

# JUTAL

巨濤海洋石油服務有限公司  
Jutal Offshore Oil Services Limited

(Incorporated in the Cayman Islands with limited liability)  
Stock Code: 03303



## 2022

Environmental, Social  
& Governance Report

# Contents

About Jutal / **2**

About This Report / **3**

Message From Director / **5**

Governance Structure / **6**

Sustainability Strategy / **7**

Employment and Labour Practices / **12**

Operations Management / **16**

Environmental Protection / **19**

Community Investment / **29**

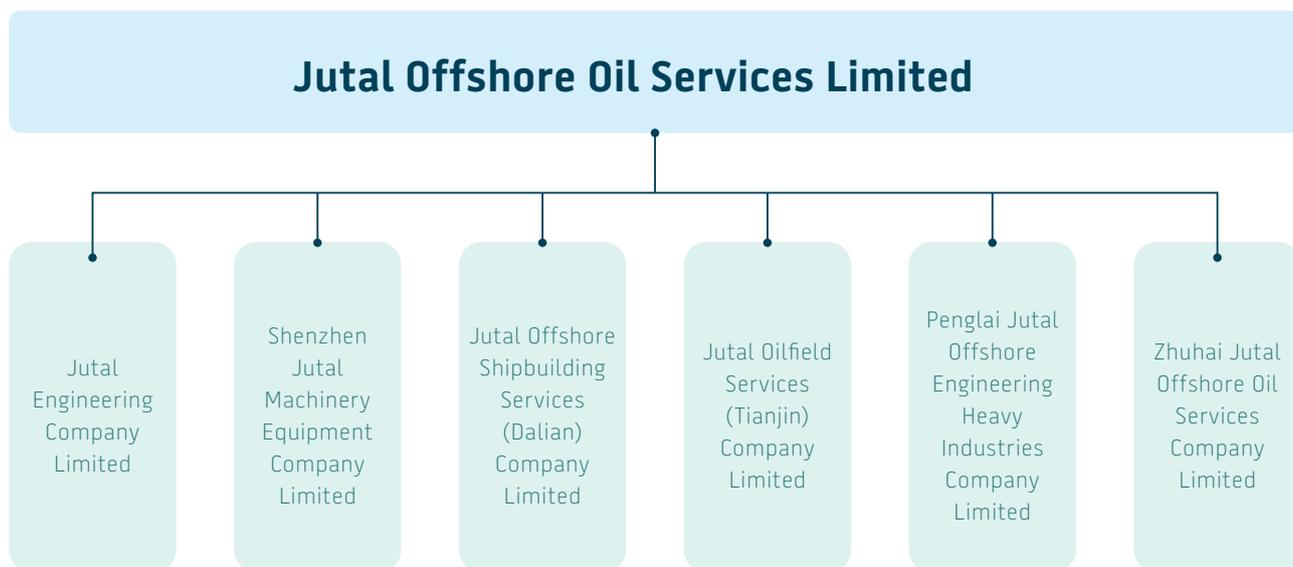
Appendices / **30**



## About Jutal

Jutal Offshore Oil Services Limited (the “Company”) and its subsidiaries (collectively referred to as “Jutal” or the “Group”) are integrated service providers of manufacturing and engineering services in the energy and refining industries, mainly focusing on large-scale module construction, offshore engineering, and new energy equipment construction as the core businesses, intending to serve the global development and application of energy.

The Group is headquartered in Shenzhen, and has offices and construction sites in Dalian<sup>1</sup>, Tianjin<sup>2</sup>, Penglai<sup>3</sup>, Zhuhai<sup>4</sup> and Huizhou. The core businesses of the Group are mainly carried out through its subsidiaries in Mainland China as well as Singapore and Hong Kong. The details of the Group’s major subsidiaries are as follows:



With years of business experience and strengths developed in the field of offshore engineering and module construction, the Group has gradually grown into a leading energy and engineering service provider in the industry, expanding its business development to international markets. During the year, the Group has successfully delivered multiple projects, including the European offshore wind power pipeline support frame and multiple floating production storage and offloading (FPSO) external turret mooring system projects. One of the projects is the largest single-point mooring project the Group has undertaken to date, marking an important breakthrough in the Group’s construction capabilities for large and complex single-point mooring projects.

<sup>1</sup> The office located in Dalian is managed and operated by Jutal Offshore Shipbuilding Services (Dalian) Company Limited (“Dalian Jutal”).

<sup>2</sup> The office and construction site located in Tianjin are managed and operated by Jutal Oilfield Services (Tianjin) Co., Ltd. (“Tianjin Jutal”).

<sup>3</sup> The office and construction site located in Penglai are managed and operated by Penglai Jutal Offshore Engineering Heavy Industries Company Limited (“Penglai Jutal”).

<sup>4</sup> The office and construction site located in Zhuhai are managed and operated by Zhuhai Jutal Offshore Oil Services Co., Ltd. (“Zhuhai Jutal”).

## About This Report

This is the seventh Environmental, Social and Governance (“ESG”) Report published by the Group, which mainly describes the Group’s strategy, policies, measures and performances of its sustainability development. This report is prepared in both Chinese and English, and has been uploaded to the website of the Stock Exchange of Hong Kong (the “Stock Exchange”) ([www.hkexnews.hk](http://www.hkexnews.hk)) and that of the Company ([www.jutal.com](http://www.jutal.com)).

### Reporting Boundary

This report mainly presents the sustainability performance of the Group from 1 January to 31 December 2022 (“the Year” or “Reporting Period”). Based on the materiality, representativeness, and data quality of each business unit, the report covers operating sites in mainland China, including the offices located in Shenzhen, Tianjin, Penglai, Dalian and Zhuhai (“offices”), as well as the construction sites located in Tianjin, Penglai, Zhuhai, and Huizhou (“construction sites”) (collectively referred to as “operating sites”). The reporting boundary of this Year will continue to cover the core business operations of the Group located in operating sites, including services provided to the oil and gas, new energy and refining industries, while subsidiaries located in Hong Kong and other business operations beyond the core businesses are excluded.

### Reporting Standards

This report is prepared in accordance with the ESG Reporting Guide (the “Guide”) under Appendix 27 of the Rules Governing the Listing of Securities of the Stock Exchange, and adheres to the reporting principles of materiality, quantitative, consistency and balance as the basis of report compilation. A complete index is attached to the last chapter of this report, with which readers can read this report following the Guide.

Reporting Principles	Definition	Application of the Reporting Principles
<b>Materiality</b>	The report should focus on disclosing important ESG issues that are relevant to the Group and its stakeholders.	The Group conducts questionnaire surveys with its relevant stakeholders to identify the ESG issues that may have significant impacts on the Group’s business. It formulates the framework of this report on this basis to ensure that the contents disclosed are relevant and important to the Group and its stakeholders.
<b>Quantitative</b>	The key performance data must be measurable and compared where appropriate.	Through disclosures of various data and estimates, and the comparison with past performances, the Group presents the performances and progress of sustainable development in the Year to stakeholders. To ensure the accuracy of the environmental key performance indicators (“KPIs”), the Group has engaged an external consultancy to conduct carbon assessment according to national and international standards, including the GHG Emissions Accounting Methods and Reporting Guidelines for Mechanical Equipment Manufacturers (Trial), ISO14064-1 and the GHG Protocol are applied. The quantitative data of social KPIs in this report are from the statistical records of relevant departments of the Group.
<b>Consistency</b>	The Group should use consistent methodologies to allow for meaningful comparisons of ESG data and enable the stakeholders to understand the Group’s performances.	The Group will use consistent methodologies where practicable. If there are any changes that affect the comparison with previous reports, the Group will add a note to the corresponding content in this report, enabling the stakeholders to understand the differences and the reasons.
<b>Balance</b>	The report should provide an unbiased picture of the Group’s performance and should avoid selective or omissive disclosures.	This report objectively and truthfully discloses the Group’s ESG achievements, as well as the challenges it faces and the solutions.

# About This Report

## Data Preparation

The Group has established internal control and a formal review process to ensure that information presented in the report is accurate and reliable. The report was confirmed and approved by the Board of Directors (the “Board”) on 27 April 2023.

## Opinion and Feedback

The Group highly values the opinions of stakeholders and actively communicates with them through various channels and platforms to help establish a more robust sustainability strategy. If you have any questions or suggestions regarding the content of this report, please contact our Investor Relations department through the following methods:

Jutal Offshore Oil Services Limited  
10/F, Chiwan Petroleum Building, Shekou, Shenzhen, China  
Tel: +86-755-26694111  
Email: [yxy@jutal.com](mailto:yxy@jutal.com)



## Message From Director

Facing the severe challenges brought by the pandemic and climate change, Jutal has been committed to strengthening its investment in sustainability works in the ESG aspects in recent years. Our goal is to promote profound changes in our business operations and focus areas, striving to minimise adverse impacts on the natural environment and society. As part of our commitment to sustainable development to stakeholders, we are pleased to release our seventh ESG Report, which can be used by stakeholders for the review and monitoring of our business operations and sustainability plans and performances.

In the journey towards realising sustainable development within the Group, Jutal actively integrates sustainability elements into its enterprise risk management and internal control systems. During the Reporting Period, we have implemented policies and measures of varying scales and scopes, including the “Climate Change Policy” and the “Risk and Opportunity Management Procedure”, which have been responsible for identifying and monitoring the Group’s ESG risks and opportunities. We closely monitor the sustainability risk assessment process and assess existing or potential risks in the industry through five steps: “Acceptance”, “Avoidance”, “Pursuit”, “Reduction” and “Sharing”. Through relevant sustainability risk management, we assure that feasible strategies and action plans will be developed for managing existing or potential risks in accordance with their materiality. Relevant decarbonisation goals and sustainable development roadmaps will be formulated based on our plans to enhance the Group’s ESG performance.

