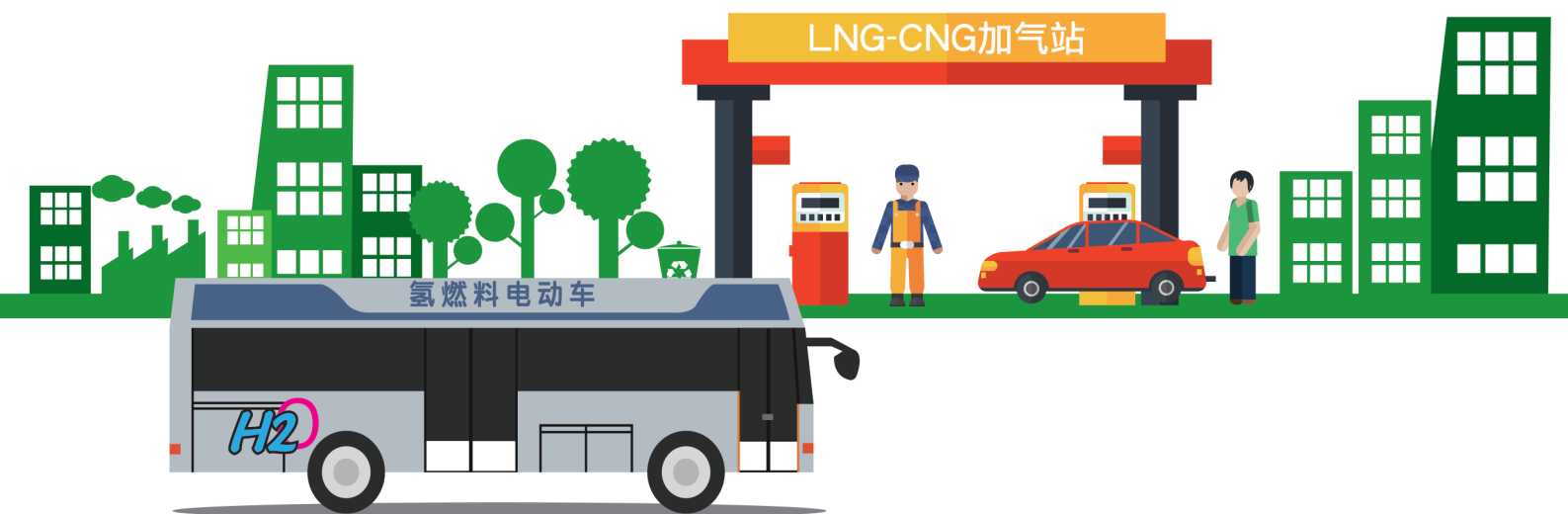


環境、社會及管治報告 2017

Environmental, Social And Governance Report



北京京城機電股份有限公司

Beijing Jingcheng Machinery Electric Company Limited

(在中華人民共和國註冊成立之股份有限公司)

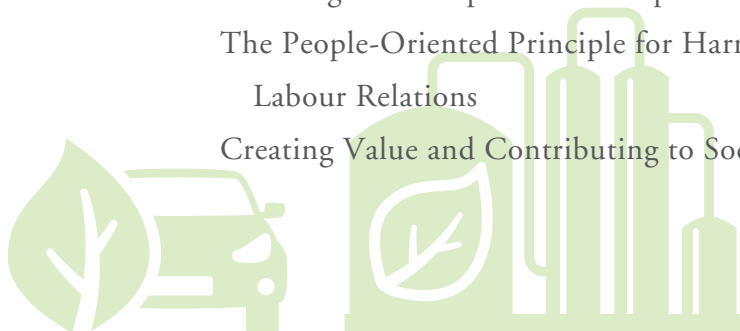
(H股代號: 0187; A股代號: 600860)





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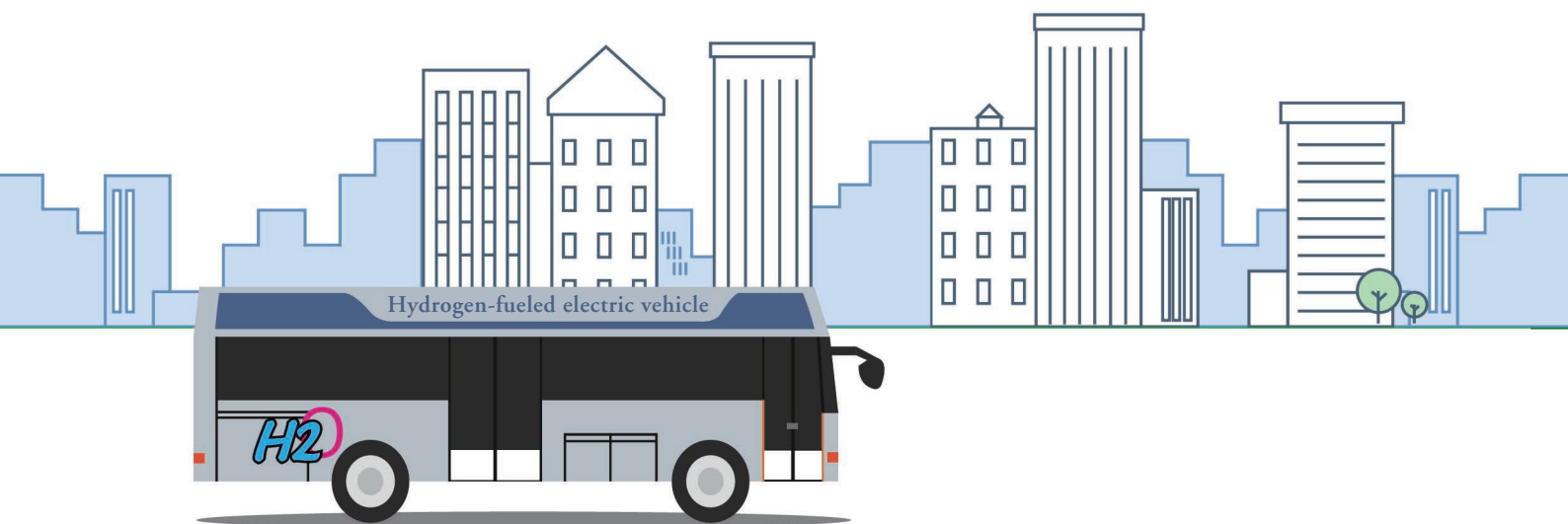




1. Introduction

Beijing Jingcheng Machinery Electric Company Limited (北京京城機電股份有限公司) (the “Company” or “Beijing Jingcheng”) is listed on the Shanghai Stock Exchange (A shares) and The Stock Exchange of Hong Kong Limited (H shares) with a registered capital of RMB422,000,000. Its subsidiaries include Beijing Tianhai Industry Co., Ltd. (北京天海工業有限公司) (“Tianhai Industry”) and Jingcheng Holding (Hong Kong) Company Limited (京城控股(香港)有限公司) (“Jingcheng HK”). The Company aims to be a leading enterprise engaging in the manufacture of storage and transportation equipment and provision of services for industrial gas internationally, and for energy gas in China.

This report has been prepared in accordance with the Environmental, Social and Governance (ESG) Reporting Guide set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Board acknowledges that it has overall responsibility for the ESG strategy and reporting of Beijing Jingcheng, and confirms that it has reviewed and approved this report. The Board is responsible for evaluating and determining ESG related risks for Beijing Jingcheng and ensuring that Beijing Jingcheng has established appropriate and effective ESG risk management and internal control systems. Management has provided confirmation to the Board



on the effectiveness of these systems. Beijing Jingcheng has always regarded sustainable development as its long-term direction. This report aims to present stakeholders with a description of the key environmental, social and governance issues and the management approach in respect to the Company's sustainable development, its compliance with the listing rules of both stock exchanges, and the relevant policies, regulations and environmental, social and governance aspects of its business operations in the context of achieving sustainable development.

2. Reporting Period and Scope

This report covers the 2017 financial year from 1 January 2017 to 31 December 2017.



The scope of this report includes but not limited to the Company and its subsidiaries as follows:

Beijing Jingcheng Machinery Electric Company Limited
(北京京城機電股份有限公司)

Beijing Tianhai Industry Co., Ltd. (北京天海工業有限公司)

Tianjin Tianhai High Pressure Container Co., Ltd. (天津天海高壓容器有限責任公司) ("Tianjin Tianhai")

Langfang Tianhai High Pressure Container Co., Ltd. (廊坊天海高壓容器有限公司) ("Langfang Tianhai")

Shanghai Tianhai Composite Cylinders Co., Ltd. (上海天海複合氣瓶有限公司) ("Shanghai Tianhai")

Beijing Tianhai Cryogenic Equipment Co., Ltd. (北京天海低溫設備有限公司) ("Tianhai Cryogenic")

Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd. (北京明暉天海氣體儲運裝備銷售有限公司) ("Minghui Tianhai")

3. Feedback to this Report

As much as possible, the interests and requirements of different stakeholders have been taken into consideration while preparing this report. The Company will continue to improve the content of future reports. To offer your enquiries and opinions, please contact us:

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Tongzhou District, Beijing

Tel: (010) 67365383

Fax: (010) 87392058

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E-mail: jcgf@btic.com.cn



Message from the General Manager

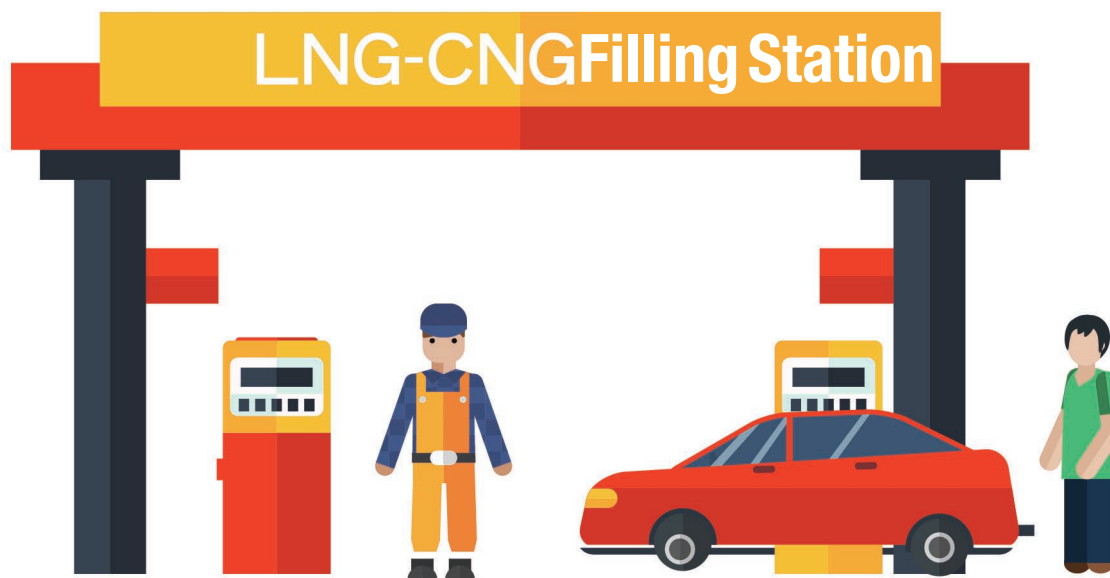
Dear stakeholders:

We are pleased to present our 2017 Environmental, Social and Governance Report for the year ended 31 December 2017. In future, we will publish ESG reports annually to communicate our sustainable development plans and measures to our stakeholders.

