

# 2018 Enterprise Social Value Report

China Electronics Optics Valley  
Union Holding Company Limited

Enterprise Social Value Report 2018 of China Electronics Optics Valley Union Holding Company Limited



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The background features a large, dark blue triangular shape on the right side. On the left, there is a complex arrangement of orange and dark blue geometric shapes, including rectangles and squares, some of which are tilted or offset, creating a sense of depth and architectural structure. In the bottom right corner, there are several horizontal orange lines of varying lengths, stacked vertically.

# An Overview of CEOVU

About the Report

Welcome

Value Proposition

Stakeholder Participation & Materiality Assessment



## About the Report

### Overview

This is the second independent enterprise social responsibility report issued by China Electronics Optics Valley Union Holding Company Limited. (hereinafter referred to as "CEOVU", "Group" or "We"). We have continuously improved and upgraded the content and quality based on the 2017 Enterprise Social Responsibility Report of the Group by adding an enterprise value proposition section to clearly elaborate the value proposition and the way to realize the value, and further improve the reporting system by listing key cases to integrate scattered social value practices into a system. Through the above adjustments, we believe we can improve our ability to further demonstrate to stakeholders the system construction and performance of the Group in environmental, social and governance aspects in 2018.

### Scope

This report has incorporated the performance of the Group in fulfilling its environmental and social responsibilities from January 1, 2018 to December 31, 2018, covering the three main businesses of the Group headquarters and its subsidiaries including industrial park space service business, industrial park operation service and industrial investment. For details of the Group's business, please refer to the 2018 Financial Report of the Group.

### Preparation Standard

This report is prepared in strict accordance with the Environmental, Social and Governance Reporting Guide(hereinafter referred to as "ESG Reporting Guide") set forth in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. According to the requirements of the ESG Reporting Guide, the Group has carried out stakeholder participation activities to invite internal and external stakeholders to participate in Materiality Assessment, and has decided the scope of disclosure covered by this report based on the opinions of the stakeholders.

### Source of Information

The information in this report is sourced from the official system documents, statistical reports or relevant public information of the Group. Financial data come from the 2018 Financial Report of the Group, among which, the monetary amount involved in this report took RMB as the settlement currency unless otherwise specified.

### Report Availability

This report is available in both Chinese and English. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail. Online report or printable electronic report is available in Investor Relations on the company website ([www.ceovu.com](http://www.ceovu.com)); For paper version or any questions or suggestions about the report, please contact the company (Tel: (027)87172095, Email: [esg@ovuni.com](mailto:esg@ovuni.com)).





## Welcome

2018 is the first year to implement the spirit of the 19th CPC National Congress and step into a new era, as well as the key year for CEOVU to achieve steady and high-quality development. During the reporting period, we kept improving the enterprise governance level, took the initiative to assume social and environmental responsibilities, and adopted multiple optimization plans to realize the enterprise social value of CEOVU.

In retrospect of 2018, CEOVU took a global view and proceeded from its own reality to focus on the creation of enterprise social value and adhere to the concept of "Innovation, Coordination, Green, Openness and Sharing", regarding the fulfillment of social responsibility as an important goal of the Group's development: firstly, serving entrepreneurship and innovation. The Group actively responded to and implemented the national strategy of entrepreneurship and innovation to constantly intensify the resource integration, improve the innovation and entrepreneurship service mode, and build a new ecology of joint innovation driven by central enterprises and serving medium, small and micro enterprises. Secondly, building an industrial resource sharing platform to serve the transformation of economic momentum. Based on the lifecycle operation service of industrial agglomeration areas, CEOVU realized the information interconnection between the parks through Internet of Things and Internet technologies to gather various industrial resources such as technical resources, human resources, policy resources, financial resources, etc. and devoted itself to providing CEOVU solutions for industrial upgrading. Thirdly, promoting the energy consumption revolution following the concept of lifecycle operation. In the process of project construction and daily operation, CEOVU actively practiced the green concept through the development of advanced energy-saving science and technology business to vigorously promote the regional energy investment service mode and greatly improve the energy utilization efficiency. Fourthly, enhancing modernization with intelligence and informatization. Technological innovation is the power source of enterprise development and social progress. CEOVU was committed to realizing digital parks and assisting the construction of digital cities by facilitating industrial convergence with parks as the core and investing heavily in Internet of Things technology. Fifthly, promoting artistic innovation and accelerating the integration and development of science and art. The group has long been committed to supporting cultural and artistic undertakings to promote the development of creative cities and fulfill the cultural and public welfare responsibilities of an enterprise.