To further promote the sustainable development and market competitiveness of our business, we will commit to continuous innovation and development of new energy technologies, adjustment of energy structures, and promotion of green and low-carbon industries as new directions for the green transformation and development. In addition to promoting the research and development of green technologies, we will actively undertake various innovative measures and actions to strengthen the process of collecting and reviewing environmental data. Our goal is to reduce carbon emissions and improve energy efficiency in daily operations to accelerate our transition towards a sustainable low-carbon business model.

Looking ahead, Jutal will fully support the national goal of achieving carbon neutrality by 2060, and strive to identify more sustainable development opportunities in different areas of our business operations. We promise to continue optimising our decarbonisation and green transformation strategies, strengthening the awareness and sense of responsibility for sustainability risk assessment and management at the business level, enhancing the Group’s resilience and capability to adapt to climate change, and making a positive impact on various ESG issues.

**Jutal Offshore Oil Services Limited**

**Wang Lishan**

*Chairman*

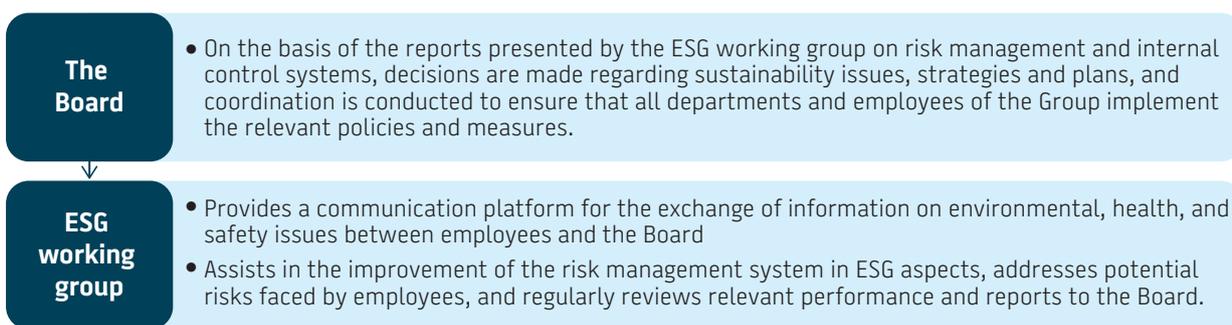
28 April 2023



# Governance Structure

Jutal firmly believes that a sound governance structure is the cornerstone of long-term sustainable development. To maintain the Group’s high level of corporate governance and effectively monitor the sustainability risks and opportunities, the Group has established a sound governance structure. The Board has the overall accountability for ESG of the Group and is responsible for leading departments to formulate and implement all relevant policies and measures, aiming to achieve the Group’s sustainability goals and roadmap.

The Group has established an ESG working group, which is directly under the management of the Board and comprises directors and company management personnel. Each department of the Group appoints personnel to form a working group responsible for implementing related sustainability works and regularly report the progress to the Board to review the effectiveness of the relevant policies and measures. Details are as follows:



In the future, Jutal will continue to promote the sustainability work of the Group and improve the existing sustainability structure, implement the commitment to responsible development, and ensure effective promotion and implementation of sustainability policies, measures and goals at all levels of business decision-making and operations.

# Sustainability Strategy

The Group has always been committed to improving the sustainable development capabilities of the energy and chemical equipment construction and offshore engineering service industries. We hope to create longer-term and more diverse value for industry development by integrating sustainability principles with daily operational processes.

In the previous year, the Group identified the three pillars of sustainable development:

Employee Management and Wellbeing	Environment and Natural Resources	Business Operations and Product Responsibility
Health and Safety	Climate Change	Stakeholders Engagement
Employee Rights and Protection	Water Resources Usage and Management	Business Ethics and Compliance
Employment System	Greenhouse Gas Emissions and Management	Product Quality and Responsibility
	Waste Management	

Based on these three pillars, the Group actively conducts preliminary analysis and discussions on how to manage risks, seize opportunities, set goals, and allocate resources, thereby responding to social concerns with substantive actions.

## ESG Risk Management

The Group has established a “Risk and Opportunity Management Procedures” and set up an environmental management risk assessment team responsible for identifying and evaluating current and potential risks and opportunities in ESG aspects. Each business unit and department is responsible for identifying and monitoring current and potential risks and opportunities that the Group may face according to their responsibilities and authorities. During the Reporting Period, the Group identified six ESG risks from the three pillars of sustainable development, namely “The Environment and Natural Resources”, “Employee Management and Wellbeing” and “Business Operations and Product Responsibility”. Details are as follows:

# Sustainability Strategy

Sustainable Development Pillars	Risk Categories	Risk Description	Responses
<b>The Environment and Natural Resources</b>	Air and Greenhouse Gas Emissions	Due to the tightening of national and regional environmental protection policies, the Group needs to invest more resources to cope with stricter regulations, which may lead to an increase in operating costs.	<ul style="list-style-type: none"> <li>— Expand the use of renewable energy;</li> <li>— Develop low-carbon policies/measures; and</li> <li>— Develop emission reduction targets and action plans.</li> </ul>
	Hazardous Waste	During the process of hazardous waste disposal, it is necessary to comply with safe storage standards. If a leakage accident occurs, it will increase the risk of non-compliance and reputation.	<ul style="list-style-type: none"> <li>— Identify and formulate a hazardous waste management list;</li> <li>— Properly store related hazardous waste;</li> <li>— Hire qualified contractors to collect and dispose of hazardous waste;</li> <li>— Provide training and emergency drills for employees; and</li> <li>— Develop an emergency plan for hazardous waste leakage accidents.</li> </ul>
	Impact on the Surrounding Environment	If the Group fails to identify and effectively control relevant environmental factors, it may increase the risk of non-compliance, including lawsuits, fines and orders to cease project operations, which will further affect the Group's reputation.	<ul style="list-style-type: none"> <li>— Regularly monitor the impact of business operations on the surrounding environment and community;</li> <li>— Carry out greening activities; and</li> <li>— Maintain communication with stakeholders in neighbouring communities.</li> </ul>
	Climate Change	Extreme weather events are increasingly frequent, which will affect the operation of production equipment and the safety of workers, and impose a burden on business operations.	<ul style="list-style-type: none"> <li>— Incorporate climate change into the enterprise risk framework;</li> <li>— Develop relevant policies to regulate business behavior; and</li> <li>— Enhance the Group's resilience to climate change.</li> </ul>

# Sustainability Strategy

Sustainable Development Pillars	Risk Categories	Risk Description	Responses
<b>Employee Management and Wellbeing</b>	Health and Safety	Due to the special nature of the petroleum and natural gas equipment and services industry, there are inherent safety risks, such as major safety accidents that cause serious injury or death to employees, which will severely affect the Group, including damage to the Group's reputation, and may also lead to lawsuits and fines.	<ul style="list-style-type: none"> <li>— Regularly update safety equipment for employees;</li> <li>— Strengthen on-site risk management and safety supervision;</li> <li>— Develop special work arrangements for adverse or hot weather conditions; and</li> <li>— Enhance health and safety training.</li> </ul>
<b>Business Operations and Product Responsibility</b>	Business Ethics	Bribery, corruption, collusion, fraud, kickbacks and embezzlement of public funds are not only harmful to the interests of the Group itself but also serious commercial crimes, which pose significant legal risks to the Group's operations, including lawsuits, fines, or imprisonment of relevant personnel. In addition, even if the Group is suspected of violating relevant laws and regulations, it will seriously damage the Group's reputation.	<ul style="list-style-type: none"> <li>— Develop mechanisms and procedures for business ethics;</li> <li>— Regularly assess the risks and impacts of business ethics;</li> <li>— Establish an independent audit department to conduct anti-corruption audits;</li> <li>— Provide regular training for the Board and employees;</li> <li>— Make anti-corruption one of the KPIs of the Group; and</li> <li>— Regularly review complaint mechanisms and compliance investigation/reporting procedures.</li> </ul>

Related working group members will analyse and assess such risks in accordance with the “Risk and Opportunity Management Procedures” to reduce the unstable factors and impacts of sustainability risks on business operations, ensure smooth daily operations, provide response plans to management and make early corrections to avoid any losses related to property, liability and personal safety, thereby improving the service quality of the Group.

In the future, the Group will identify more climate change risks that have a greater impact on business, assess climate-related risks and opportunities under different climate scenarios, and actively address and manage such risks in operations according to their significance to strengthen the Group's resilience and recovery ability in the face of climate change.

# Sustainability Strategy

## Stakeholder Engagement

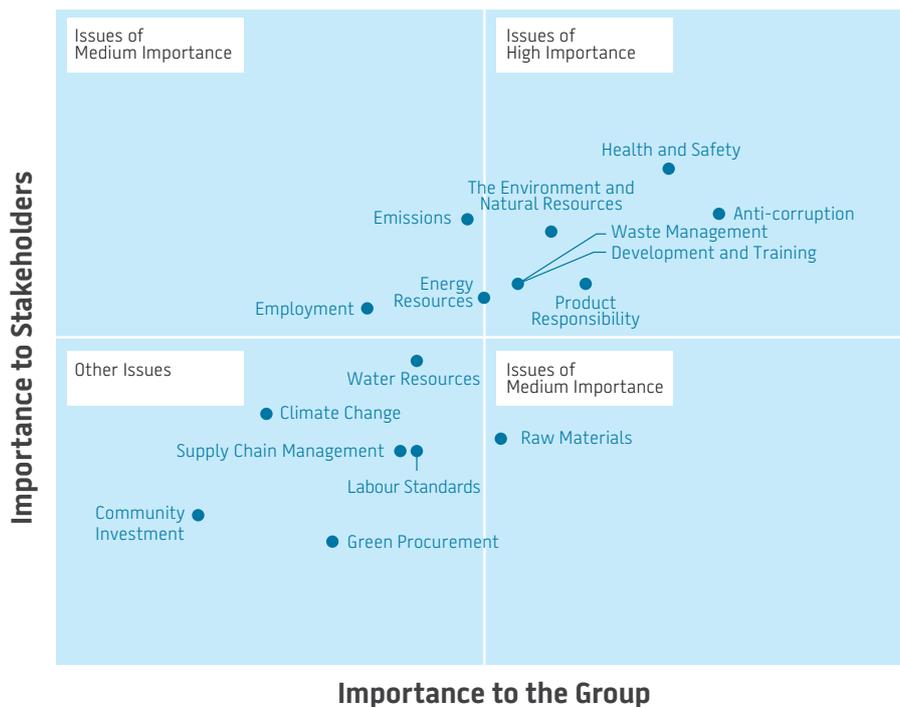
The Group has always maintained effective communication and interaction with stakeholders on a regular basis to establish close relationships and understand their priorities, expectations, and perspectives on the company’s future development. Through various forms of communication with relevant stakeholders, the Group aims to improve the impact of our business on them and achieve the Group’s sustainability goals. The main stakeholders identified by the Group include the Board, management, employees, shareholders and investors, customers, suppliers and contractors.