As the second year of the 13th Five-Year Plan, 2017 was a period of streamlining and adjustment in accordance with national industrial policy, and a year of challenges. Adhering to our strategy of building “the world’s leading energy gas storage and transportation equipment manufacturing and service enterprise” and our focus on “cost-cutting, pursuing innovation and turning loss into profit” and “reform and adjustment”, the Company furthered its reform, innovation and restructuring efforts, fully explored all aspects of its internal growth potential, and achieved improvements and breakthroughs in the areas of corporate governance, market value management, product research and development, and production and operations. In 2017, the Company achieved a year-on-year 35.30% increase in operating revenue and a turnaround in profits, delivering a remarkable and satisfying result to society, the government, and our shareholders and employees.

We strive to not only create returns on investment for our shareholders, but to fulfil our responsibilities

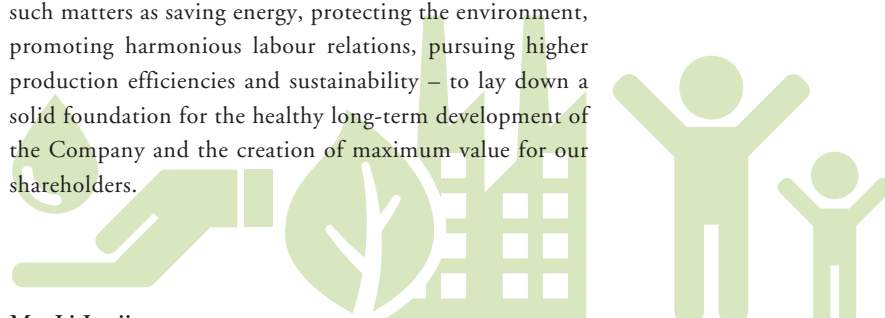
to the environment, to employees, to consumers, to suppliers and other stakeholders. We believe that green development marks the only path toward the transformation and upgrading of the Company. Accordingly, we have endeavoured to establish a clean energy business model – from gas, container and tank to station – by integrating green concepts into the product operation process. In regard to environmental protection, the Company has actively responded to national policy by integrating the concepts of green production, energy savings and emissions reduction across the whole production-operation-management process. The Company designs and manufactures in strict compliance with relevant environmental protection and pollutant emission laws, regulations and industry standards of the PRC, of its places of operation, of the gas filling industry, and with a basis in management systems such as ISO14001:2015 Environmental Management Systems – Requirements with Guidance for Use and OHSAS18001:2007 Occupational Health and Safety Management System: Standards. Based on all the above, the Company has established environmental management systems and procedures such as the Environmental and Occupational Health and Safety Management System Procedures. Through continuous enhancement of emissions treatment, energy savings, emissions reduction, construction and operation of environmental protection facilities, green office and other initiatives, the Company has striven to promote the coordinated development of production



and operations with environmental protection. As to the rights and benefits of employees, we regard our staff as a valuable asset and greatly appreciate their hard work. The Company strives to create a safe working environment and provide employees with promising career development paths and effective protections of their labour rights. To this end, the Company offers favourable benefits, a continuously improved system of training, and organises a wealth of cultural activities. These instil employees with a sense of responsibility of “treating the plant as home”, while inspiring enthusiasm and creativity and enhancing cohesion within the Company. In respect to production and operation, the Company places emphasis on a scientific standardised management system which establishes a clear organisational safety management structure and enables further implementation of the safe production responsibility system. As well as introducing a stream of improvements in production technology, the Company has effectively enhanced its employees’ abilities in emergency response and prevention and strict control from the source and of the processes, with the ultimate aim of consistently providing high quality products to customers and creating value for society.

The Company’s environmental, social, governance and sustainable development achievements for 2017 were built on the support and trust of our stakeholders. On behalf of management, I would like to express our sincere gratitude to you. In future, the Company will continue to fulfil its social responsibilities – including upholding high standards and complying with strict requirements in such matters as saving energy, protecting the environment, promoting harmonious labour relations, pursuing higher production efficiencies and sustainability – to lay down a solid foundation for the healthy long-term development of the Company and the creation of maximum value for our shareholders.

Mr. Li Junjie
General Manager
24 April 2018



About Beijing Jingcheng

1. Company Overview

Beijing Jingcheng Machinery Electric Company Limited (北京京城機電股份有限公司) (the “Company” or “Beijing Jingcheng”) is listed on the Shanghai Stock Exchange (A shares) and The Stock Exchange of Hong Kong Limited (H shares), and completed restructuring and asset replacement on 31 October 2013, being the only listed company under Beijing Jingcheng Machinery Electric Holding Co., Ltd. (北京京城機電控股有限責任公司). Currently, the abbreviation of the Company’s H shares is “JINGCHENG MAC” and A shares is “京城股份”, under the respective stock codes 0187 and 600860.

Key figures for 2017:

| | |
|---------------|----------------------|
| Revenue: | RMB 1,203,496,955.02 |
| Profit: | RMB 20,868,364.01 |
| Net assets: | RMB 588,375,286.55 |
| Total assets: | RMB 1,925,062,021.12 |

Scope of business:

Licensed items of operation: General logistics; and professional contracting.

General scope of operations: Development, design, sales, installation, adjustment and trial, maintenance of cryogenic containers for storage and transportation, compressors (piston and membrane compressors, membrane compressors of nuclear grading) and accessories, machinery and electrical equipment, technical consultancy and services; import and export of commodities and technology, acting as an agency for import and export.

Main products and applications:

The Company’s main products include: Liquefied natural gas (LNG) and compressed natural gas (CNG) cylinders for vehicles, seamless steel gas cylinders, steel welded gas cylinders, welded insulated cylinders, carbon fibre full-winding compound gas cylinders, plate-type asbestos-free acetylene cylinders, ISO tank containers, aluminium carbon fibre full-winding compound gas cylinders for fuel cells, cryogenic tanks and LNG filling station equipment. Leveraging its accurate evaluation of the clean energy market, Tianhai Industry has integrated the technologies of LNG cylinders for vehicles, CNG cylinders, cryogenic tanks and natural gas vehicle filling stations to provide customers with innovative LNG/CNG system solutions. The Company is also capable of manufacturing cryogenic tanks and IMO tank container products in accordance with China pressure vessel standards, EU ADM and 97/23/EC PED standards, and Australia/New Zealand AS1210 standards.

Tianhai Industry has long upheld the policy of “producing world-class products in accord with international standards of manufacturing technology and management”. It has successfully obtained 41 international certifications such as ISO9001:2015, ISO/TS16949:2009 quality management system, ISO14001:2015 environment management system, and OHSAS18001:2007 occupational health and safety management system.

More than two decades of effort has also seen Tianhai Industry establish one of the most complete and efficient product sales network and after-sales service systems in the industry. Its products have national coverage and are sold to more than 40 countries and regions on five continents around the world.



2. Business Philosophy

The Company's spirit of "integrity, dedication, learning, innovation and aiming at first-class" has helped it establish a reputation for safe, reliable products and quality service. With its increased core competitiveness and rapidly improving performance, the Company provides high quality products for customers and creates value for society.

The Company is active in emphasising energy savings, reduced consumption and efficient utilisation of resources in its promotion of green manufacturing concepts. In recent years, the Company has been unstinting in implementing the new strategy of "saving energy, reducing consumption and emissions, and enhancing efficiency". While a continuous effort is made to increase our intrinsic value and create maximum returns for shareholders, we are also committed to facilitating the sustainable development of society.

3. Corporate Governance

With the continuous enhancement of sustainability being at the core of ESG management, the Company has integrated ESG into routine production and operational practice via reinforcement of corporate governance and innovative implementation. The Company utilises ESG as a significant element in achieving its strategic objective of "building the world's leading energy gas storage and transportation equipment manufacturing and service enterprise".

The Company designs and manufactures in strict compliance with relevant environmental protection and pollutant emission laws, regulations and industry standards in the PRC, its places of operation, and of the gas filling industry. These include ISO14001:2015 *Environmental Management Systems – Requirements with Guidance for Use* and OHSAS18001:2007 *Occupational Health and Safety Management System: Standards*. Based on these, the Company has established environmental management systems and procedures such as the *Environmental and Occupational Health and Safety Management System Procedures*, the *Environmental Factors Identification and Evaluation Form and List of Important Environmental Factors*, and the *Solid Waste List*. The Company has also formed a Safety and Environmental Protection Department and an Energy Saving and Emission Reduction Steering Group to provide staff training and knowledge in environmental protection, enhance awareness of environmental protection, and help ensure smooth production and operations through supervision and management of environmental protection-related work, with a focus on saving energy and reducing emissions.



4. Promoting Industry Development

Over the years, the Company has helped to promote sustainable industrial development by taking an active lead in developing national industry standards and refining product-related laws and regulations. The Company has participated in the following industry organisations:

| Organisation | Capacity |
|--|--------------------|
| China Gas Cylinders Standardisation Technical Committee | Secretariat |
| The Working Committee for Gas Cylinder Safety Standardisation and Information of China Association for Technical Supervision Information | Deputy head |
| China Association for Special Equipment Safety and Skills Promotion | Executive director |
| Association of Mechanical and Electrical Industries | Vice president |
| Natural Gas Vehicles and Ships Branch of the China Communications and Transportation Association | Council member |
| Gas Fuel Automobile Branch of the China Association of Automobile Manufacturers | Member |
| Fuel Cell Branch of the China Electrical Equipment Industry Association | Council member |
| Passenger Transport Branch of the China Road Transport Association | Member |
| China Industrial Gases Industry Association | Member |
| Liquefied Natural Gas Branch of the China Industrial Gases Industry Association | Member |
| Beijing Association of Automobile Manufacturers | Member |



5. Honours and Awards

In 2017, the Company's excellence in management and outstanding performance was recognised in a number of awards, including:



High-tech Enterprise



Zhongguancun High-tech Enterprise



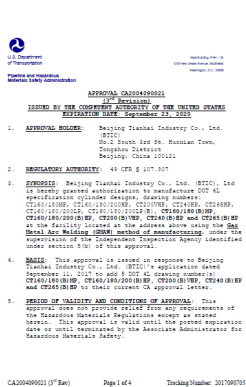
Certificate of ISO9001:2015
Quality Management System



Certificate of ISO14001:2015 Environment
Management System



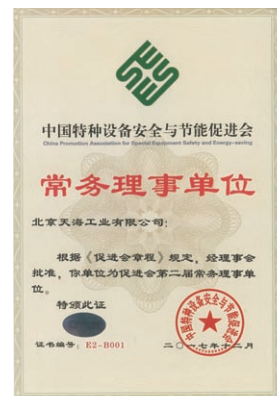
Certificate of OHSAS18001:2007
Occupational Health and Safety
Management System