We must be bold in reform, innovation, coordination and sharing to create more social value for enterprises. High-quality development cannot be realized without reform and innovation. CEC Optics From "Internet +" in 2015 to "Overtaking at corners and making joint innovations" in 2017, until taking the creation of "A leading industrial resource sharing platform in China" as the strategic goal today, CEOVU has demonstrated unremitting pursuit of sustainable development of the Group. Collaborative innovation is to break down barriers of interests, realize resource sharing, achieve unbounded management and cross-border operation, and fully stimulate innovation vitality. CEOVU has always regarded "public recognition" as its development benchmark and taken social responsibility as its own duty to build every project from the perspective of prosperity of the community to contribute to social development and progress.

We firmly believe that great business is the by-product of great goals.

Chairman & President  
China Electronics Optics Valley Union Holding Company Limited



# CEOVU Value Proposition

## Value Proposition

### (1) Persisting social value as the foothold and starting point of enterprise development strategy

CEOVU knows well that mission determines the road and philosophy guides the choice. While creating material wealth, an enterprise shall take the initiative to shoulder related social responsibilities. We believe that enterprises with clear mission and vision, and those with courage to innovate and shoulder responsibilities will definitely manifest more stable and lasting growth. Only enterprises breaking the inherent recognition that "righteousness" must be sacrificed in exchange for profit, or "profit" must be sacrificed in exchange of "righteousness", and those integrating "society" and "value" into a high degree, can retain the motivation for sustainable innovation and development, get the reason for continuous progress in the future, and attract more outstanding talents with ideal social values to work together.

### (2) Seeking sustainable development is the most important for enterprises

Seeking sustainable development is the most fundamental guarantee for enterprises to promote social economy and increase employee benefits, as well as the top priority of CEOVU. Facing the uncertain economic environment, CEOVU has firmly implemented the transformation and reform strategy and sought to realize sustainable development of the enterprise. After four years of active exploration and unremitting efforts from 2015 to 2018, the company has gradually developed from a professional industrial park development and operation group to a builder of "innovative ecology" and "industrial resource sharing platform" to form a methodology system of "systematic planning" and "comprehensive operation" and a coordination mechanism of the whole industrial chain, in accordance with the new development concept and the idea of "seeking change in steadiness and progress in change".

### (3) The highest form of corporate return to the society is culture

Culture is the key element to promote social and economic development, and the soul and brain of a country. Whether culture is thriving or stagnant is directly related to the innovative vigor and vitality in the global competition of a city. In order to truly open up a road for the vigorous development of cultural and creative industries, CEOVU has raised culture and art to the height of "making life for the city" to repay society with culture and feed back to the city by gathering and agitating the cultural and creative elements scattered in different corners of the city to provide opportunities for the city to reach the possible civilization height in the future in its own unique way, expand the space for the future prosperity of art and create more conditions for high-quality dissemination of art.



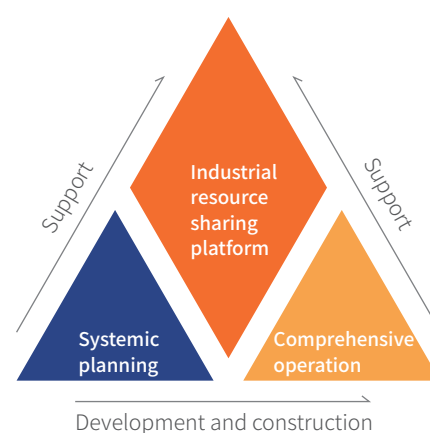
## Way to Achieve Value

### (1) One Platform and Two Methodologies

The "Industrial resource sharing platform" is to share industrial resources to enterprises, units and individuals in need through a platform to generate an enabling effect and form a value superposition.