Stakeholders	Main Means of Stakeholder Engagement
The Board, management and employees	Board Meetings, daily operations, internal circulars, company events, meetings and emails
Shareholders and investors	Annual general meetings, company website, company circulars, meetings and seminars
Customers	Client meetings, emails and phone calls
Suppliers and contractors	Supplier and contractor assessments and meetings

## Material ESG Issues

To understand the priorities, expectations and perspectives of stakeholders on significant ESG issues related to the Group’s operations, the Group has continued to entrust an independent sustainability consultancy to conduct survey with the Board, and invite internal and external stakeholders, including the Board, employees, suppliers, customers, business partners, contractors and shareholders, to provide their opinions. The consultancy has consolidated 16 ESG issues that are most relevant to the Group’s operations, covering four areas, including “Environmental Protection”, “Employment and Labour Practices”, “Operating Practices”, and “Community”, in accordance with the latest requirements of the Stock Exchange.

The stakeholder survey was conducted online and received 51 valid responses. The materiality assessment results are as follows:



## Sustainability Strategy

As shown in the above materiality matrix, a total of 7 material issues were identified in this stakeholder engagement, which are:



The material issues identified through this stakeholder engagement ultimately fall within three major areas: “Employment and Labour Practices”, “Operating Practices” and “Environmental Protection”. In the “Employment and Labour Practices”, occupational health and safety and development and training continue to be issues of concern for all stakeholders; In “Operating Practices”, anti-corruption and product responsibility remain issues of concern for all stakeholders; and in “Environmental Protection,” waste continues to be an issue of concern for all stakeholders, while the environment and natural resources and energy are new material issues.

In the future, with developing a long-term partnership as the goal, the Group will deploy various communication methods and activities to engage with stakeholders and collect their opinions about the Group’s future business development. The Group promises to fully consider stakeholders’ needs and concerns when making decisions, and continuously promoting sustainability principles, so as to pave way for defining future governance approach and achieving our vision for sustainable business development.

# Employment and Labour Practices

Jutal is dedicated to providing a working environment that prioritises employees' health and safety and managing group affairs with high ethical business standards. To protect the rights and interests of employees, the Group has developed and implemented a series of safety management and employment systems. As a result of these efforts, we aim to attract and retain talents, maintain harmonious labour relations and motivate employees to continue to create shared values for the Group, the environment and the community.

## Health and Safety

Jutal attaches great importance to the occupational health and safety of employees, and is committed to promoting safety awareness and creating a zero-accident work environment, placing the health and safety of employees at the forefront of the Group. Providing a safe and healthy workplace and management measures to protect employees' occupational health and safety is particularly important for the Group as its main business involves the construction and services of energy equipment. This is a critical component of the Group's long-term growth and sustainability.

In response to the major risks to employees' health and safety, the Group conducts regular on-site safety inspections to assess safety risks for business operations, identify and formulate response policies and measures to enhance overall safety management efficiency. The Group has adopted the OHSAS 18001:2007 certified health and safety management system for routine monitoring and measurement, and has also developed the "Employees Safety Handbook", "Health, Safety, and Environmental Protection Handbook", "Occupational Health, Safety and Environment Management Handbook" and "Caring Guidelines", which guide employees on how to prevent hazards during production processes, encourage employees to assist each other and provide care and reminders to each other, in order to protect employees from accidents and injuries as far as possible. To establish an effective safety management system to control and prevent risks, the Group will formulate corresponding measures based on the results of health and safety performance evaluations and make reference to employee opinions, and regularly conduct safety inspections and launch improvement suggestions, aiming to reduce current or potential safety risks.

To ensure that employees are adequately knowledgeable and aware of safety issues, the Group provides a variety of safety training and health and safety seminars to various employees, including new employees, special-purpose employees and management personnel on a regular basis. To enhance employee understanding of safe operating procedures and reduce the risk of safety accidents, the Group provides corresponding personal protective equipment based upon the needs of the employees. In the event of serious accidents with major risk, such as fires, explosions, mechanical injuries or leakages of dangerous substances, the Group will notify the emergency rescue command centre to handle the incident in accordance with the measures of emergency response plans. We regularly conduct fire drills and monthly inspections of various fire hazards to ensure employees are aware of emergency response plans and are able to respond and handle accidents in a timely manner, thereby strengthening employees' fire safety awareness and familiarity with the relevant emergency response procedures, in order to reducing economic losses and casualties.

In addition to providing relevant medical insurance benefits and organizing physical examinations for employees every year, the Group also offers employee rest rooms, psychological counseling centers, indoor basketball courts, and fitness equipment on construction sites so that employees can receive rest, psychological counseling services, and exercise opportunities in order to enhance their physical and mental health, work vitality and overall efficiency. As a response to the COVID-19 epidemic and to reduce its impact on business operations, the Group has enhanced epidemic prevention and control work and undertaken various anti-epidemic measures in various operating sites. For example, a COVID-19 response working group has been established in Penglai Jutal to take lead in coordination during COVID-19 outbreak.

# Employment and Labour Practices

Organisation Structure	Responsibility
<b>Leader</b>	<ul style="list-style-type: none"> <li>Implement important instructions from the government and superior units for epidemic control;</li> <li>Review the company's new COVID-19 epidemic control plan;</li> <li>Ensure investment in epidemic prevention funds;</li> <li>Make decisions on major problems encountered in epidemic prevention and control work.</li> </ul>
<b>Deputy Leader</b>	<ul style="list-style-type: none"> <li>Assist the leader in implementing COVID-19 epidemic control work;</li> <li>Regularly organise meetings on epidemic control work, summarise recent shortcomings and achievements in epidemic prevention and control, and deploy follow-up work arrangements;</li> <li>Coordinate with government departments to handle major problems that arise during the Group's epidemic prevention and control management process.</li> </ul>
<b>Members</b>	<ul style="list-style-type: none"> <li>Organise COVID-19 epidemic prevention and control work in catering and logistics support services;</li> <li>Coordinate and arrange for the collection and reporting of information on returning personnel, as well as the selection and catering service of centralised isolation sites for returning personnel;</li> <li>Responsible for epidemic prevention material management;</li> <li>Responsible for daily supervision and inspection of epidemic control measures implemented by various departments and regions of the Group;</li> <li>Responsible for supervising the implementation of isolation site measures;</li> <li>Managers of various departments and responsible persons of subcontracting/labour units are the first responsible persons for epidemic prevention and control in their respective departments, responsible for the implementation of COVID-19 epidemic control measures in their department.</li> </ul>

During the Reporting Period, there were no safety incidents that resulting in work-related fatalities within the Group. However, the Group recorded a total of 32 work-related injuries mainly due to employees' lack of safety awareness and improper operation of machinery. The Group has already provided support and compensation to the injured employees in accordance with local laws and regulations and the Group's policies. At the same time, the Group is committed to investigating work-related accidents, continuously developing, enhancing and implementing safety production management systems at all levels, and taking appropriate preventive and corrective measures to reduce economic losses and casualties.

# Employment and Labour Practices

## Employment System

Jutal believes that the employees play a key role in the development and growth of the Group, and their dedication and efforts are crucial to the sustainable and stable development of the Group. Therefore, the Group adheres to high ethical business standards in managing employment affairs, and is committed to providing good personnel management measures in order to safeguard employees' rights and benefits, thus attracting and retaining talents and strengthening the Group's competitiveness.

As of 31 December 2022, the Group's operating sites employed a total of 2,739 employees and 3,307 workers, with 85% and 88% of the total number of employees and workers coming from the main construction sites at Zhuhai and Penglai, respectively. The Group reviewed and improved existing policies and measures during the Reporting Period, and did not violate any laws or regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

- **Employment & Dismissal**

The Group's recruitment policy outlines the company's employment management methods and procedures for recruiting and terminating employees. When recruiting and selecting employees, relevant departments and employees must adhere to fair and impartial selection principles and select the most qualified candidates based on objective assessment criteria such as personal abilities, experience and performance, thereby creating values for the organisation and ensuring that all individuals have equal access to employment opportunities. Additionally, employees are free to terminate their contracts at any time for any reason by following the resignation procedures. If any employee is found to have acted improperly, and such behavior conflicts with their duty of loyalty or company policy, the Group will terminate their employment and settle their salaries in accordance with the law, ensuring full legal compliance.

- **Remuneration & Welfares**

The Group continues to optimise policies and measures related to compensation and welfares, and ensures that employees enjoy relevant benefits and rights in accordance with the law. We ensure attractiveness for talent recruitment by offering reasonable salaries, subsidies, annual health checks, social insurance, and housing provident funds. A work performance evaluation mechanism is also available within the Group, in which employees' performance is regularly evaluated, and outstanding employees are given annual bonuses or promotion opportunities. Through this mechanism, employees will be encouraged to be actively involved in their work, improve their performance, and feel a sense of belonging to the company, thereby attracting and retaining talents.