Certificate issued by the U.S.
Department of Transportation



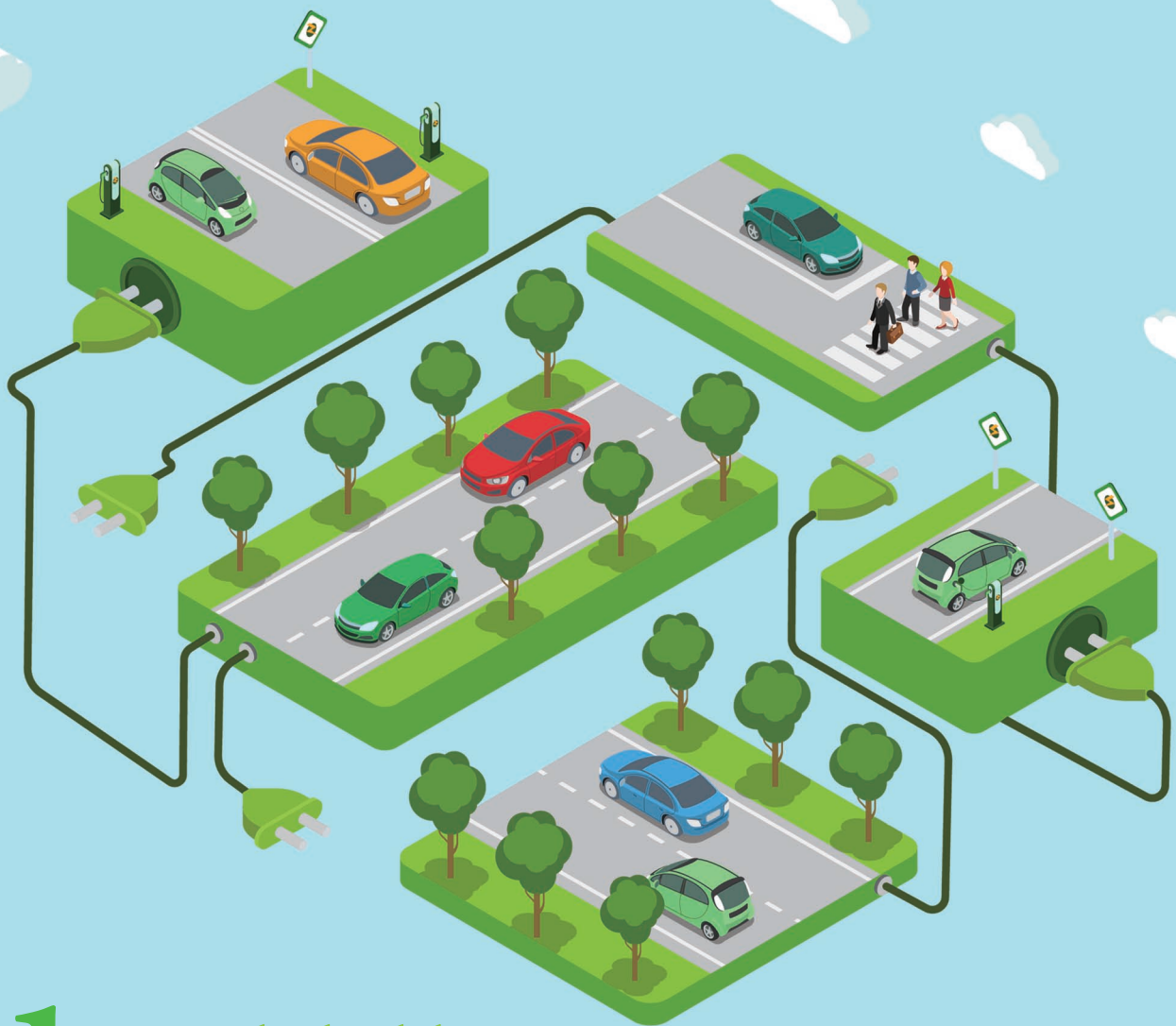
Certificate of ISO/TS 16949:2009
Quality Management System



Certificate of Appointment of Executive Director
issued by the China Promotion Association for
Special Equipment Safety and Energy-saving

ESG Management Approach

The Company made a continual effort to optimise its ESG management, facilitate the integration of ESG into business operations, and push for the achievement of ESG targets. The Company has built its own ESG management system through the establishment of an ESG management department at the headquarters level. The department leads the formulation and promotion of the Company's overall ESG work plan, as well as the annual ESG information disclosure process. ESG liaisons are also deployed at each of the headquarters' departments, branches and subsidiaries to implement relevant plans and manage day-to-day social responsibility information. Additionally, the Company actively facilitates communication between internal and external stakeholders, paying attention to the requests of customers, employees and other stakeholders, formulating targeted strategies, and striving to achieve its ESG targets.



1. Stakeholder Engagement

We highly value our communications with each stakeholder, and strive constantly to improve our stakeholder engagement mechanism, enhance operational transparency, disseminate the concept of corporate social responsibility through multiple channels, recognise and respond to shareholders' demands, and make progress in partnership with stakeholders.

| Stakeholders | Expectations and demands | Communication and response |
|--|--|---|
| Government and regulatory authorities | <ul style="list-style-type: none"> ▶ Compliance with laws and regulations ▶ Payment of taxes ▶ Support for economic development ▶ Creation of job opportunities | <ul style="list-style-type: none"> ▶ Conducting business in compliance with relevant laws and regulations ▶ Regular communication with regulatory authorities ▶ Payment of taxes in accordance with law |
| Investors | <ul style="list-style-type: none"> ▶ Return on investment ▶ Risk management ▶ Safe production | <ul style="list-style-type: none"> ▶ Regular disclosure of operating information ▶ Investor meetings ▶ On-site inspection |
| Customers and business partners | <ul style="list-style-type: none"> ▶ Integrity and fulfilment of agreements ▶ Fair, just and open procurement ▶ High-quality products ▶ High-quality services ▶ Fulfilment of the diverse needs of customers and creation of value for them | <ul style="list-style-type: none"> ▶ Business communications and contracts ▶ Open tendering and price comparison ▶ Assurance of product quality ▶ Customer satisfaction surveys |
| Employees  | <ul style="list-style-type: none"> ▶ Occupational health ▶ Remuneration and benefits ▶ Career development ▶ Employee caring | <ul style="list-style-type: none"> ▶ Occupational health examination ▶ Provision of satisfying remuneration and benefits ▶ Provision of training ▶ Workers Congress, staff forums, suggestion box and recreational activities |
| Environment  | <ul style="list-style-type: none"> ▶ Energy savings and emissions reduction ▶ Ecological protection | <ul style="list-style-type: none"> ▶ Communications with local regulatory authorities and residents ▶ Managing emissions and enhancing efficient use of resources and energy |
| Industry  | <ul style="list-style-type: none"> ▶ Development of industry standards ▶ Promotion of industry development | <ul style="list-style-type: none"> ▶ Involvement in development of industry standards ▶ Attending industry forums ▶ Visits and inspections with industry peers |
| Community and the public  | <ul style="list-style-type: none"> ▶ Engagement in community development ▶ Support for public welfare | <ul style="list-style-type: none"> ▶ Public welfare undertakings ▶ Volunteer services |

2. Fulfilling Green

Operational Responsibilities



The year 2017 was the second in China's 13th Five-Year Plan, which promotes "focusing on improving environmental quality and addressing key ecological problems, strengthening protection of ecosystem, and enhancing efficient utilisation of resources". As we face the global prospect of climate change and resource shortages, energy saving and emissions reduction have become major imperatives of corporate development. Coping with climate change is the responsibility of every corporate citizen.

As a responsible manufacturing enterprise, and in response to national clean energy policies, the Company incorporates the concept of green development into every step of its routine production and operations. Through continuous enhancement of emissions treatment, energy savings and emissions reduction, the construction and operation of environmental protection facilities and green offices, and other activities, the Company strives to coordinate the development of production and operations with environmental protection, and to make a positive contribution to saving energy, reducing emissions, and developing China's environmental protection industry.

Energy consumption (including natural gas, water and electricity) of the Company and its major subsidiaries in 2017:

| Energy | Unit | Total consumption for 2017 | Energy consumption per RMB10,000 output |
|-------------------------|--------------------|----------------------------|---|
| General bituminous coal | Tons | Approximately 1,901 | Approximately 0.0115 |
| Natural gas | 0'000 cubic metres | Approximately 821 | Approximately 0.0924 |
| Petrol, diesel, etc. | Tons | Approximately 119 | Approximately 0.0015 |
| Heat | Million kJ | Approximately 9,891 | Approximately 0.0029 |
| Electricity | 0'000 kWh | Approximately 5,003 | Approximately 0.052 |
| Water consumption | Cubic metres | Approximately 400,578 | Approximately 3.3896 |

(1) Emissions Management

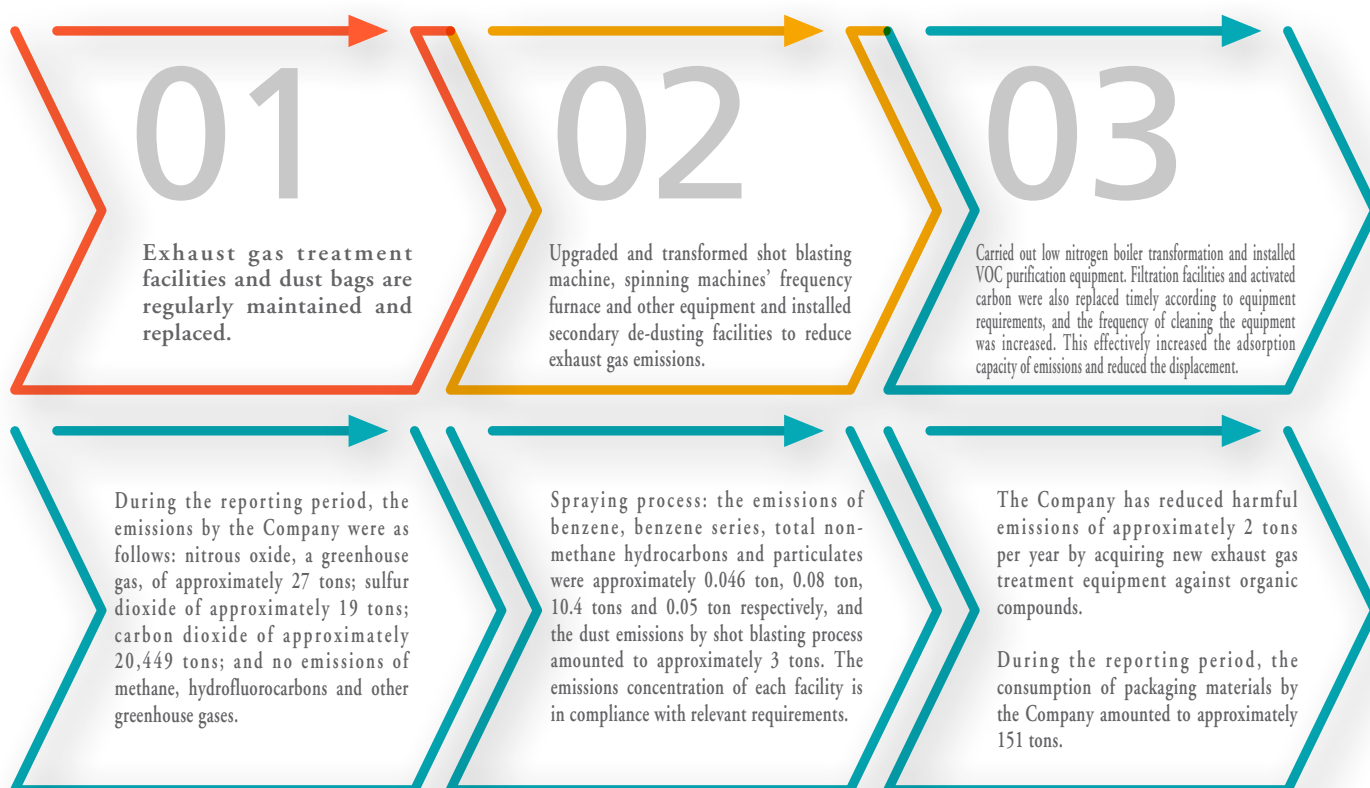
As a manufacturing concern, the Company designs and manufactures in strict compliance with relevant environmental protection and pollutant emission laws and regulations and industry standards of the PRC, of its places of operation, and of the gas filling industry. These include ISO14001:2015, *The Requirements of Environmental Management System and User's Guide*, OHSAS18001:2007 *Occupational Health and Safety Management System: Standards*, et al. Based on these, the Company has established environmental management systems and procedures such as the *Environmental and Occupational Health and Safety Management System Procedures*. The Company has also established a Safety and Environmental Department to supervise and manage environmental protection-related work with a focus on energy savings and emissions reduction. Every year, the Company works to identify environmental factors and develop protection measures accordingly. To this end, the Company established the *Environmental Factors Identification and Evaluation Form* and *List of Important Environmental Factors* with reference to the State's *Solid Waste List* to increase its effective management of environmental factors, solid waste disposal and pollutant emissions, etc.