The methodology of "system planning" is to unify various specific plans of the company to realize the integration of multiple plans and provide valuable solutions for customers by means of system planning, which is an important magic weapon for CEOVU to adjust measures to local conditions, explore economic development in different regions, solve industrial agglomeration and promote industrial upgrading.

The methodology of "comprehensive operation" is an overall industrial park operation system based on information intelligence and industrial value chain business, consisted of park investment promotion, management, operation and service, which is the "key move" to realize value fission.



### (2) Three Integrations

CEOVU adheres to the strategic thinking of "integration of industry and city, integration of military and civilian, integration of science and art" to actively integrate into the electronic industry resource system of China to strive to exert the wisdom and strength on a wider career stage.

Integration of industry and city is an important way to realize high-quality development of regional economy in the new era. Based on its own advantages in space development, CEOVU adheres to the multi-discipline integration of "strategic planning, industrial planning, spatial planning and operational planning" and the centralized allocation of industrial resources, follows the rules of industrial agglomeration, and realizes future-oriented planning through prospective layout based on the existing transportation resources and enterprise resources of the project.

CEOVU keeps up closely with the national strategic requirements, combines the functional positioning and economic development requirements of regions, and unswervingly takes the new path of military and civilian integration development by giving full play to the advantages of industrial resource agglomeration, innovating cooperation modes and building a shared and efficient space service platform to push the integration of military and civilian towards a wider range, a higher level and a deeper degree to strive to open up a new situation of deep development in the integration of military and civilian in the new era.

CEOVU has been engaged in the spread of culture and art to actively explore the feasibility of empowering innovation and inheritance of traditional culture with science and space to strive to play an important role in promoting the integration of culture and science and enhance the development of cultural and artistic undertakings.

### (3) Collaborative Innovation Mechanism

The essential characteristics of collaborative innovation are cooperation and innovation, breaking professional boundaries and organizational boundaries, giving full play to the synergistic effect of various professional capabilities and resources, varying over time and creating greater value for the rapid growth or transformation and upgrading of enterprises via mutual cooperation, supplement and promotion, common development, common innovation, co-existence and common prosperity.

### (4) Cultural Achievements

CEOVU initiates cultural undertakings by taking the initiative to assume social responsibilities, advocating to "spread contemporary art to the masses" and actively exploring the approach to integrate artistic activities into urban life by setting up art galleries and holding art exhibitions. With four years of efforts, Hubei Creative Harmony Gallery affiliated to CEC Optical Valley has gained expanded influence and become an important platform to promote the integration of science and art and facilitate the construction of creative cities, as well as an important way for CEOVU to create social value.