- **Working Hours & Rest Periods**

The Group strictly prohibits any form of forced labour and values employee rights. Relevant department heads arrange suitable working hours for employees based on the "Employee Attendance Management Regulations". If employees need to work overtime, they must apply to their supervisors in advance according to the "Personnel Management Working Procedures" and ensure that they are approved before working overtime. In addition to general national statutory holidays, the Group also provides different types of leave for employees, including annual leave, marriage leave, maternity leave, and caregiver leave, to care for employees' different needs.

- **Other Benefits**

The Group strives to create harmonious and inclusive working relationships and a culture of inclusion. Thus, the Group actively integrates elements of equal opportunity, diversity, and anti-discrimination into its current policies, in order to ensure that no employee or job applicant is treated unfairly due to factors such as age, gender, race, religion, marital status or disability. The Group has also established a complaint mechanism for its employees. Employees may file complaints to the department heads of human resources department through the "Complaints and Reporting Management System" for any type of intimidation, insult or harassment that violates their personal rights. Detailed investigations will be conducted by appropriate business departments to ensure that all employees are treated equally.

# Employment and Labour Practices

## Development and Training

To keep up with the trends in the industry and strengthen the Group's competitiveness and leading position in the market, Jutal will strengthen employee training and continue to invest in employee development, striving to provide them with comprehensive and professional talent development and training plans, so as to fully unleash their potential with the support of the Group.

In accordance with the Group's business strategy and future development needs, the Group has formulated specific training policies and guidelines for employee training, training instructors, training subsidies and course supervision, including the "Internal Training Management Measures", "Lecturer Management Method", "Employees Education Training Control Procedures", "Human Resources Education Training Implementation Procedures" and "Employees Career Management System". To ensure that all employees can fully demonstrate their strengths, employees and workers can choose appropriate training courses according to their development aspirations, enhancing their abilities in management, technology, and skills, and building a reliable talent pool for the Group. For this reason, the Group will conduct different training activities according to the different training categories, such as:

Training Types	Training Contents
Induction Training	Corporate culture, basic knowledge of the position, work skills
On-the-job Training	Quality management, computer software, production system operation, work safety, occupational hazard protection, handling of dangerous chemicals, procurement and supplier management, social responsibility, and integrity education
Management Training	Leadership training for senior management, management skills training for middle management, daily management training for team heads
Worker Training	Safety training for cleaning staff

During this year, a total of 3,409<sup>5</sup> employees of the Group received training, with an average of 25.97 hours of training per employee.

## Labour Standards

Jutal takes a zero-tolerance approach to violations related to child and forced labour, and strictly adheres to local and national laws and regulations. To protect the legitimate rights and interests of employees from being infringed, the Group has developed policies and measures to prevent the hiring of child or forced labour, which include the "Child Labour Rescue and Minor Labour Management Control System", the "Personnel Management Working Procedures" and the "Employee Attendance Management Regulations."

The Group requires the human resources department and employees to strictly follow the procedures and regulations in the system and carefully verify and record the identity documents of all applicants and newly hired personnel during the recruitment process, to ensure that their identity and background are in compliance with legal employment requirements. Forced labour is also strictly prohibited by the Group. Management must arrange work hours for employees in accordance with the "Employee Attendance Management Regulations" and ensure that employees' work hours do not exceed regulatory requirements. Employees who require extended working hours due to special circumstances must apply to supervisors for overtime and receive overtime pay in accordance with the "Personnel Management Work Procedures", while department heads must also flexibly arrange work hours according to the work needs of employees on the basis of compliance with legal regulations and requirements.

The Group promises to continually review and improve its human resources policies in order to prevent violations related to child labour and forced labour. When a violation or situation that infringes an employee's legitimate rights and interests is discovered, the Group will suspend all work of the affected employees and conduct in-depth investigations to correct any loopholes. Employees also have the right to unilaterally terminate the labour contract according to resignation procedures.

The Group was not aware of any complaints relating to child labour or forced labour during the Reporting Period.

<sup>5</sup> The total number of employees trained includes employees who have left the Group.

# Operations Management

The Group adheres to a “customer-oriented” service approach and strives to provide its customers and business partners with high-quality products and services. To protect the rights, health and well-being of our customers and business partners, the Group operates with the highest standards of business ethics and has developed a series of operational management policies and measures related to anti-corruption, product responsibility and supply chain management, aiming to achieve mutual development and win-win cooperation with our customers and business partners.

## Anti-corruption

Jutal understands that successful operation must be based on ethical business performance and reputation. Therefore, the Group strictly prohibits any form of bribery, fraud, money laundering or other corruption and illegal acts, and adheres to the highest standards of business ethics when conducting business to protect the interests of the Group and its shareholders.

The Group has established various anti-corruption policies and implemented anti-corruption management systems to prevent employees from engaging in corruption or unethical behavior. Each unit and department must understand and strictly comply with the “Anti-commercial Bribery Management System” and “Code of Conduct for Trade”, prohibiting directly or indirectly soliciting bribery from affiliated units, employees and their related parties, or engaging in other improper behaviors. They must also refrain from engaging in corrupt or embezzlement behavior towards company property under their custody, use or access, as well as accepting unnecessary hospitality and gifts. The Group strongly encourages its employees to report any corruption or conflicts of interest following the Group’s reporting guidelines and channels, such as reporting box and hotline, in order to expose any suspicious behavior. When receiving relevant reports or complaints, the Group will handle them according to the relevant complaint mechanism and transfer any violators of the law to the relevant law enforcement agencies for prosecution.

To protect the reputation of the Group and promote its culture of integrity, the Group will regularly identify and evaluate corruption-related risks. During the Reporting Period, the Group arranged integrity, ethics, and anti-corruption training for directors and employees to enhance their understanding of anti-corruption laws and regulations, in line with the Group’s expectations and requirements of business ethics.

## Product Responsibility

The Group is committed to providing customers with efficient, high-quality and safe products and services. It also attaches great importance to the quality of its service management to ensure that each project or service can fulfil the needs and expectations of customers. The Group has established a quality management system that strictly follows the ISO 19001 international standard, in order to ensure the safety and quality of products meet the quality requirements, thereby improving the overall productivity and operational efficiency.

# Operations Management

- **Quality Management**

The Group places great emphasis on the quality management of its products and services, and therefore strives to improve the standardisation process of product quality control. We have implemented a strict system management system for the management, labeling, processing, storage, inspection and other processes of raw materials, as well as a series of quality management inspection processes, including: “Operation Rules for Self-purchasing Materials”, “Project Material Labeling and Tracking Procedures”, “Installation Management Procedures”, “Warehousing Management Procedures and Secondary Warehouse Management Procedures”, to ensure that products meet the relevant quality standards. The Group has also established a “Product Process Inspection Control Procedures”. Quality control department of the Group is required to conduct sampling and inspections of the quality of project raw materials on a regular basis, including comparing product sizes, seam welding appearance, sandblasting, coating, heat treatment and pressure testing, to ensure that raw materials for projects meet the construction requirements.

The Group did not find any products that had to be recalled for safety or health reasons during the Reporting Period.

- **Customer Services**

The Group understands that the quality of customer services is the key to the success or failure of a company. Therefore, we are committed to providing professional and customised services to meet the diverse needs of different customer groups. We have developed a sound after-sales service system to monitor the use of products by customers, assist customers in solving operational problems, and provide assistance and support as needed, including the arrangement of technical personnel to visit the site for maintenance in order to assist customers in resolving any technical problems they may face. In addition, we have established a customer feedback and complaint mechanism through which customers can provide suggestions and complaints regarding the Group’s services. Feedback is collected and analysed by the Group’s project department, and a comprehensive evaluation of customers’ complaints will be conducted along with improvement plans to avoid repeating similar incidents.

During the Reporting Period, the Group did not receive any complaints.

- **Customer Privacy**

The Group attaches great importance to protecting the personal privacy and business sensitive information of its customers and business partners. We strictly require employees to abide by the “Employee Confidentiality Management System” and all relevant laws and regulations, and not to disclose customer information to third-party partners for personal gain. To prevent data leakage and unauthorised access due to network attacks, the Group has moved its mailbox from local services to a third-party cloud platform. Besides, firewalls and encryption systems have been added to the Group’s network system, the complexity of administrator passwords have been increased, and the protection of application server security has been improved.

# Operations Management

- **Contract Confidentiality and Intellectual Property**

When formulating supplier contracts, the Group also includes confidentiality agreement terms and other requirements in order to protect the interests of both the Group and its suppliers. Our business partners are also required to prohibit any disclosure, leakage or use of any company confidential and sensitive data to unauthorised third parties without the consent of both parties, in order to prevent infringements, thefts or any other forms of unauthorised use. In the event that a violation of the contract terms is discovered or confidential information is publicly disclosed, the Group will take legal action to protect our intellectual property, and the relevant parties will be held legally responsible for their wrongful acts.

- **Advertisement**

During the Reporting Period, the Group established a sound news approval system. Information about the progress of the project can be released by the responsible department using platforms such as WeChat's public account. However, content that is related to the project must be approved and supervised by the management before being made public. Information and content must be produced in accordance with local laws and regulations to ensure that they are accurate, true and comply with applicable laws and regulations.

- **Labeling**

Due to the nature of the business, the Group believes that labeling has not had a significant impact on its daily operations, therefore this report does not disclose related policies and measures.

## Supply Chain Management

Jutal has always adhered to the principle of “fairness, impartiality and openness” when selecting suppliers that are consistent with its philosophy. During the process of screening suppliers, the relevant personnel must consider their background and importance of products and services in accordance with the “Supplier Management Procedures”, to effectively plan, supervise, and control the entire supply chain management system. They are committed to identifying and selecting environmentally and socially responsible suppliers so that sustainable cooperative relationships can be established.

The Group is committed to incorporating sustainability concepts into supply chain management to identify environmental and social risks related to supply chain management. The relevant procurement department will work together with other departments responsible for quality management assessment and regularly follow up on the quality and progress of the supplier's supply in accordance with the “Procurement Department HSE Management Procedures”, so that suppliers meet supply requirements in the areas of materials, equipment, logistics, health and safety, and environmental management.