Waste generated by the Company's production and daily operations is treated in full compliance with the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Law of the People's Republic of China on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》) and other relevant environmental protection laws and regulations, as well as local governments' administrative measures for solid waste. The waste is classified for collection and treatment within the Company. Domestic waste is transferred to municipal departments for treatment, while treatment of hazardous waste is entrusted to qualified, permit-holding units from government environmental departments. The Company-issued *Notice on Strengthening Environmental Protection Work* meanwhile requires operational groups – including technical, supply, sales, equipment and production – to formulate standards, enhance communication and reduce hazardous waste from their respective sources. The Company provides staff training on environmental protection knowledge and awareness, and at the same time has formulated and implemented a protective management system that penalises and educates departments that cause environmental damage. Finally, the Company has established a specialised department to supervise production safety and environmental protection, and ensure the coordinated development of production and operations and environmental protection.

Emissions data for major subsidiaries is listed below:

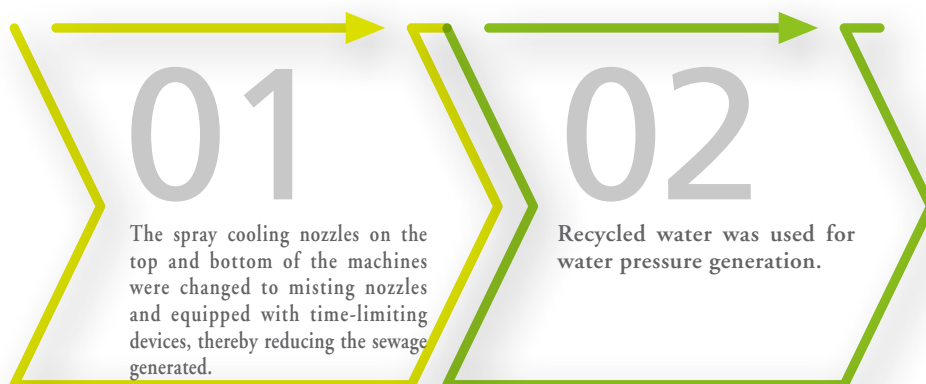
Exhaust gas emissions

Measures for emissions reduction adopted by the Company:



Wastewater emissions

Measures for emissions reduction adopted by the Company:

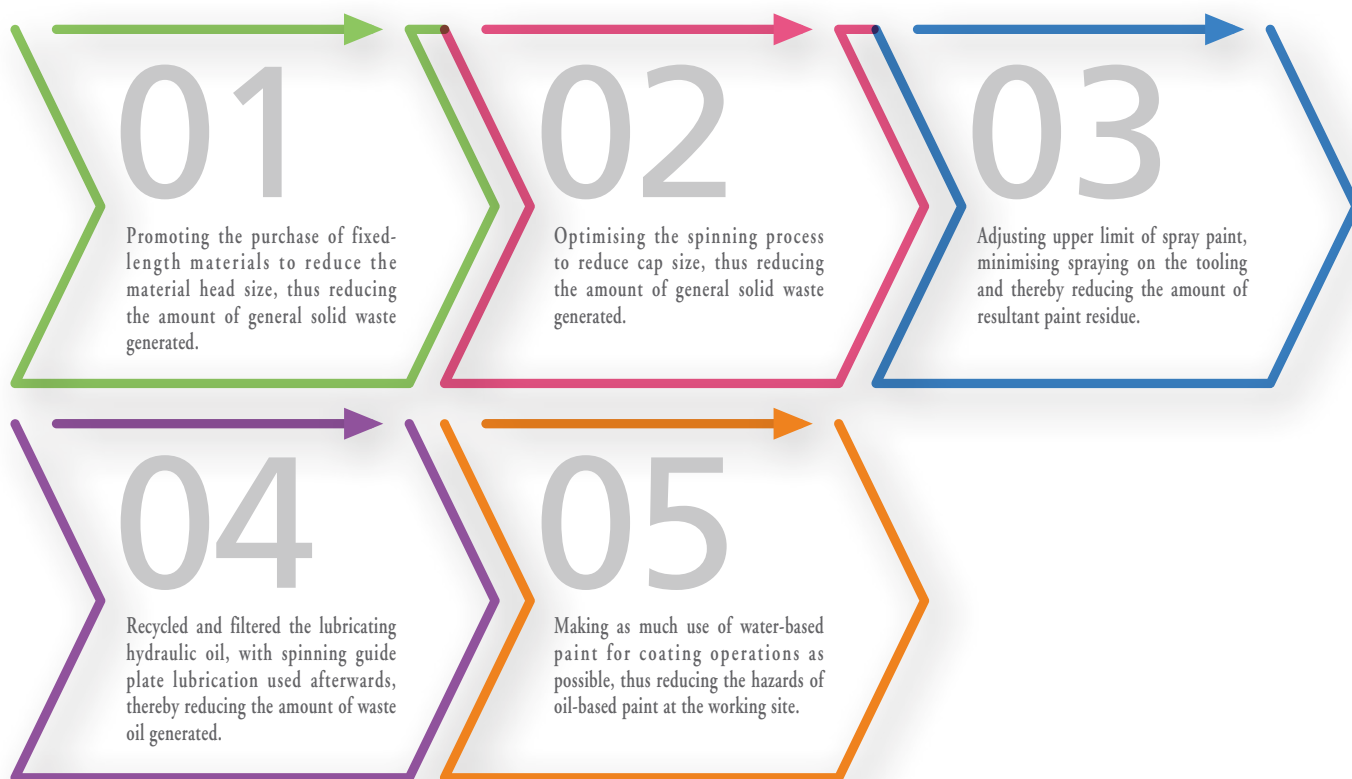


During the reporting period, the total amount of industrial wastewater generated, chemical oxygen demand (COD), ammonia nitrogen, suspended matter, total phosphorus, animals and plants, five-day biochemical oxygen demand and petroleum were approximately 222,794 tons, 41 tons, 3.6 tons, 23 tons, 0.29 ton, 0.09 ton, 14 tons and 0.35 ton, respectively. The emissions concentration of each facility is in compliance with relevant requirements.



Waste emissions

Measures for emissions reduction adopted by the Company:



In order to protect the ecology and reduce the pollution of wastes to the surrounding ecology, the Company effectively controls all types of wastes discarded, classifies the domestic wastes and the non-metallic wastes generated in the course of production and processes them separately. Among them, hazardous wastes include viscous oil waste, spray paint waste, etc.; harmless and recyclable wastes include scrap metal materials and parts and non-hazardous packaging materials; and other general wastes include domestic waste. Hazardous wastes are collected by the entities with waste disposal qualifications certified by the environmental protection bureau for recycling. Non-hazardous and recyclable wastes are collected by waste recycling companies, and other general wastes are collected by the municipal government.



(2) Energy Savings and Emissions Reduction

The Company in recent years has attached great importance to energy management, and has been successful in its efforts to use energy more efficiently. Among the measures taken has been the establishment of a leading group for energy savings, under which are energy-saving working groups. Also, dedicated persons have been placed in charge of energy management, with full responsibility for the Company's energy saving and emissions reduction work of the Company via organisation of related tasks to be carried out at each level, and completing the Company's energy-saving targets based on government assessment. The dedicated persons regularly amend the energy management system and energy assessment indicators for decomposition every year. The Company also ensures that when purchasing new equipment, using new technologies, and undertaking technologically innovative projects, priority is given to new energy saving technologies, processes, equipment and materials. In particular, energy-saving products that are recommended by the PRC or internationally recognised bodies shall have first preference. Finally, collection, summarisation, analysis and assessment of data on energy consumption are performed every month; such calculation is based on the amount of consumption per RMB10,000 of output value, and regular inspection is performed.

Major energy saving and transformation projects are as follows:



Installation of Air Compressors' Frequency Conversion Joint Control Devices

In the past, the Company's low-pressure air compressors were switched on and off manually, when the continuous operation of the production workshop was halt intermittently, the compressors would automatically unload and their motors would be idled, leading to significant energy wastage. Installation of constant pressure frequency conversion joint control now enables these compressors can to both adjust air output and switch on and off automatically according to demand. Since being implemented, this modification has saved approximately 30,000 kWh every month, a savings rate of 10-15%.



Application of thermal refining device for utilisation of residual heat

The residual 380-degree heat directly emitted in the form of industrial furnace flue gas is normally entirely wasted. The Company has reduced its natural gas consumption with the increased use of residual heat utilisation systems. Residual heat that is collected is recycling and used to heat staff bathrooms. The cost of gas for each "heating season" was about RMB350,000 after the project's implementation.

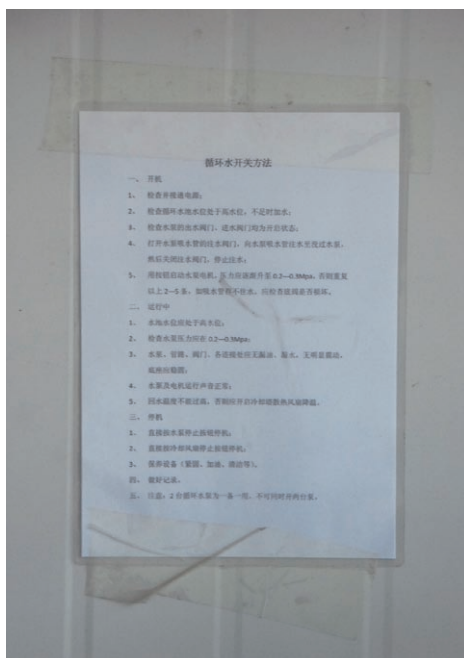


Solar energy hot water system on the roof of a factory building



Effective Use of Water Resources

Water circulation and sewage treatment stations circulate water to production cooling facilities while simultaneously reducing water usage of approximately 888,894 tons.