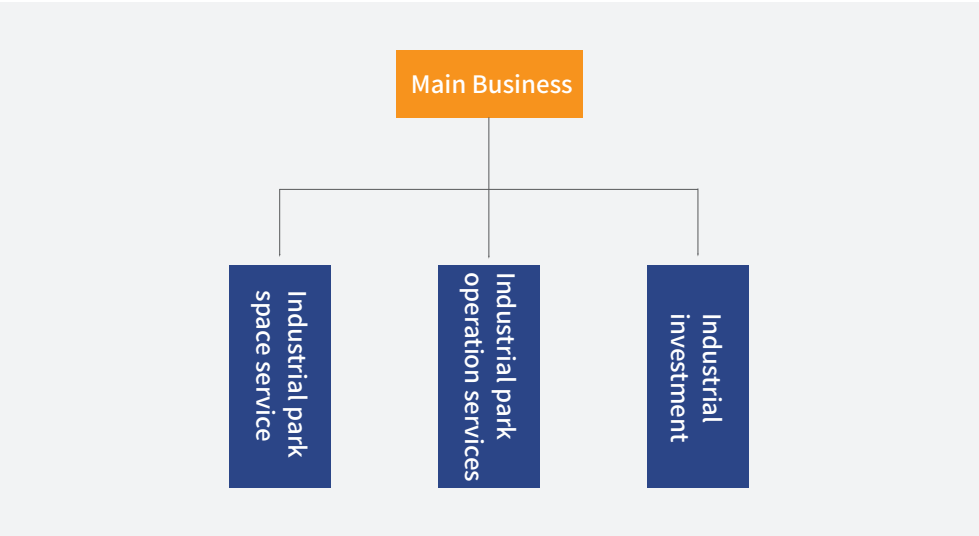


# Social Value Management

## (1) Business Overview

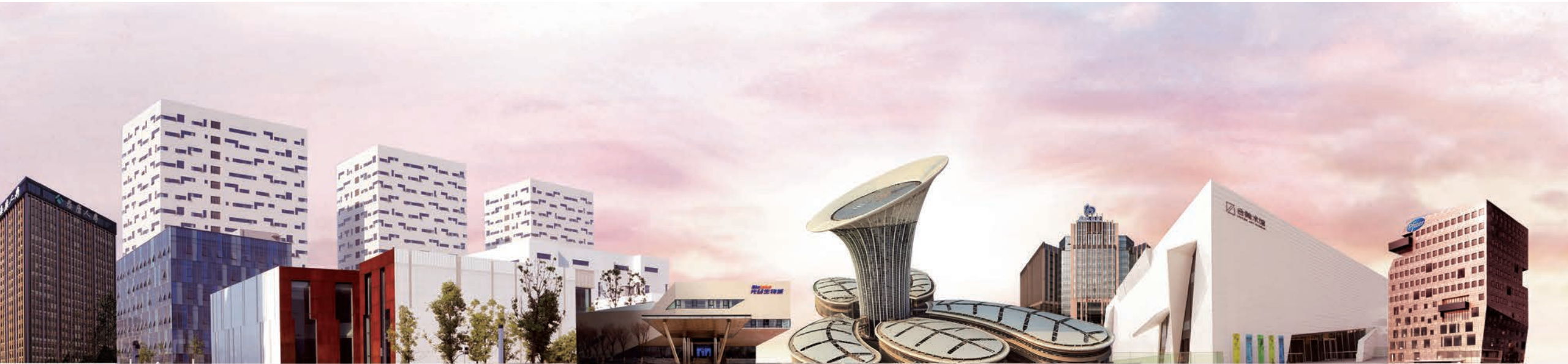
China Electronics Optics Valley Union Holding Company Limited (Stock Code: 00798.HK), referred to as CEOVU, was listed on the Main Board of the Hong Kong Exchanges on March 28, 2014.