In addition, they incorporate supplier performance into the Group's occupational health and safety management system. In order to reduce greenhouse gas emissions generated by the supply chain, the audit team will regularly communicate and comprehensively evaluate the performance of the supplier in terms of its environmental, social, and governance performances. Priority will be given to local suppliers and suppliers with environmental certifications. Moreover, the Group requires all suppliers to undertake environmental and social responsibilities, encourages them to adopt and implement sustainability policies and measures, jointly promoting ethical and sustainable procurement practices and establishing a sustainable value chain. If any conduct that violates the Group's sustainability principles is found, the Group will conduct inspection and follow-up actions according to existing mechanism, including considering terminating cooperation, to ensure the Group's and its customers' best interests are protected.

During the Year, the Group had a total of 587 suppliers providing raw materials and services. A majority of the suppliers were from Mainland China, accounting for 96.93% of the total number of suppliers, while others were from various countries, including Singapore, the United Kingdom, Germany and the Netherlands, etc.

# Environmental Protection

The Group is committed to strengthening its environmental management practices to minimise any potential risks to the environment resulting from its operations. We are actively promoting and implementing various environmental management policies and measures, including the “Policy for Healthy and Safe Environment”, “Waste Disposal Working Instruction”, “Environmental Operation Control Procedure”, “Energy Conservation”, “Consumption Reduction Management System”, “Hazardous Waste Management Plan”, “HSE Target Indicators”, as well as environmental pollution emergency plans. We have established an environmental management system that complies with the ISO 14001 international standard as a framework for managing environmental management across our operating sites. We are committed to fulfilling our environmental and social responsibilities across our business operations.

## Emissions Management

The Group is committed to reducing emissions, including waste, wastewater, greenhouse gases and air pollutants. We have developed “Policy for Healthy and Safe Environment”, “Environmental Operation Control Procedures” and “Waste Collection, Identification, Storage and Treatment Procedures” to clearly state our emissions control policies and measures. One of our construction sites located in Penglai (“Penglai Site”) has set emissions and waste reduction targets for this year, as follows:

Emissions Categories	Emissions and Waste Reduction Target	Performance in the Year
Hazardous waste	<ul style="list-style-type: none"> <li>100% hazardous waste is collected, sorted, and handed over to an approved recycling company for recycling</li> </ul>	The annual amount of hazardous waste generated was 257.8 tonnes, which is approximately 50% lower than previous years’ data. All waste was legally disposed of by qualified third-party entities, with a 100% disposal rate.
Wastewater disposal	<ul style="list-style-type: none"> <li>Concentration of suspended matter discharged does not exceed 150 mg/L</li> <li>Concentration of precipitable solids does not exceed 10 mg/L</li> <li>Concentration of animal and vegetable oils discharged does not exceed 100 mg/L</li> </ul>	Tests showed that the discharge of suspended solids, precipitable solids, and animal and vegetable oils all meet the requirements of “Water Quality Standards for Sewage Discharged into Urban Sewers”.



# Environmental Protection

Emissions Categories	Emissions and Waste Reduction Target	Performance in the Year
<p><b>Exhaust gas and dust emission</b></p>	<ul style="list-style-type: none"> <li>• Concentration of benzene discharged does not exceed 0.5 mg/m<sup>3</sup>, while the discharge rate does not exceed 0.3kg/h</li> <li>• Concentration of toluene discharged does not exceed 5 mg/m<sup>3</sup>, while the discharge rate does not exceed 0.6 kg/h</li> <li>• Concentration of dimethyl benzene discharged does not exceed 15 mg/m<sup>3</sup>, while the discharge rate does not exceed 0.8 kg/h</li> <li>• Concentration of VOCs discharged does not exceed 70 mg/m<sup>3</sup>, while the discharge rate does not exceed 2.4 kg/h</li> <li>• Concentration of particles discharged does not exceed 10 mg/m<sup>3</sup></li> </ul>	<p>The quarterly test results showed that the emission concentration and the rate of benzene, toluene, dimethyl benzene, VOCs, and the emission concentration of particles were in line with the “Volatile Organic Compound Emission Standard” DB37/2801.5 2018 Part 5: Surface coating industry, “Regional Air Pollutants Comprehensive Requirement of Emission Standard DB37/2376 2019.</p>
<p><b>Noise emission</b></p>	<ul style="list-style-type: none"> <li>• Noise level of factories must be maintained at 60 dB or below during day time, and 50 dB or below during the night time</li> </ul>	<p>The noise level of factories maintained at 49.6-58.1 dB during day time and 41.3-46.8 dB during night time.</p>



# Environmental Protection

- **Waste Management**

The Group actively seeks opportunities to reduce waste generation and disposal at all operating sites and projects. We have implemented several waste management and reduction measures, including the “Waste Collection, Identification, Storage and Treatment Procedures”, “Wastewater Quality Standards for Discharge to Municipal Sewers”, “Waste Disposal Working Instruction”, and “Hazardous Waste Management Plan”, which govern the recycling, storage and disposal of relevant hazardous and non-hazardous wastes.

The Group is committed to conserving, recycling and reusing resources across operating sites, encouraging employees to reduce resources consumption. The operating sites must classify and prevent waste in accordance with its waste type, physical properties, hazardous characteristics and other factors, for qualified hazardous waste contractors to collect and dispose of hazardous wastes. Additionally, employees must adhere to the four principles listed in the “Hazardous Waste Management Plan”, including adopting advanced technologies, utilising clean energy, improving the management and the level of pollution prevention and control, to reduce the amount of hazardous wastes produced. Details are as follows:

### The Four Principles Listed in the “Hazardous Waste Management Plan”

<b>Adopting advanced technology</b>	Improve painting and rust removal processes, use more advanced equipment, improve paint utilisation, reduce usage and try to avoid waste.
<b>Using clean energy</b>	Purchase higher-quality paints to reduce paint usage and avoid generating more hazardous waste.
<b>Improving management</b>	Reduce producing hazardous wastes as much as possible by adopting a hierarchical management system and separate control for the relevant processes involving the generation of hazardous wastes.
<b>Providing pollution prevention and control</b>	Establish a sound collection, storage, and transportation management system to classify, collect and centralise hazardous wastes. Then, store them in the waste station, and transfer the hazardous wastes to the relevant processing unit that signed the contract according to regular and quantitative principles.

The Group generated 369 tonnes of hazardous wastes during the Year, including waste paint slag, waste mineral oil, waste paint drums, waste lubricant oil and waste selenium drums. As a result of the pandemic, the amount of hazardous wastes generated by the Group decreased by approximately 38% compared with 2021. A total of 1,303 tonnes of non-hazardous wastes were generated, consisting mainly of waste metal, domestic wastes, cardboard boxes, waste wood panels and office paper. This represents an approximate 52% decrease over the previous year.

## Environmental Protection

The total amount and intensity of hazardous and non-hazardous waste generated by the Group during the Reporting Period is as follows:

Hazardous and Non-hazardous Waste	2022	2021	Changes in %
Total hazardous waste generated <sup>6</sup> (tonne)	369	592	- 38%
Hazardous waste intensity (by number of employees and workers) (tonne/person)	0.06	0.05	+ 20%
Total non-hazardous waste generated (tonne)	1,303	2,739	- 52%
Non-hazardous waste intensity (by number of employees and workers) (tonne/person)	0.22	0.24	- 8%

- ### Wastewater Management

The Group's wastewater mainly comes from production and domestic sewage at operating sites and offices. To properly manage the wastewater discharges, the Group has set up drainage ditches and sedimentation tanks at the end of the drainage ditch and the discharge outlet in each operating site, and also installed steel nets on top of the ditches and tanks to prevent sludge, sewage and other harmful solids from discharging into the general drainage ditch and municipal sewage pipe network. The Group has also installed toilets, kitchens, and canteens in its employee dormitories and operating sites. They are all equipped with septic tanks and trenches to ensure that the domestic sewage meets the water quality standards and is discharged into the urban sewers before discharging into the sewage treatment plant through the municipal sewage pipe network for further wastewater treatment. To ensure that the Group's wastewater treatment meets discharge standards, the Group will also commission environmental monitoring agencies to monitor production wastewater and domestic sewage from March to April each year.

- ### Greenhouse Gas Emissions

The Group is committed to continuously improving and developing more targeted energy-saving systems to reduce greenhouse gas emissions. We regularly evaluate, record and analyse greenhouse gas emissions and other environmental data records for each unit, review the effectiveness of current measures, and improve the relevant greenhouse gas emission policies. Following are some energy-saving measures that have been taken to further reduce and monitor greenhouse gas emissions in daily operations:

- Establish rules to conserve electricity at offices and construction sites;
- Preferentially consider energy-saving products when purchasing electrical equipment;
- High-energy-consuming equipment such as dust removal fans, paint mist treatment fans, dehumidifiers and air compressors should only be turned on as needed to prevent long-term power-on standby;

<sup>6</sup> Hazardous waste only includes only Tianjin Jutal, Zhuhai Jutal, Penglai Jutal and Huizhou Jutal, while other offices or construction sites did not produce any hazardous waste.

## Environmental Protection

- Air-conditioning usage requirements: cannot adjust the air-conditioner temperature to lower than 26°C during summer, and cannot adjust to higher than 18 during winter (except in special circumstances);
- Energy-saving lights are preferred for lighting, and natural light should be used as much as possible during the day;
- Check and turn off all electrical equipment such as air conditioners, computers, lights, etc. after work;
- Conduct electricity-saving inspections and analyse electricity consumption regularly; and
- Provide employees with training on energy conservation and emission reduction regularly to increase their awareness of environmental protection.