(3) The Green Office

Shortage of resources has become an important factor restricting the development of human society, and consequently, the sustainable use of resources is now a core value of development. The Company has accordingly implemented a number of measures to reduce its consumption of water and electricity and improve the utilisation efficiency of resources. Among these are: Widespread use of light-emitting diode (LED) lamps and other energy saving devices; a programme of encouraging employees to shut down computers, copiers, lights, drinking fountains and other facilities during non-office hours; maintaining air conditioning temperature at 25 degrees Celsius; implementing an office automation system (OAS) to replace the traditional paper-based office as far as possible; reducing unnecessary copying and printing, printing on both sides, reusing paper, and using eco-friendly paper to print publications and flyers; providing collection bins for recyclable waste paper, printer cartridges, batteries, etc.



(4) Production Safety

System and Procedure Improvements

Based on the people-oriented principle, the Company strictly implements the Safe Production Law of the PRC, the Safe Production Regulations of local governments, and specific requirements for safe production. Extensive regular inspections are conducted to identify possible safety deficiencies. On a basis of practical examples, the the Company has established 75 safety-related rules and regulations, including the Safe Production Management System and Safe Production Contingency Plan.



Safety Inspections and Inspection and Rectification of Fire Deficiencies

In keeping with “Single Position, Double Responsibilities; the Party and the Government are Both Responsible”, the Company has established the safe production responsibility systems for staff members at all levels and positions, leading to each employee signing a Letter of Safe Production Responsibility each year. The Letter serves as a reminder that responsibility for safety falls on every individual. In compliance with production safety standardisation requirements, the Company undertakes to self-examine and rectify as needed matters pertaining to production safety, and has subsequently earned (along with its subsidiaries) Production Safety Standardisation Level 1-Level 3 certificates. As a preventive measure, the

Company annually identifies potential sources of danger and formulates specific countermeasures in accordance with OHSAS18001:2007 Occupational Health and Safety Management System: Standards. In accordance with “One Enterprise One Standard, One Position One List”, the Company also investigates and manages potential safety risks, carries out monthly summary and analysis, and implements any needed rectification work. Furthermore, the Company organises staff activities such as “Safety Month” and “119” emergency drills to reinforce their ability to cope with emergencies and minimise work injuries and accidents.



Fire Training and Drills

Enhanced Occupational Hazard Protection

Based on the “three simultaneousness” requirement, during the construction phase of any project, the Company identifies potential sources of such occupational hazards as dust, noise, benzene, welding fumes, etc, and makes available the protective and treatment equipment appropriate to them. The Company also carries out pre-evaluation and control evaluation of safe production

and occupational health to ensure the project meets relevant requirements. Operational staff members are equipped with protective anti-dust, anti-virus and anti-noise supplies as needed. The Company checks, tests and evaluates occupational hazard factors annually at operational sites and arranges pre-job, on-the-job and post-job medical checks for employees engaged in jobs that may expose them to occupational health hazards.



Dust Protection Equipment



Safety Education, Operational Procedure Training

The Company provides new staff members with company-, factory-and team-level safety education. Staff members are only regarded as qualified to work after examinations have been passed. Frequent safety education provided to all staff members helps to maintain their awareness, their ability to identify potential sources of danger, and their ability to protect themselves from hazards. To staff at mid-level and above, the Company provides education on safety and environmental protection regulations, ensuring that each knows, understands and respects the laws as they are implemented at work. Safety education for team leaders is provided in such a way as to ensure that government regulations and the Company's own systems can be accurately imparted from superior to subordinate. Through this method, employees who are exposed to occupational hazards are provided with occupational injury prevention training

which raises their awareness and ensures compliance with relevant regulations and requirements. The Company's major persons in charge, supervisory persons in charge and persons in charge of the safety department all participate in professional training held by higher-level departments and government organisations and have obtained certificates.

The Company provides employees on operational sites with training on safe operational procedures and positional (process) standardisation. New employees receive one-on-one training from experienced personnel in the form of apprenticeships. When the "Four New" consisting of new materials, equipment, technology and processes are introduced, the Company's equipment and technical departments and other relevant parties will provide the employees involved with "Four New Education".



Special Training and Drills for Confined Spaces



Bases of relevant policies and information of precautionary measures are as follows:

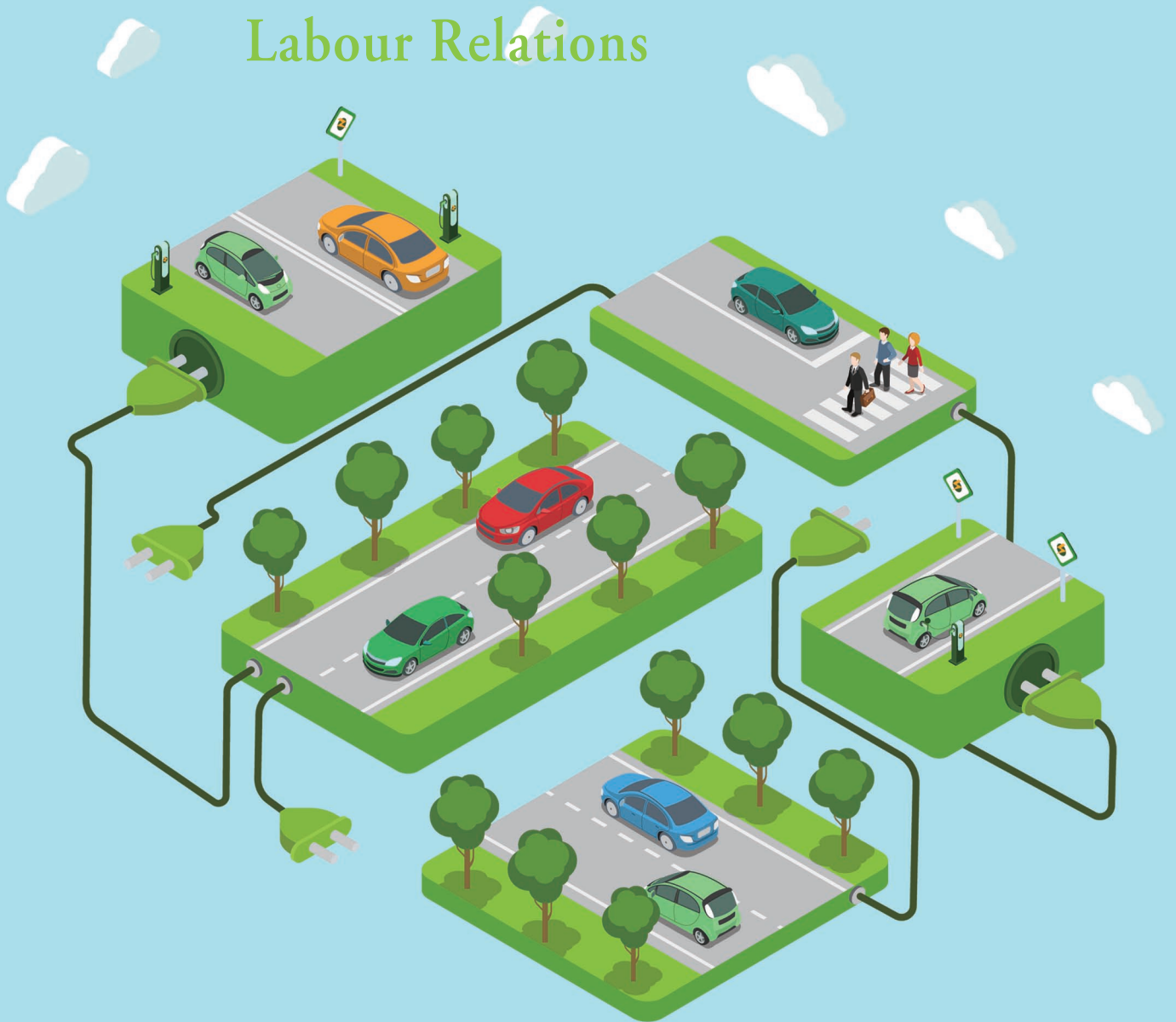
| Category | Subject | | | | | |
|--------------------------------|--|---|----------------------|-------------------------|-----------------------|--|
| Occupational health management | Monitoring locations of hazards | Frequency | Points | | | |
| | | Once per year | 218 | | | |
| | Occupational health checks | Frequency | Pre-job health check | On-the-job health check | Post-job health check | Measures |
| | | Before commencing work, at various times during work, and immediately after resignation. | 224 | 551 | 206 | Contact qualified institutions for conducting health checks, and re-examine employees with hearing problems. Transfer affected employees from their original positions once they are identified. |
| | Local laws, regulations and requirements | GBZ/T189.8-2007 Measurement of Physical Agents in Workplace Part 8: Noise; GBZ/T189.8-2007 Measurement of Physical Agents in Workplace Part 7: High Temperature; GBZ/T192.1-2007 Monitoring of Dust in Workplace Part 1: Total Dust Concentration; GBZ159-2004 Sample Specification of Hazardous Substances Monitoring in Workplace; GBZ2.1-2007 Occupational Exposure Limit of Hazards in Workplace Part 1: Chemical Hazards; GBZ2.2-2007 Occupational Exposure Limit of Hazards in Workplace Part 2: Physical Agents, the Law on the Prevention and Control of Occupational Diseases. | | | | |

| Category | Subject | | | | | | |
|------------------------------|---------------------------------|--|-------|----------------|--------------|-------------|---------|
| Safety production management | Number of work-related injuries | Total | Death | Serious injury | Minor injury | Near misses | Remarks |
| | | 8 | 0 | 0 | 8 | 0 | |
| | Lost days | 593 days | | | | | |
| | Safety investment | An amount of RMB9.674 million is invested in the entire system, of which RMB0.67 million is invested in Langfang, RMB3.984 million in Tianjin, RMB1.00 million in Tianhai Cryogenic, RMB0.30 million in Shanghai, and RMB3.72 million in Beijing. | | | | | |
| | Fire prevention measures | Implement accountability for fire safety, establish a fire safety system and operating procedures, formulate fire-fighting and emergency evacuation plans and organise fire drills; implement fire safety information management at key locations, set up fire prevention marks, implement an internet-oriented and standardised management; establish standards based on the "Four Abilities", provide pre-job training for the employees and organise fire safety training at least once a year; carry out pre-work safety education and organise a targeted fire drill at least twice a year; establish a voluntary fire brigade and construct a micro-fire station according to applicable laws and initiate professional fire prevention training; deploy fire control facilities and equipment in accordance with national and industry standards; set up fire safety marks; organise regular examinations, inspections and maintenance to ensure that facilities and equipment are sound and effective; comprehensively inspect fire control facilities in buildings at least once a year, and make a complete and accurate inspection record to put more effort into the regulation and examination of dormitories, temporary buildings, key fire zones and dangerous goods warehouses; apply more effort to the examination of fire risk in dormitories, temporary buildings and key fire zones; enhance prevention and control of electrical fires, standardise management of electrical fire prevention; complete filing for inspection; implement a daily fire inspection system; establish examination and inspection records; adopt effective fire safety measures for identified fire risks; facilitate timely elimination of fire risks. | | | | | |



| Category | Subject | |
|----------|--------------------|--|
| | Safety measures | Establish safety production targets, execute safety responsibility agreements, implement a safety responsibility system, establish a safety system and divisional safety operating procedures; prepare contingency plans and organise fire drills, enhance identification and management of safety production risks, set up an identification and management “One Standard for A Corporate, One List for A Position” standard; commence regular safety risk identification and management and make a regular report based on the information requirements; convene monthly meetings to summarise and report the identification and management of safety production risks, identify sources of risks, and risk control; create an “Identification List of Sources of Risk”, conduct risk assessments on maintenance, installation and construction, and formulate measures accordingly; require site workers to carry out daily inspections of equipment, and to rectify identified issues in a timely manner; require full-and part-time safety personnel to carry out site safety inspection at least twice a day, while the Company’s safety committee shall organise a comprehensive safety inspection during public holidays and in each season; provide safety education to all employees during “Safety Month”; ensure that new employees who have not received safety education and/or have failed examination shall not take up their positions; ensure that mid-to-high level management receives education on safety laws and regulations; post warnings and information boards at production sites; carry out works on production safety standardisation and safety culture, implement the building of a safety team; properly carry out site inspections of occupational hazards and provide staff with health checks and occupational health assessments before, during and after they take their position; establish a “Safety Education and Training File”, a “Special Operation File” and an “Employee Occupational Health File”; enhance implementation of safety production responsibility system, including prevention, supervision, appraisal reward and punishment. |
| | Regulatory methods | Define responsibilities and implement safety education, inspections, class management and rewards and punishments. |