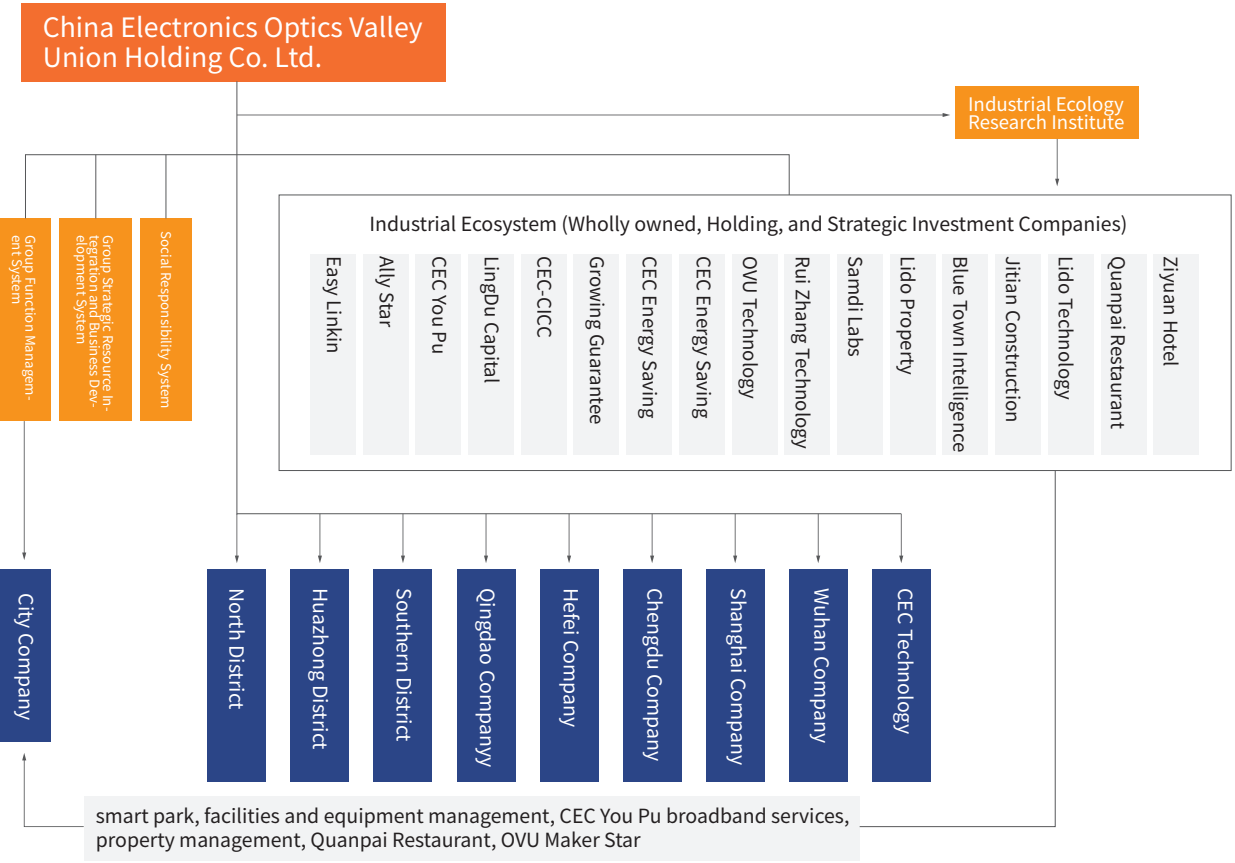
Adhering to the planning concept of "integration of industry and city, integration of military and civilian, integration of science and art" and the coordinated symbiosis concept of "production, life and ecology", CEOVU relies on the national strategic, basic and guiding industrial chain resources of China Electronics Corporation (hereinafter referred to as "CEC") such as network security, new display, integrated circuit, high-tech electronics and information service. On the basis of the professional services and intelligent park system that operate throughout the life cycle of the industrial park, the company lies emphasis on the industrial directions of information technology, financial service, intelligent manufacturing, scientific innovation, health care, integration of military and civilian, etc. to serve various innovative and entrepreneurial entities including medium, small and micro enterprises, build a new carrier of "central enterprises driving and serving the joint innovation of medium, small and micro enterprises" to finally form an industrial resource sharing platform integrating production resources of space, talent, technology, capital and market with the core of the upstream and downstream industrial chain resources of CEC.



The group's main business consists of three parts

- Industrial park space service (including industrial park space sales and rental services)
- Industrial park operation services (including design and construction service, property management service, energy service, intelligent park service, incubators and shared office service, park financial service, group catering and hotel service, real estate marketing agent, apartment rental, sport and entertainment service, etc.
- Industrial investment (equity investment business related to industries in theme parks)