During the Year, the Group's greenhouse gas emissions were 26,381 tonnes of carbon dioxide equivalent, mainly from purchased electricity. The total greenhouse gas emissions of the Group decreased by approximately 49% from the previous year, primarily because of the decreasing workload on construction sites. In addition, the greenhouse gas emission intensity by number of employees and workers is 4.36 tonnes of carbon dioxide equivalent per person, and the greenhouse gas emission intensity by turnover is 15.07 tonnes of carbon dioxide equivalent per RMB1,000,000.

Greenhouse Gas Emissions <sup>7</sup>	2022	2021	Changes in %
Scope 1 — Direct emissions <sup>8</sup> (tonnes of carbon dioxide equivalent)	6,087	14,023	– 57%
Scope 2 — Energy indirect emissions <sup>9</sup> (tonnes of carbon dioxide equivalent)	20,158	36,997	– 46%
Scope 3 — Other indirect emissions <sup>10</sup> (tonnes of carbon dioxide equivalent)	136	266	– 49%
<b>Total GHG Emissions (tonnes of carbon dioxide equivalent)</b>	<b>26,381</b>	<b>51,286</b>	<b>– 49%</b>
GHG intensity (by number of employees and workers) (tonnes of carbon dioxide equivalent/person)	4.36	4.58	– 5%
GHG intensity (by turnover) (tonnes of carbon dioxide equivalent/RMB1,000,000)	15.07	12.88	+ 17%

<sup>7</sup> The calculation is based on the “How to prepare an ESG Report? — Appendix II: Reporting Guidance on Environmental KPIs” published by HKEX, ISO14064-1 and the GHG Protocol.

<sup>8</sup> Scope 1 includes emissions of stationary and mobile sources of fossil fuel combustion, fuel combustion of industrial production process, and equipment and system operations.

<sup>9</sup> Scope 2 includes emissions of purchased electricity and heat (excluding Dalian Jutal).

<sup>10</sup> Scope 3 includes emissions from employees' air business travel.

# Environmental Protection

## • Air Emissions

To reduce air emissions at work, the Group has established environmental treatment systems at each construction site in accordance with the “Serious Pollution Weather Emergency Plan” and “Comprehensive VOCs Treatment Plan”. This includes installation of sedimentation dust collectors, paint mist filters, explosion-proof centrifugal fans, paint solvent adsorption catalytic devices and activated carbon devices. The maintenance and upkeep of the equipment is carried out monthly, including regular replacement of filter cotton and activated carbon. The Group also regularly commissions testing companies to conduct air pollution monitoring and installs online monitoring systems for real-time analysis of air emissions to ensure compliance with the Group’s standards and local laws and regulations.

The air pollutants generated by the Group mainly include nitrogen oxides, sulphur oxides, respiratory suspended particulates, and volatile organic compounds (“VOCs”). The main sources of nitrogen oxides, sulfur oxides, and respiratory suspended particulates at construction sites are production equipment, kitchen equipment, and vehicles that consume fossil fuels, whereas respiratory particulates and VOCs are produced during sandblasting and painting. During the Year, the Group emitted 43,366 kg of nitrogen oxides, 14,981 kg of sulphur oxides, 9,277 kg of respiratory suspended particulates, and 602 kg of VOCs. The emissions of nitrogen oxides, sulphur oxides, respiratory suspended particulates, and VOCs have decreased by 23%, 42%, 66% and 83%, respectively.

Air Emissions <sup>11</sup>	2022	2021	Changes in %
Nitrogen oxides (kg)	43,366	56,483	– 23%
Sulphur oxides (kg)	14,981	25,672	– 42%
Respiratory suspended particles (kg)	9,277	27,140	– 66%
Volatile organic compounds <sup>12</sup> (kg)	602	3,447	– 83%

## Use of Resources

The Group continuously optimises energy, water, and other resource efficiency to reduce usage and avoid waste. We have formulated the “Energy Conservation and Consumption Reduction Management System”, “Environmental Operation Control Procedures” and various resource management measures to regulate the use of energy, water, packaging materials and other raw materials in the business operations. For details, please refer to the relevant measures in the “Greenhouse Gas Emissions” section.

<sup>11</sup> 1. The calculation method of air emissions and the emptying factor refer to the US Environmental Protection Agency “AP 42, Fifth Edition Compilation of Air Pollutant Emissions Factors, Volume 1” (AP 42, Fifth Edition Compilation of Air Pollutant Emissions Factors, Volume 1), HKEx’s “How to Prepare Environmental, Social and Governance Report — Appendix 2: Guidelines for Reporting Environmental Key Performance Indicators” and “Technical Guidelines for Compiling Air Pollutant Emission Inventory of Road Motor Vehicles (Trial)”, “Emission Inventory of Inhalable Particulate Primary Sources Compilation of Technical Guidelines (for trial implementation)”. 2. Diesel and gasoline have a sulphur content of 350ppm and 10ppm, respectively.

<sup>12</sup> The statistics of VOCs only include Penglai Jutal, while other offices and construction sites did not involve VOCs emissions.

# Environmental Protection

During the Year, the Group's Penglai Site has set targets for resource conservation. The details are as follows:

Resources Categories	Resources Efficiency Targets	Performance in the Year
<b>Electricity consumption</b>	Power consumption per unit output shall not exceed 1% of the total rated power consumption	The actual electricity consumption decreased by 35.89%, and electricity consumption did not exceed the target requirement.
<b>Water consumption</b>	Water consumption per unit output shall not exceed 3.0 cubic metres/tonne	The average water consumption was 3.19 cubic metres/tonne, which exceeded the target indicator.
<b>Office supplies</b>	Monthly office supplies consumption shall be maintained at or below 8 RMB/person	The cumulative consumption of office supplies in 2022 was RMB277,212.6 , and the monthly office supplies consumption was 7.47 RMB/person, meeting the target indicator.



# Environmental Protection

## • Energy Consumption

The Group's energy consumption is mainly from power facilities, production machinery and vehicles of its offices and sites, as well as its consumption of natural gas and liquefied petroleum gas for cooking purposes. During the Year, the total energy consumption of the Group's operating sites was 49,843 MWh equivalent, a decrease of approximately 55% over the previous year. This significant reduction was primarily due to a reduction in production tasks and workload.

Energy	2022	2021	Changes in %
<b>Direct Energy</b>			
Gasoline (MWh equivalent)	1,249	1,505	- 17%
Diesel (MWh equivalent)	9,397	29,341	- 68%
Liquefied petroleum gas (MWh equivalent)	169	681	- 75%
Natural gas (MWh equivalent)	401	518	- 23%
Liquefied natural gas <sup>13</sup> (MWh equivalent)	-	5,665	- 100%
Acetylene (MWh equivalent)	570	1,839	- 69%
Propane (MWh equivalent)	163	239	- 32%
Acrylic (MWh equivalent)	3,134	6,432	- 51%
<b>Indirect Energy</b>			
Purchased electricity <sup>14</sup> (MWh)	34,560	63,361	- 46%
Purchased heat <sup>15</sup> (MWh)	200	256	-22%
<b>Total energy consumption (MWh equivalent)</b>	<b>49,843</b>	<b>109,837</b>	<b>- 55%</b>
Energy intensity (by number of employees and workers) (MWh equivalent/person)	8.24	9.81	- 16%
Energy intensity (by turnover) (MWh equivalent/RMB1,000,000)	28.48	27.59	+ 3%

<sup>13</sup> Due to issues with the ordering of gas tank, we did not use any liquefy natural gas this Year and therefore unable to provide related data.

<sup>14</sup> The indirect energy consumption does not include Dalian Jutal's purchased electricity as the electricity consumed there was provided by the property owner and could not be counted separately.

<sup>15</sup> The specific heat capacity of water under normal room temperature and pressure 4.1868 kj/(kg\*°C) is used as the fixed value to calculate the energy that 40°C hot water can provide.

## Environmental Protection

- Water Consumption**

The Group has actively taken steps to increase water reuse rates, and has embraced use of recycled water and multiple uses of water in order to prevent wastage and effectively utilise and manage water resources. The equipment and facilities department is required to appoint relevant personnel to inspect the water supply network, record the total monthly water consumption of each unit and to identify any abnormal water consumption. Any leakages discovered will be repaired by the Group with the help of appropriate personnel to reduce water wastage.

During the Year, the Group consumed 272,703 cubic metres of water, primarily from domestic water from employee dormitories and office buildings, and production water for site operations. However, the average water consumption at the Penglai Site during the Year was 3.19 cubic metres/tonne, exceeding the target indicator. Accordingly, the Group intends to review its water-saving measures and their effectiveness to improve the efficiency of the use of relevant water resources. Each site and office sources water from the municipal networks to meet production and domestic needs, and the Group had no issues in sourcing water fit for purpose.

Water	2022	2021	Changes in %
Total water consumption <sup>16</sup> (cubic metre)	272,703	541,930	– 50%
Water intensity (by number of employees and workers) (cubic metre/person)	45.10	48.42	– 7%
Water intensity (by turnover) (cubic metre/RMB1,000,000)	155.83	136.11	+ 14%

- Use of Materials**

The Group used 91.65 tonnes of paper and packaging materials during the Year, primarily for daily office operations and packaging for construction projects. Among these materials are stretch film, plastic paper, cardboard boxes, bubble film and tape, etc. The Group commits to enhancing its environmental awareness and sustainability level by promoting the procurement of environmentally certified paper and packaging materials, as well as promoting a paperless office by encouraging employees to use electronic office modes to share and archive documents, reducing the use of paper. In addition, each department of the Group should implement annual budget and quota management to strengthen internal control and increase material use efficiency.

<sup>16</sup> The total water consumption does not include the Dalian Jutal, which cannot provide water consumption data as the office does not have separate water meters.