3. The People-Oriented Principle for Harmonious Labour Relations

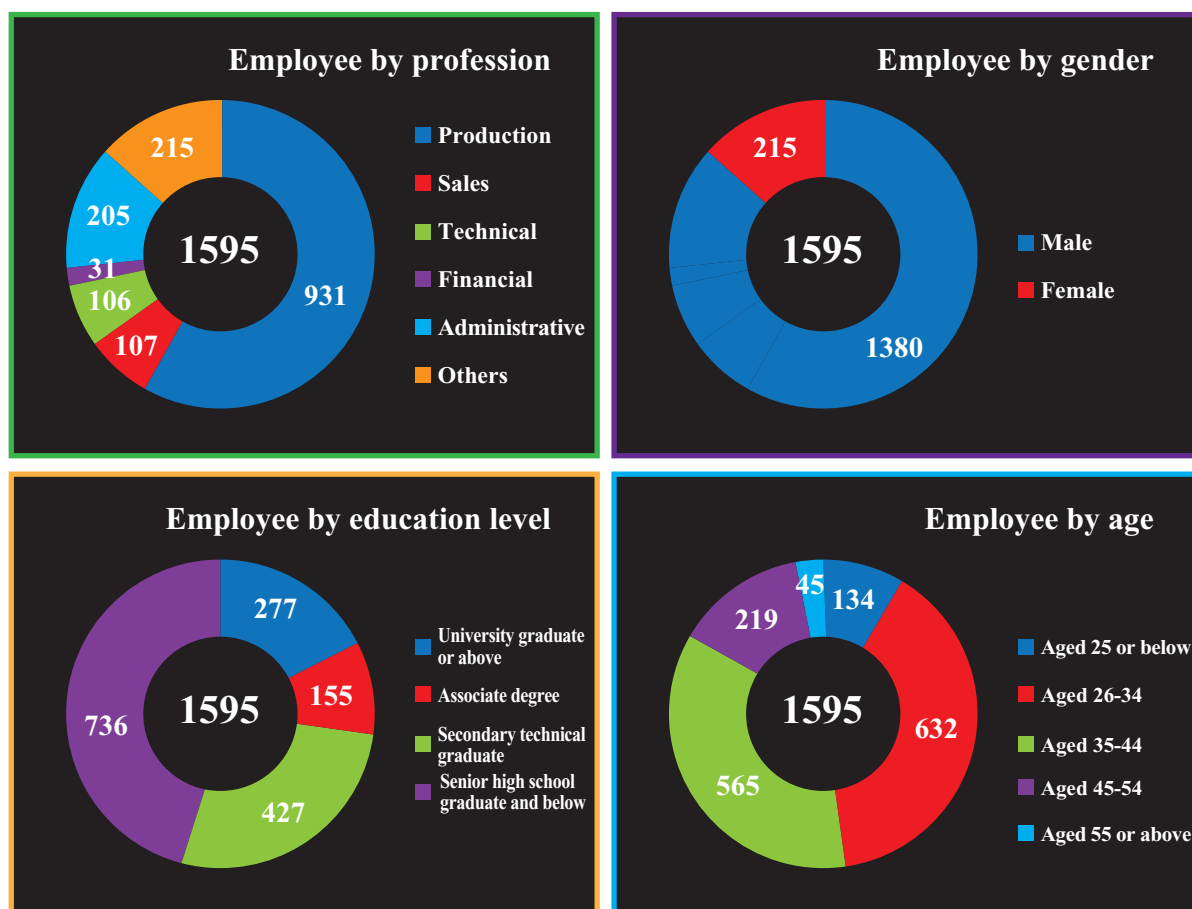


Employees are the cornerstone of an enterprise's development, and we treasure and value their contributions. The Company not only provides a safe working environment and career development opportunities to its employees, but also protects their labour rights by providing favourable welfare benefits. The Company also strives to improve its training system, to organise rich cultural activities for staff, and to foster employees' enthusiasm, creativity, diligence and duty by "treating the plant as home".

(1) Management of Employees

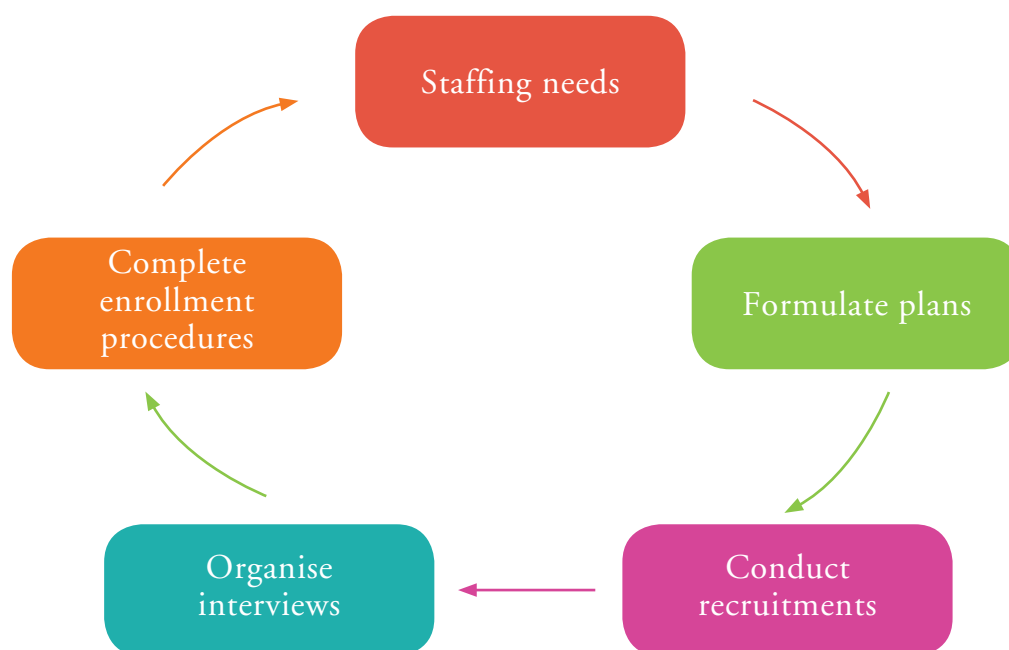
The Company embraces and values the diversity and talent of employees from different cultures and social backgrounds. Following on from strategic requirements of "transforming from manufacturing to service-oriented manufacturing business" and "marching towards high-end brand from mid-to-low end brand", the Company strives to enhance the quality and efficiency of employees' work by establishing production and work procedures which fully utilise their enthusiasm, initiative and creativity. In this way, our employees contribute to achieving the Company's aim of becoming a first-class, internationally competitive enterprise.

In strict compliance with the Labour Law of the People's Republic of China, related laws and regulations of the PRC and Beijing, the Company employs workers according to law, and is strongly against underage labour, forced labour and unfair employment relationship. Through our efforts in protecting the personal safety of employees and respecting their legitimate interests, we have established and maintained good employment relationships with them to strive for a win-win situation.



(2) Employment Policy

The Company protects the legal rights of all employees according to law and maintains strict compliance with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, and relevant local laws and regulations. It organises personnel recruitment annually based on operational plans and the number of employees consequently required for various positions. Recruitment targets campuses and general society in order to encompass people from all walks of life and classes. The Company upholds a “people-oriented” principle, with emphasis on the basic human rights of employees and prevention of any discrimination based on gender, age, nationality, religion, marital status, disability, etc, with regards to recruitment, determination of salaries, promotions and training. The Company wishes to ensure that all employees enjoy fair, equal and open job opportunities. It offers suitable positions to disabled employees and implements “equal pay for equal work”. At the same time, it strictly protects employees’ personal information and prevents the illegal disclosure of such information. All these policies show the concern of the Company to every employee, and foster employees’ sense of belonging.



(3) Employee Promotion, Remuneration and Incentive Policies

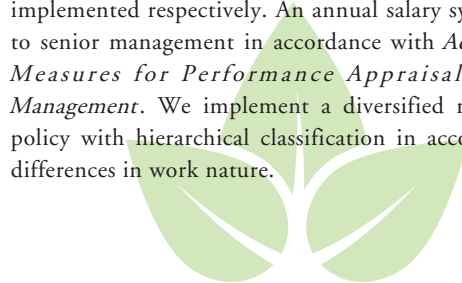
To provide employees with a broad development platform, the Company has formulated the *Middle-level Leading Cadre Selection and Appointment Processes and Operational Procedures*. This standardises the administrative measures and selection and appointment procedures for middle-level leading cadre, and specifies the processes and operational procedures for organisational selection, internal recruitment and open selection (social recruitment). Regarding promotion, we offer fair opportunities to each employee, maintaining an impartial attitude and issuing announcements for promoted staff to ensure the fairness and openness of the process, and that our staff enjoy fair remuneration and benefits.



To enhance the staff's zeal for work and creativity, the Company has established a diversified incentive mechanism. "Top 10 Pacesetters", "Top 10 Experts", "Top 10 Advanced Groups" and "Top 10 Cost-cutting and Efficiency Enhancement Projects" placings were conferred in the "Three Reductions and One Rise" activity, "Effective Measures and Strategies for Cost Reduction and Efficiency Enhancement" competition, and the "Involvement in Reform and Upgrading and Contributions to the Company" contest. On International Women's Day, the dedication and outstanding performance of eight female staff members was honoured at the "Advanced Female Staff" contest.