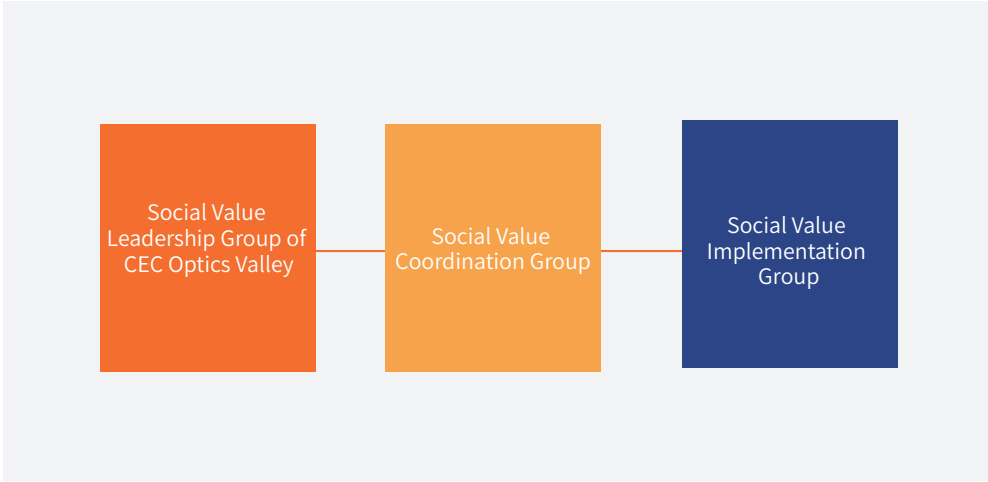


Organization Chart of CEOVU

As of December 31, 2018, the Group had held 39 wholly-owned subsidiaries and 13 holding companies. The development and operation of the Group's industrial parks have spread into 26 important cities, of which 15 are national central cities to realize national layout.

### (2) Social Value Management Concept

Enterprise social value has become a development mode, competition mode and management strategy of an enterprise, as well as an important way to improve the core competitiveness. As the main body of the market, enterprise social value lies first in providing consumers with high-quality products and services. Moreover, enterprises shall abide by laws and regulations, highlight humanistic care, focus on environmental protection, persist in energy conservation and emission reduction, develop circular economy, be enthusiastic about public welfare undertakings and promote social harmony. CEOVU takes "innovation, coordination, green, openness and sharing" as its corporate social value management philosophy and regards social value as an important part of the enterprise strategy, keeps social commitments, actively cultivates new momentum of economic growth to make positive contributions to the industrial development of regional cities and the adjustment of economic structure of China.



Social Value Management Framework Chart

### (3) Social Value Management Framework

- As the social value leader and decision-making body, Board of Directors of the Group shall be responsible for formulating and reviewing the social value strategy and objectives of the Group to promote and supervise the implementation of relevant work plans, review and issue annual social value reports.
- Secretariat of the Group's Board of Directors shall be responsible for implementing the resolutions of the social value leadership group to coordinate, communicate and supervise the progress of specific work, organize the preparation of the annual social value report, and constantly promote corporate social value concepts and culture to internal employees and external stakeholder groups.
- Relevant functional centers and subordinate units of the Group shall be responsible for implementing the work deployment of the group seriously, performing their respective duties in the field of social values earnestly, developing the capacity building of social values actively, and assisting the leadership group in completing the information collection and compilation of social value reports.

### (4) Risk Management and Internal Control

Based on the interests and expectations of various stakeholders, the Group is committed to improving the enterprise governance level to establish and actively improve risk management and internal control systems. The Group identifies non-financial risks such as environment, occupational health and safety, human resources management, integrity and compliance through research and interviews, and regularly organizes departments to carry out self-evaluation and review on business processes and quality to formulate timely solutions to problems and defects found. By means of risk assessment, norm setting, communication and internal supervision, the Group has established an internal supervision and control system covering the management level to all business process levels. In 2018, the Group continued to improve the risk management and internal control system through the implementation of annual risk assessment, internal audit function assessment and special internal audit of internal audit departments to further improve the management level and risk prevention capability of the Group.