# Environmental Protection

## The Environment and Natural Resources

The Group is committed to reducing the significant impact of its business operations on the environment and natural resources. For the purpose of fully and reasonably utilising a wide range of natural resources as well as controlling and reducing environmental pollution, the Group has implemented relevant corporate environmental management systems in order to regulate the environmental protection work of all employees and management. In addition to complying with environmental protection laws, regulations and related provisions, we encourage clean production, a circular economy and reduction of pollutant generation at source. The details are as follows:

- Establish and improve the Group's environmental protection policies and systems, and implement the company's environmental protection plan;
- Inspect the operating status and records of the Group's environmental protection facilities on a regular or occasional basis as necessary;
- Responsible for supervising the Group's wastewater, emissions and solid wastes discharged according to the standards;
- Provide reports on emissions of pollutants, the operation of pollution prevention and control facilities, and pollution reduction to the relevant units in accordance with requirements;
- Assist the Group in the promotion of clean production, energy and water conservation, and pollution prevention and control;
- Participate in the preparation of the emergency response plans for the environment, report any pollution incidents to the environmental protection department in a timely manner, and participate in the treatment process; and
- Responsible for organising environmental protection knowledge training for employees.

Furthermore, the Group's main site will update the relevant "HSE Target Indicator Management Plan" annually, in addition to preparing a series of implementation plans for preventing, controlling, reducing and eliminating potential environmental impacts and risks associated with wastewater, emissions, waste, noise and other hazardous factors generated during daily operations and construction activities, thereby minimising the impacts on the environment. To further manage the risks related to the environment and natural resources, the Safety Production Committee of the main site of the Group will be responsible for environmental protection management and technical supervision of the site. As part of their roles, they will also assist the general manager in creating long-term environmental protection plans, ensuring internal environmental monitoring of the Group, reducing pollutant emissions during operation, improving the quality of environment and natural resources of the operation area, and enhancing the development of the operation area in a sustainable manner.

## Climate Change

The Group understands that managing sustainability risks has become an increasingly significant component of enterprise risk management. Therefore, the Group has developed a "Climate Change Policy" and established four guidelines: "Mitigation", "Adaptation", "Resilience" and "Disclosure" to enhance the identification of climate change related risks and opportunities, establish climate change resilience, reduce the financial and non-financial impact on its operations, and meet the increasing requirements of different market regulators to disclose sustainability risk management measures. At the same time, the Group has established a "Risk and Opportunity Identification and Assessment Management System" to refine the Group's strategic planning. The Quality Inspection Department and Health, Safety, and Environmental Protection Department must identify and evaluate the risks and opportunities associated with quality, environment, operations, market, finance and occupational health and safety management in their respective work processes. Looking ahead, the Group intends to incorporate climate change into the overall enterprise risk framework to identify and manage the impact of climate change on its business operations, regulate its business behaviour through reviewing the relevant policies and measures, enhance the resilience of existing operating facilities to climate change, and incorporate climate change resilience designs into future facility planning.

## Community Investment

The Group has been always actively listening to and responding to society's needs, and connecting with the community through multiple means and channels. During the Year, the Group's subsidiary in Zhuhai joined the Association for the Care of Retired Soldiers, with the aim to encouraging social forces in providing assistance and support to retired soldiers, as well as obtaining more love from enterprises and individuals to assist in helping retired soldiers in need, supporting their employment and entrepreneurship, enriching their spiritual lives, and further ensuring that retired soldiers feel respected and cared for by society as a whole.

Looking ahead, the Group intends to refine the relevant policy, carry out a more comprehensive array of community investment projects and to cooperate actively with different stakeholders in the community, in order to promote the participation of employees, partners and customers in supporting community services, connect various sectors of the community, and assist more individuals in need to continue to make contributions to the community.



# Appendices

## Appendix I: Key Performance Indicator Summary

### Environmental Performance

Environmental Key Performance Indicator	Unit	2022	2021	2020
<b>Air emissions<sup>17</sup></b>				
Nitrogen oxides	kg	43,366	56,483	58,257
Sulphur oxides	kg	14,981	25,672	20,408
Respiratory suspended particles	kg	9,277	27,140	32,116
Volatile organic compounds <sup>18</sup>	kg	602	3,447	3,457
<b>GHG emissions and intensity</b>				
Scope 1 — Direct emissions <sup>19</sup>	tonnes of carbon dioxide equivalent	6,087	14,023	11,842
Scope 2 — Energy indirect emissions <sup>20</sup>	tonnes of carbon dioxide equivalent	20,158	36,997	26,031
Scope 3 — Other indirect emissions <sup>21</sup>	tonnes of carbon dioxide equivalent	136	266	251
Total GHG emissions	tonnes of carbon dioxide equivalent	26,381	51,286	38,124
GHG intensity (by number of employees and workers)	tonnes of carbon dioxide equivalent/person	4.36	4.58	3.92
GHG intensity (by turnover)	tonnes of carbon dioxide equivalent/RMB1,000,000	15.07	12.88	10.45
<b>Hazardous waste and intensity</b>				
Total hazardous waste generated <sup>22</sup>	tonne	369	592	566
Hazardous waste intensity (by number of employees and workers)	tonne/person	0.06	0.05	0.06
Hazardous waste intensity (by turnover)	tonne/RMB1,000,000	0.21	0.15	0.16

<sup>17</sup> 1. The calculation method of air emissions and the emptying factor refer to the US Environmental Protection Agency “AP 42, Fifth Edition Compilation of Air Pollutant Emissions Factors, Volume 1” (AP 42, Fifth Edition Compilation of Air Pollutant Emissions Factors, Volume 1), HKEx’s “How to Prepare Environmental, Social and Governance Report – Appendix 2: Guidelines for Reporting Environmental Key Performance Indicators” and “Technical Guidelines for Compiling Air Pollutant Emission Inventory of Road Motor Vehicles (Trial)” Emission Inventory of Inhalable Particulate Primary Sources Compilation of technical guidelines (for trial implementation).

2. Diesel and gasoline have a sulphur content of 350ppm and 10ppm, respectively.

<sup>18</sup> The statistics of VOCs only include Penglai Jutal, while other offices and construction sites did not involve VOCs emissions.

<sup>19</sup> Scope 1 includes emissions of stationary and mobile sources of fossil fuel combustion, fuel combustion of industrial production process, and equipment and system operations.

<sup>20</sup> Scope 2 includes emissions of purchased electricity and heat (excluding Dalian Jutal).

<sup>21</sup> Scope 3 includes emissions from employees’ air business travel.

<sup>22</sup> Hazardous waste only includes only Tianjin Jutal, Zhuhai Jutal, Penglai Jutal and Huizhou Jutal, while other offices or construction sites did not produce any hazardous waste.

# Appendices

Environmental Key Performance Indicator	Unit	2022	2021	2020
<b>Non-hazardous waste and intensity</b>				
Total non-hazardous waste generated	tonne	1,303	2,739	3,816
Non-hazardous waste intensity (by number of employees and workers)	tonne/person	0.22	0.24	0.39
Non-hazardous waste intensity (by turnover)	tonne/RMB1,000,000	0.74	0.69	1.05
<b>Energy consumption and intensity</b>				
Direct energy	MWh equivalent	15,083	46,220	34,452
Indirect energy <sup>23</sup>	MWh equivalent	34,760	63,617	42,743
Total energy consumption	MWh equivalent	49,843	109,837	77,195
Energy intensity (by number of employees and workers)	MWh equivalent/person	8.24	9.81	7.94
Energy intensity (by turnover)	MWh equivalent/ RMB1,000,000	28.48	27.59	21.17
<b>Water consumption and intensity</b>				
Total water consumption <sup>24</sup>	cubic metre	272,703	541,930	261,973
Water intensity (by number of employees and workers)	Cubic metre/person	45.10	48.42	26.95
Water intensity (by turnover)	cubic metre/ RMB1,000,000	155.83	136.11	71.83
<b>Packaging material used in finished products and intensity</b>				
Total consumption of packaging materials	tonne	89	247	316
Packaging material intensity (by number of employees and workers)	tonne/person	0.0147	0.0221	0.0325
Packaging material intensity (by turnover)	tonne/RMB1,000,000	0.0506	0.0621	0.0867

<sup>23</sup> The indirect energy consumption does not include Dalian Jutal's purchased electricity as the electricity consumed there was provided by the property owner and could not be counted separately.

<sup>24</sup> The total water consumption does not include the Dalian Jutal, which cannot provide water consumption data as the office does not have separate water meters.

# Appendices

## Social Performance

Number of Employees		2022						2021	
Region		Shenzhen	Zhuhai	Penglai	Tianjin	Huizhou	Dalian	Total	Total
Gender	Male	23	513	1,445	84	116	154	<b>2,335</b>	3,157
	Female	8	104	253	16	4	19	<b>404</b>	548
Age	Below 31	2	183	526	9	18	22	<b>760</b>	1,112
	31-40	9	222	812	69	30	71	<b>1,213</b>	1,558
	41-50	12	159	296	16	42	51	<b>576</b>	785
	Above 50	8	53	64	6	30	29	<b>190</b>	250
Types of Employment	Senior Management	2	1	4	0	0	0	<b>7</b>	8
	Middle Management	7	17	19	1	10	3	<b>57</b>	72
	General Staff	22	599	1,675	99	110	170	<b>2,675</b>	3,625
	Full-time	31	617	1,698	100	120	173	<b>2,739</b>	3,705
	Part-time	0	0	0	0	0	0	<b>0</b>	0
<b>Total</b>		<b>31</b>	<b>617</b>	<b>1,698</b>	<b>100</b>	<b>120</b>	<b>173</b>	<b>2,739</b>	<b>3,705</b>

Number of Workers <sup>25</sup>		2022						2021	
Region		Shenzhen	Zhuhai	Penglai	Tianjin	Huizhou	Dalian	Total	Total
Gender	Male	0	797	1,637	176	116	97	<b>2,823</b>	6,318
	Female	1	152	322	0	4	5	<b>484</b>	1,170
<b>Total</b>		<b>1</b>	<b>949</b>	<b>1,959</b>	<b>176</b>	<b>120</b>	<b>102</b>	<b>3,307</b>	<b>7,488</b>

<sup>25</sup> Workers include contractors, employees of service outsourcers, site workers, security personnel and cleaners.