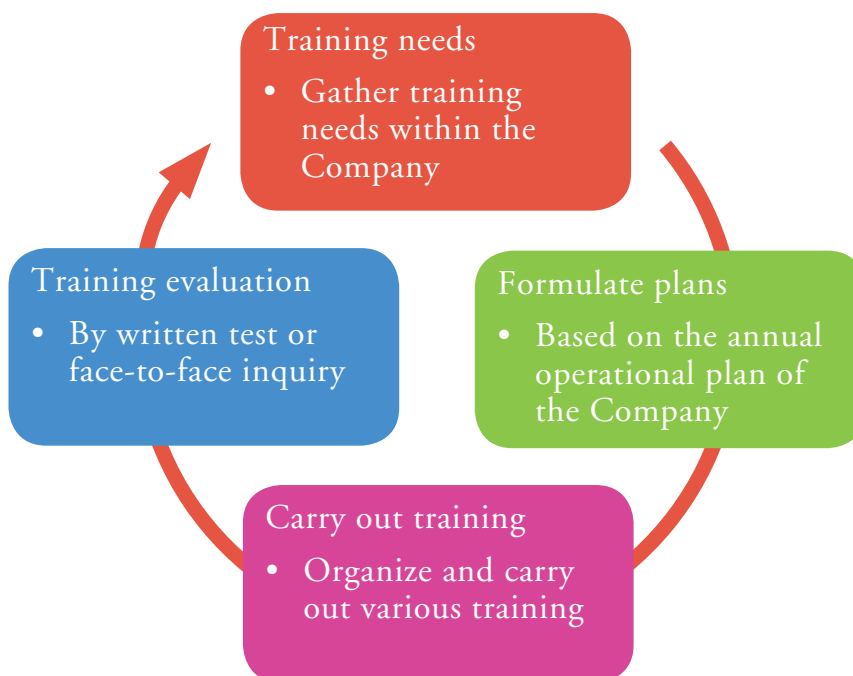
The Company uses a diversified remuneration system with job performance salary as its primary basis. Based on fixed job positions, the job performance salary determines the relative value of the position through evaluation, and determines the salary level with reference to labour market price levels, to ensure both the internal and external fairness of remuneration. On this basis, the Company has developed *Administrative Measures for Technical Grading of Professional Technical Staff*, which entitles engineering and technical staff at technical grade upon appraisal to the corresponding executive-level remuneration, and offers technology innovation incentives to employees. For marketing staff and basic production workers, the *Annual Assessment Approach for the Sales Department* and the *Annual Assessment Approach for Piece-rate Wageare* implemented respectively. An annual salary system applies to senior management in accordance with *Administrative Measures for Performance Appraisal of Senior Management*. We implement a diversified remuneration policy with hierarchical classification in accordance with differences in work nature.



(4) Labour Standards

All work at the Company is voluntary, with no forced, indebted, contract-bound or involuntary prison labour used. All employees are entitled to resign freely upon providing reasonable notice to the Company. The Company does not allow child labour in any of its workplaces. "Child labour" refers to labourers who are under the age of 16 (or the age prohibited by law). The number of working hours does not exceed the maximum stipulated by local laws, to ensure that our employees get enough rest. Employees are also entitled to leave for the reasons of marriage, maternity, bereavement, paternity, breastfeeding and others, in addition to paid annual leave.

(5) Talent Development



In keeping with its business development strategy, the Company provides systematic training to employees. By encouraging their use of spare time for learning, employees' knowledge, skills and quality are improved and their personal development needs fulfilled, enabling them to better meet the Company's operational needs.

To this end, Company training focuses on the areas of common sense, job skills, emergency response, production safety, and party building and integrity. Incentives are also provided in accordance with Company policy. Cumulative staff training time in 2017 was 20.07 hours per person.





As a platform for employees' self-realisation, the Company organises internal contests and group/branch on-the-job training and skills competitions. For example, a "Tianhai Cup" welding contest was held to fulfill the need for innovative new products for the LNG market and to identify, develop and retain talented welders. The well-planned contest consists of two components: theory and practical skills. Training in theory and systematic explanation about welding was provided to over 30 employees of the Company, including welding operators as well as engineers and technicians, and has achieved satisfactory training results. A total of 22 talented welders participated in the contest. This contest has raised our staff's sense of competition, stimulated their enthusiasm for learning business skills, and fostered a favourable atmosphere of respecting knowledge and attaching importance to skilled personnel.



(6) Caring for Employees

Employee Benefits

The Company's labour union organised a "Chinese New Year Caring Activity" to visit selected employees and collect comprehensive first-hand information on any who may be experiencing hardship or long-term diseases and injuries. As a result, visits were made to 75 key production and technical staff and employees and 15 retired employees deemed to be experiencing difficulties, and 17 key labour models, employees in extreme difficulties, employees on long sick leaves, returned overseas Chinese and their spouses, targets of the United Front and retired old cadres. A total of 358 dried fruit gift packs were also given away to diligent migrant workers.



As a relief from the heat of summer, the Company delivered cool drinks to frontline staff members. During Chinese New Year, on the Lei Feng Memorial Day on 5 March, and on the founding day of the Communist Party of China on 1 July, the Company provided mobile phone screen protectors, key duplication, sewing, blood pressure measurement, body weight and height measurement, blood sugar testing and other services to over 200 employees. All staff members were also presented with annual passes to the park.



As most female employees are of reproductive age, the Company has proactively created a "mommy room", progressively equipped with refrigerators and other electrical appliances to improve the facilities and aid in breastfeeding. On the eve of International Women's Day, the Company's labour union organised special medical check-ups targeting female diseases for 120 female employees. When two workers were found with malignant tumors, the Company began conducting malignant tumor screening instead of routine checks while granting special subsidies of RMB2,000 to the two afflicted workers.



In addition to the sound social insurance mechanism, the Company provides employees with a housing allowance, single-child subsidy, milk powder allowance, child-minding and tutoring allowance, heating allowance and other benefits. Also, the Company has made contributions to renew the in-service staff hospital and medical mutual insurance, strengthening mutual assistance and protection and eliminating one cause for employee worry. During the year, Company employees made 37 claims on the mutual insurance and received RMB27,721 in compensation.

Cultural and Sports Activities to Boost Employees' Vitality

The Company regularly organises cultural and sports activities which appeal to employees while fulfilling their social and cultural needs. These activities are designed to provide novelty and diversity and to spark enthusiasm, and are often innovative as a result. The Company also participated in joint performance events organised by higher authorities, with 44 outstanding employee representatives attending. We advocate using mobile apps such as Healthy Steps 121 to encourage employees to exercise. In addition to events organised by higher authorities, the Company held internal activities such as Chinese New Year Fun Activities, "Go Outdoors and Be Healthy" long-distance walk, five-a-side football matches, billiards, poker, chess, table tennis matches, safety knowledge contests, sit-up contests and badminton competitions. During the year, in line with recent trends, we held our first e-sports competition, which was much appreciated by younger employees.

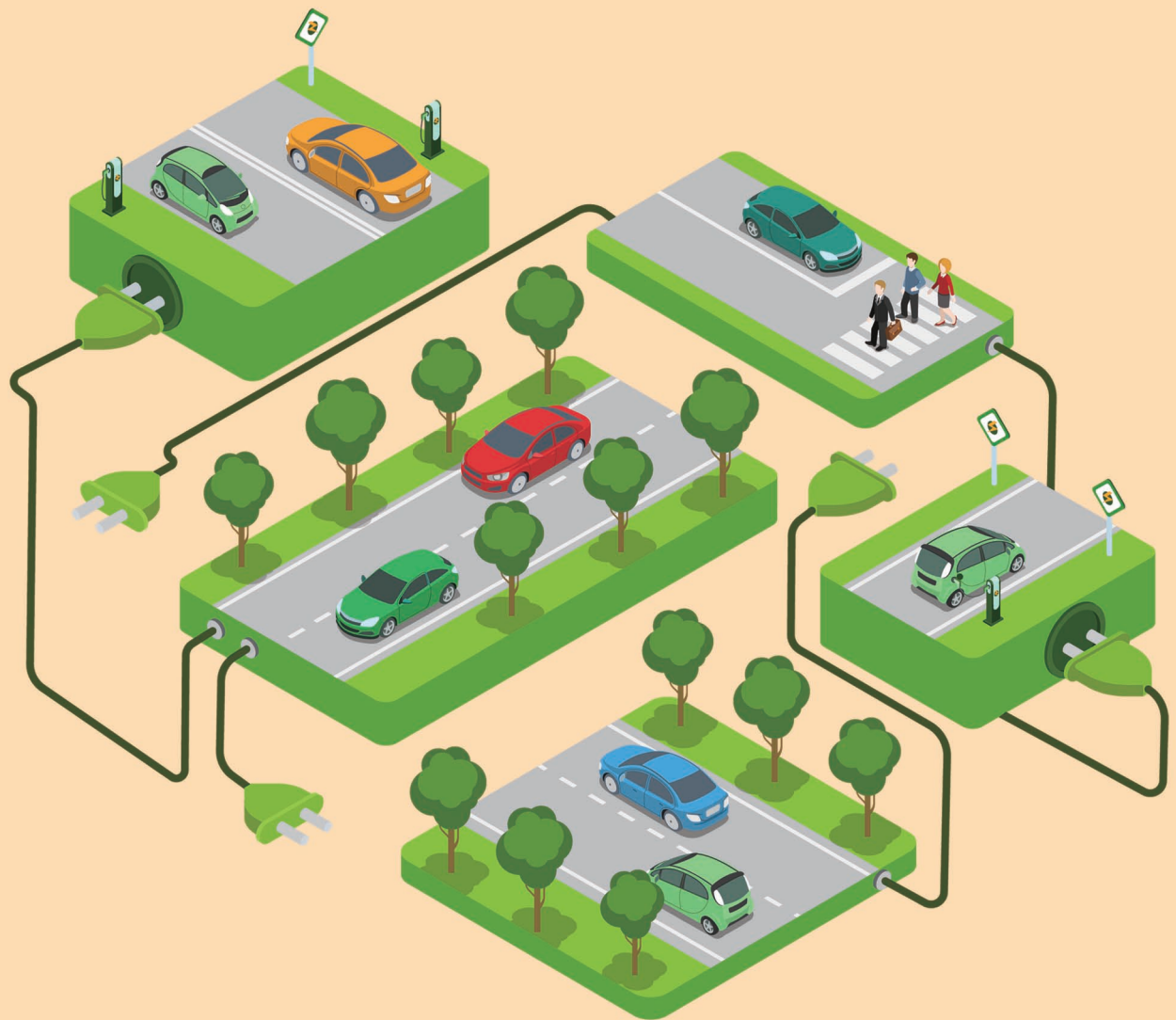


In 2017, the Company continued the assessment and commendation of the labour union's "Building Little Home" activity. Four and 10 branches were recognised as "Advanced Little Homes of Labour Union" and "Qualified Little Homes of Labour Union", respectively. Based on first-hand information obtained from implementation and experience sharing of the "Building Little Home" activity, the Company provided guidance on implementation of the labour union's future work across various branches, as well as effective solutions to issues arising from such work. Along with the assessment of such activity, the Company held forums at different levels to gain insights to employee needs, making a positive contribution to the stability of the workforce.



4. Creating Value

and Contributing to Society



(1) Customer Services

To enhance its connection with customers and understanding of their needs, the Company has established an extensive after-sales system and an after-sales department to provide services in the areas of packaging guidance, repair, information consultation, complaints, and others. During calls received from customers, the after-sales department records the customer's information and then determines a preliminary approach to their issue based on the content of the complaint. Simple guidance on repair can be provided over the phone. Cases which cannot be dealt with on the phone are facilitated with the corresponding handling procedures in accordance with Company regulations. After the completion of each after-sales case, the problem situation, results, responsible department and person, preventive and corrective measures, etc, are all recorded. In 2017, the Company received a total of 601 calls, re-issued 459 certificates and inspection certificates, and handled 142 cases of after-sales services.

