respective emissions data.	11
	A1.2 Direct (Scope 1) and energy Indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	11
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility)	-
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	-
	A1.5 Description of mission target(s) set and steps taken to achieve them	-
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	11
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	12
	A2.1 Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	12
	A2.2 Water consumption in total and intensity (e.g., per unit of production volume, per facility).	12
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	-
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	-
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	-
A3 The Environment and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	3-5
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	3-5
A4 Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	3-5
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	3-5

Aspect	KPIs	Location in the Report
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	17
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	17
	B1.2 Employee turnover rate by gender, age group and geographical region.	17
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	18
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	18
	B2.2 Lost days due to work injury	-
	B2.3 Description of occupational health and safety measures adopted and how they are implemented and monitored	18
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	19
	B3.1 The percentage of employees trained by gender and employee category (e.g., senior management, middle management)	19
	B3.2 The average training hours completed per employee by gender and employee category	19
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	17
	B4.1 Description of measures to review employment practices to avoid child and forced labour	17
	B4.2 Description of steps taken to eliminate such practices when discovered.	-

Aspect	KPIs	Location in the Report
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	14
	B5.1 Number of suppliers by geographical region.	-
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	14
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	14
	B 5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	-
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	15
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	-
	B6.2 Number of products and service-related complaints received and how they are dealt with.	14
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	15
	B6.4 Description of quality assurance process and recall procedures	-
B7 Anti-corruption	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	15
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	7
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	-
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	-
	B7.3 Description of anti-corruption training provided to directors and staff.	-
B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	20
	B8.1 Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	21
	B8.2 Resources contributed (e.g., money or time) to the focus area.	-



Power the World with Green Energy