## Appendices

Rate of New Hires and Employee Turnover Rate		Rate of New Hires		Employee Turnover Rate	
		2022	2021	2022	2021
Region	Shenzhen	0%	6%	3%	19%
	Zhuhai	1%	20%	20%	18%
	Penglai	6%	6%	15%	10%
	Tianjin	2%	11%	12%	8%
	Huizhou	1%	6%	15%	26%
	Dalian	66%	94%	28%	85%
Gender	Male	8%	25%	15%	27%
	Female	7%	18%	24%	17%
Age	Below 31	10%	20%	27%	18%
	31–40	11%	4%	16%	12%
	41–50	1%	4%	7%	7%
	Above 50	1%	0%	11%	6%
<b>Total</b>		<b>8%</b>	<b>24%</b>	<b>17%</b>	<b>25%</b>

Occupational Safety Performance	Employees		Workers	
	2022	2021	2022	2021
Work-related fatalities	0	0	0	0
Work-related injuries	32	25	11	2
Lost days due to work-related injury	845	1,561	0	0
Incidence of work-related injury per 100 employees	1.17	0.67	0.36	0.027

Rate of Trained Employees <sup>26</sup>		2022						2021	
Region		Shenzhen	Zhuhai	Penglai	Tianjin	Huizhou	Dalian	Total	Total
Gender	Male	0%	100%	100%	100%	100%	100%	100%	79%
	Female	25%	100%	100%	0%	75%	100%	100%	84%
Types of Employment	Senior Management	0%	100%	100%	0%	0%	0%	100%	80%
	Middle Management	14%	82%	100%	0%	30%	100%	81%	69%
	General Staff	5%	100%	100%	100%	100%	100%	100%	80%
<b>Total</b>		<b>6%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>80%</b>

<sup>26</sup> The total number of employees trained includes employees who have left the Group.

# Appendices

Percentage of Employees being Reviewed Regularly on KPI and Career Development								
Region		Shenzhen	Zhuhai	Penglai	Tianjin	Huizhou	Dalian	Total
Gender	Male	100%	100%	100%	100%	100%	100%	100%
	Female	100%	100%	100%	100%	100%	100%	100%
Types of Employment	Senior Management	100%	100%	100%	100%	100%	100%	100%
	Middle Management	100%	100%	100%	100%	100%	100%	100%
	General Staff	100%	100%	100%	100%	100%	100%	100%
<b>Total</b>		<b>100%</b>						

Average Training Hours Completed per Employee									
								2022	2021
Region		Shenzhen	Zhuhai	Penglai	Tianjin	Huizhou	Dalian	Total	Total
Gender	Male	0.00	2.94	31.89	62.95	71.79	3.19	<b>26.43</b>	–
	Female	4.13	2.96	34.76	0.00	12.00	12.21	<b>23.31</b>	–
Types of Employment	Senior Management	0.00	4.00	10.33	0.00	0.00	0.00	<b>6.47</b>	–
	Middle Management	2.29	0.82	16.95	0.00	6.40	10.67	<b>7.86</b>	–
	General Staff	0.73	3.00	32.55	53.41	75.56	12.78	<b>26.95</b>	–
<b>Total</b>		<b>1.06</b>	<b>2.94</b>	<b>32.32</b>	<b>52.88</b>	<b>69.80</b>	<b>4.18</b>	<b>25.97</b>	–

Supplier Management	Mainland China	Germany	Korea	Singapore	Austria	United Kingdom	Russia	Sweden	Netherlands	Total
Number of suppliers <sup>27</sup>	569	2	1	6	1	4	1	1	2	587
Number of suppliers where the practices are being implemented <sup>28</sup>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Product Quality	Region	Shenzhen	Zhuhai	Penglai	Tianjin	Huizhou	Dalian	Total
Customer complaints	Amount of customer complaints	0	0	0	0	0	0	0

<sup>27</sup> Excluding suppliers of Dalian Jutal. The headquarters does not involve specific business practices; therefore, there were no supplier information in the headquarters.

<sup>28</sup> The Group selects suppliers based on the “Supplier Management Procedures” or “Sub-Supplier Management Procedures”.

# Appendices

## Appendix II: ESG Reporting Guide Index

Material Aspect	Content	Page Index
<b>A1 Emissions</b>		
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 GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	19–24, 39
A1.1	The types of emissions and respective emissions data.	24, 30
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	23, 30
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	22, 30
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	22, 31
A1.5	Description of emission target(s) set and steps taken to achieve them.	20, 22–23
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.	19, 21–22
<b>A2 Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	24–27, 39
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).	26, 31
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	27, 31
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	22–23, 25
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.	25, 27
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	27, 31
<b>A3 The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	28, 39
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	8, 28
<b>A4 Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	28, 39
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.	8, 28

# Appendices

Material Aspect	Content	Page Index
<b>B1 Employment</b>		
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.	14, 38
B1.1	Total workforce by gender, employment type, age group and geographical region	14, 32
B1.2	Employee turnover rate by gender, age group and geographical region	14, 33
<b>B2 Health and Safety</b>		
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.	12–13, 38
B2.1	Number and rate of work-related fatalities.	13, 33
B2.2	Lost days due to work injury.	33
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	12–13
<b>B3 Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	15, 38
B3.1	The percentage of employees trained by gender and employee category.	15, 33
B3.2	The average training hours completed per employee by gender and employee category.	15, 34
<b>B4 Labour Standards</b>		
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.	15, 38
B4.1	Description of measures to review employment practices to avoid child and forced labour.	15
B4.2	Description of steps taken to eliminate such practices when discovered.	15

# Appendices

Material Aspect	Content	Page Index
<b>B5 Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	18, 38
B5.1	Number of suppliers by geographical region.	18, 34
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	18, 34
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	18
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	18
<b>B6 Product Responsibility</b>		
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.	16–18, 38
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	17
B6.2	Number of products and service-related complaints received and how they are dealt with.	17, 34
B6.3	Description of practices relating to observing and protecting intellectual property rights.	18
B6.4	Description of quality assurance process and recall procedures.	17
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	17
<b>B7 Anti-corruption</b>		
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.	16, 39
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.	16
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	16
B7.3	Description of anti-corruption training provided to directors and staff.	16
<b>B8 Community Investment</b>		
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.	29
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	29
B8.2	Resources contributed (e.g. money or time) to the focus area.	29

# Appendices

## Appendix III: Laws and Regulations Complied by the Group

During the Reporting Period, the Group did not find any violations of laws and regulations relating to ESG aspects or any concluded legal cases regarding corrupt practices brought against the Group and its employees.

Aspects	Materiality Issues	Group's Policies	Laws and Regulations (including but not limited to)
Employee	Employment	Employees Handbook; Personnel Management Policy; Employees Remuneration Management Policy; Complaints and Reporting Management System; Employees Welfare Management Policy; Employees Attendance Management Regulations; and Code of Conduct for Employee Discipline.	Labour Law of the People's Republic of China; Labour Contract Law of the People's Republic of China; and Social Insurance Law of the People's Republic of China.
	Health and Safety	Employees Safety Handbook; Occupational Health, Safety and Environmental Management Handbook; Health, Safety, and Environmental Protection Handbook; and Caring Guidelines.	Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases; and OHSAS18001:2007 certified occupational health and safety management system.
	Development and Training	Internal Training Management Measures; Lecturer Management Method; Employees Education Training Control Procedures; Human Resources Education Training Implementation Procedure; and Employees Career Management System.	N/A
	Labour Standards	The Child Labour Rescue and Minor Labour Management Control System; Employees Attendance Management Regulations; and Personnel Management Working Procedures.	Labour Law of the People's Republic of China; Law of the People's Republic of China on the Protection of Minors; and Provisions on the Prohibition of Using Child Labour.

# Appendices

Aspects	Materiality Issues	Group's Policies	Laws and Regulations (including but not limited to)
Operation	Supply Chain Management	Product Process Inspection Control Procedures; Procurement Department HSE Management Procedures; Employees Handbook; Code of Conduct for Trade; Anti-commercial Bribery Management System; Code of Conduct for Employee Discipline; After-sales Service Management Procedures; and Supplier Management Procedure.	Product Quality Law of the People's Republic of China (2018 Amendment).
	Product Responsibility	Employee Confidentiality Management System; Operation Rules for Self-purchasing Materials; Project Material Labeling and Tracking Procedures; Installation Management Procedures; Warehousing Management Procedures; Project Material Labeling and Tracking Procedures; After-sales Service Management Procedures; Product Process Inspection Control Procedures; and Secondary Warehouse Management Procedures.	ISO 19001 international standard.
Business Ethics	Anti-corruption	Employees Handbook; Code of Conduct for Trade; Anti-commercial Bribery Management System; and Code of Conduct for Employee Discipline.	Criminal Law of the People's Republic of China.
Environment	Emissions	Abatement Options for Air Pollutants; Comprehensive VOCs Treatment Plan; Waste Safety Management Regulations; Policy of Healthy and Safe Environment; Environmental Operation Control Procedures; Waste Collection, Identification, Storage; Treatment Procedures; Waste Disposal Working Instruction; and Hazardous Waste Management Plan.	Atmospheric Pollution Prevention and Control Law of the People's Republic of China; GHG Emissions Accounting Methods and Reporting Guidelines for Mechanical Equipment Manufacturers (Trial); International standard ISO14064-1; and GHG Protocol.
	Use of Resources	Energy Conservation; and Consumption Reduction Management System.	N/A
	The Environment and Natural Resources	Consumption Reduction Management System; Emergency Plan for Environmental Pollution Accidents; Serious Pollution Weather Emergency Plan; Risk and Opportunity Management Procedures; and HSE Target Indicator Management Plan.	ISO 14001 international standard.
	Climate Change	Climate Change Policy; and Risk and Opportunity Management Procedures.	N/A