The Company makes an earnest effort to correct all product defects in a timely manner. In the unlikely event of a product recall, all affected products are to be handled in accordance with the *Procedures for Handling and Control of Returned Products*. The quality of the Company's products, which are related to car parts, is of crucial importance to consumer safety. Therefore, we are committed to maintaining high standards of quality and assume full responsibility for any accident arising from the failure of one of our products. In response to customer complaints, the Company will establish a task force in accordance with the global 8D problem solving methodology to provide a prompt response, investigate the reasons for the issue, and develop an improvement plan to avoid similar incidents.

Quality Assurance

The Group has established stringent processes and systems to ensure that all its products and services comply with all the relevant laws and regulations, as well as internal rules including (but not limited to) the *Product Quality Law*. The Group's quality policies are: To implement a zero-defect quality management strategy; maintain continuous innovation and improvement; observe laws and regulations, enhance customer satisfaction; provide environmental-friendly, safe, high-quality products and services. The manufacturing facilities of the Group have formulated a quality management system and received ISO9001 and TS16949 certifications.

The Company makes all practical efforts to correct product defects in a timely fashion. In the unlikely event of a product recall, affected products will be handled in accordance with the *Procedures for Handling and Control of Returned Products*. The quality of the Company's products, which are related to car parts, is of crucial importance to the consumer safety. Therefore, we are committed to product quality and we assume full responsibility for accidents arising from the failure of our products.

Upon receiving a customer complaint, we will establish a task force in accordance with the global 8D problem-solving methodology to provide a prompt response, investigate the reasons for the issue, and develop an improvement plan to avoid similar incidents.

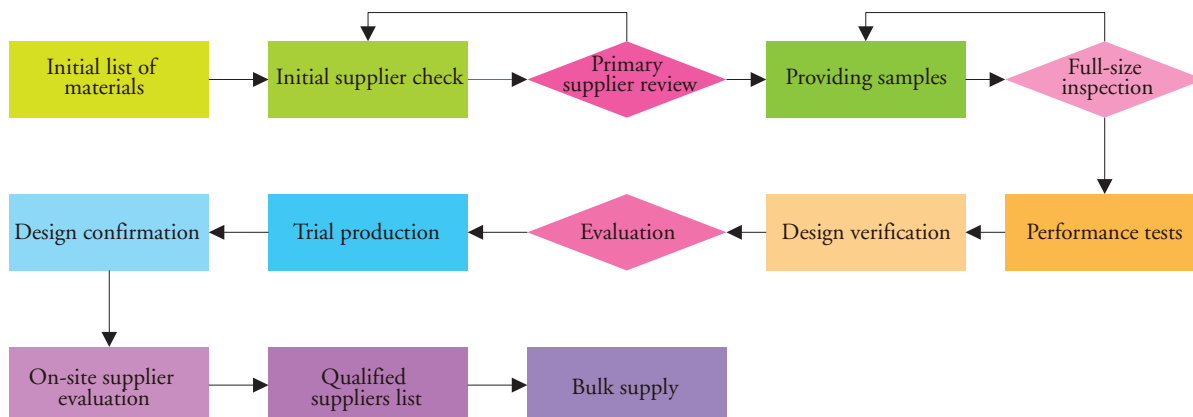
Supply Chain Management

Supplier management

With an aim to maintain its product quality to meet customer needs, the Group has formulated the Control Procedures for Supplier Development and Evaluation to select and evaluate suppliers. All suppliers are required to obtain ISO9001 certification.

Merchandisers conduct initial supplier check and primary supplier review based on the initial list of materials. Suppliers which passed the primary supplier review are required to provide samples for full-size inspection and performance tests. Small-batch pilot production will be conducted for those samples which passed the tests. A confirmation of small-batch supply will be issued upon passing the small-batch pilot production. Supplier evaluation will be conducted by the merchandisers, SQE and responsible officers before bulk purchases. Only those suppliers which passed the on-site evaluation will be included in the qualified suppliers list.

For instance, for type III cylinders, a project team was established at the early development stage to carry out primary supplier selection, sample and small-batch tests as well as on-site supplier evaluation. Only those suppliers which passed all procedures were included in the qualified suppliers list. The Company conducts on-site evaluation of type A suppliers every two years to assure the quality of suppliers. For those unqualified suppliers, we will reduce the procurement volume from them, or even remove them from the qualified suppliers list.

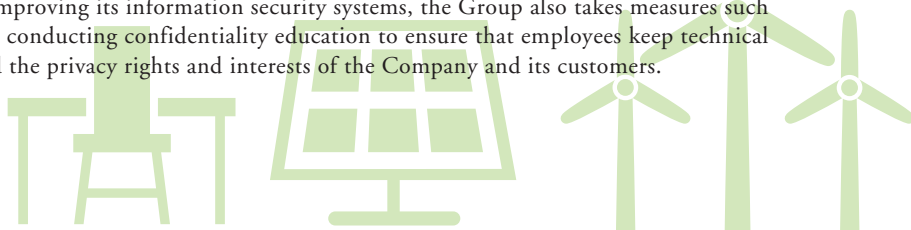


Intellectual Property Protection

The establishment of intellectual property management and protection systems and an intellectual property development and operation strategy has been a powerful instrument for the Company to build competitive advantages and dominate domestic and overseas markets. Through its intellectual property management systems, the Company provides specific instructions to deal with patent application and trademark maintenance and avoid infringement of intellectual property and patented technology, with a view to protecting the Company's brand name. The Company complies with intellectual property laws and regulations, and has enhanced its intellectual property protection in research, development, production, operation and internal management in line with international practice and common standards on technology and economic exchange and cooperation. To protecting its own innovative technologies and brand name, the Company has applied for a number of patented technology and trademark registrations in China and overseas. In China, we have obtained 31 technology patents and one patent pending. Meanwhile, the Company has registered the trademarks of JP, BTIC, etc. in 19 countries, including the European Union, Canada, the United States and Singapore; and 15 self-owned brand trademarks of JP, BTIC, BTCE, etc. at the Trademark Office of the State Administration for Industry & Commerce of the PRC. The Company has been recognised as a "Trustworthy Enterprise" by the Beijing Municipal Administration of Industry and Commerce.

Information Security and Privacy Protection

Information security serves as an important element in protecting internal privacy and customer information. In order to regulate the use and management of computers and network resources, the Company has formulated a *Network Information Security Management System*, *Hardware System Management Regulations*, and a *Project System Work Management System*, which impose strict controls on mobile devices and acts such as divulgence of confidential documents. The Information Centre organises frequent training on information security, use of systems and security protection to enhance employees' skills and awareness. The Company has also developed rules and systems regarding data backup, anti-virus systems, server room management, prevention of illegal data tampering and system intrusion, and system recovery strategy in abnormal situations, with an aim of ensuring smooth operation of the server room and proper storage of key data. In addition to improving its information security systems, the Group also takes measures such as supervising the procurement process and conducting confidentiality education to ensure that employees keep technical and trade secrets confidential and safeguard the privacy rights and interests of the Company and its customers.





Operating an Honest Business

The Company and its subsidiaries have always attached great importance to resisting corruption and doing business honestly. In accordance with the “Work Plan for Establishing and Perfecting a System for Punishing and Preventing Corruption for 2013-2017” of the Central Committee of the Communist Party of China, the Implementation Measures for the Implementation of the “Work Plan” of Beijing Municipality, the Implementation Regulations for the Implementation of the “Work Plan” of the State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing Municipality and the Implementation Plan for the Implementation of the “Work Plan” of Beijing Jingcheng Machinery Electric Holding Co., Ltd. and based on actual situation of the Company, the Company has strengthened the establishment of the system for punishing and preventing corruption, promoted the party building and anti-corruption, and formulated a total of 14 regulations and systems, including the Implementation Plan of the 2013-2017 Work Plan for Establishing and Improving the Corruption Punishment and Prevention System and the Interview System for Construction of Incorruptibility adopted by Beijing Tianhai Industry Co., Ltd., to prevent bribery, extortion, fraud and money laundering. In 2017, a total of 11 senior management members participated in 440 hours of integrity education training. Senior management, cadre personnel, personnel with business disposal rights and party branch secretaries are required to sign a “Letter of Responsibility for Construction of Incorruptibility” every year, with a total of 147 letters signed in 2017. During the same year, cadre personnel and personnel with business disposal rights attended one work meeting for the construction of incorruptibility and received four hours of integrity education from personnel of the Supreme People’s Procuratorate. A team has been established specifically for annual inspections of incorruptibility for the Company’s departments and subsidiaries.

Contribution to the society

In order to disseminate the green concept, respond to the call of the country for environmental protection, and fulfill the requirements of the Party Central Committee on strengthening the construction of ecological civilization, the Company actively organized and participated in “Be a Green Pioneer for Volunteer Tree Planting”, a volunteer

tree planting and conservation campaign in Beijing, and built a green wall in Inner Mongolia, Zhangjiakou, Hebei Province and other regions in the cold and sandstorm.



Voluntary blood donation is not only an obligation and responsibility of every citizen, but also an act of caring for others and contributing to the society. The Company’s subsidiaries actively motivated their employees to participate in blood donation activities organized by the Beichang Community Center of Jiudi Town, Shanghai to contribute their part to the community.



In view of the intensifying air pollution, the Beijing Government has given priority to the air quality improvement with a focus on PM2.5 (fine particles) as a major livelihood project. As a state-owned enterprise based in Beijing, the Company actively fulfills its social responsibilities. With extensive experience in natural gas storage and transportation equipment and filling station construction, Beijing Tianhai promotes LNG gasification stations to continuously raise the utilization rate of clean energy and significantly reduce air pollution, eventually benefiting the public. Also, the welded insulated LNG cylinders for vehicle provided by the Company have been safely in service in Beijing Public Transport, playing an irreplaceable role in the environmental management in Beijing. In addition, the Company completed a number of hydrogen supply systems for buses during the year, and won the order for type III cylinders for hydrogen fuel cell buses on the demonstration bus routes in the Winter Olympics, contributing the Company’s efforts to the Winter Olympics with a mission of “placing athletes at the center, sustainable development and cost-cutting” and showing the society a good corporate image of the Company.

Appendix: ESG Reporting Guide

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|--|--|---|---------------|
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| A2 Use of Resources | General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials | Fulfilling Green Operational Responsibilities | 14, 15, 18-20 |
| A3 The Environment and Natural Resources | General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources | Fulfilling Green Operational Responsibilities | 14-20 |
| B. Social | | | |
| B1 Employment | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare | The People-Oriented Principle for Harmonious Labour Relations | 26-32 |
| B2 Health and Safety | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards | Fulfilling Green Operational Responsibilities | 21-24 |

| ESG Indicators | | Description | Section | Page |
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| B4 | Labour Standards | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour | The People-Oriented Principle for Harmonious Labour Relations | 26 |
| B5 | Supply Chain Management | General Disclosure Policies on managing environmental and social risks of the supply chain | Creating Value and Contributing to Society | 34-35 |
| B6 | Product Responsibility | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress | Creating Value and Contributing to Society | 34-35 |
| B7 | Anti-corruption | 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 | Creating Value and Contributing to Society | 36 |
| B8 | Community Investment | General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests | Creating Value and Contributing to Society | 36 |