# Stakeholder Participation & Materiality Assessment

## Communication Mechanism of Group Stakeholders

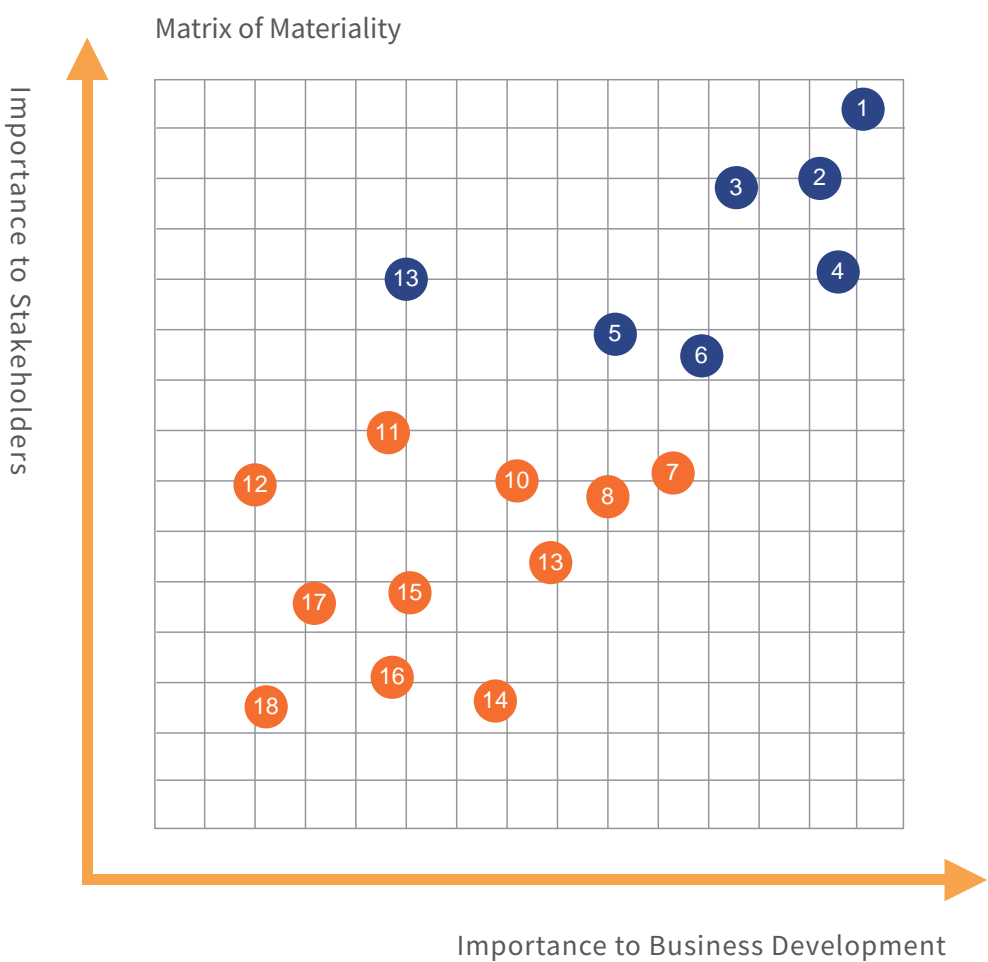
The Group attaches great importance to the communication with stakeholders and is fully aware of the importance of timely understanding of their demands and expectations for our objective examination on the environmental and social impacts of business development as well as reasonable planning and evaluation of the sustainable development of the Group. According to the characteristics of different stakeholder groups, we fully listen to the opinions and feedback of relevant parties in daily operations and make timely responses.

Stakeholders	Demands and Expectations	Communication and Response
Customers	Protection of customer privacy High quality products and services Business integrity Ensuring compliance management	Applying innovative technology and standard process Improving product and service quality Optimizing internal control and risk management Perfecting customer communication mechanism
Employees	Protection of legal rights Employee career development Compensation and benefits Healthy and safe work environment	Setting up labor union Improving talent training mechanism Competitive salary and welfare Intensifying occupational safety management
Investors and Shareholders	Financial performance Sustainable profitability of enterprises Protection of rights and interests Perfecting corporate governance	Improving profitability Strengthening market value management Holding general meeting of shareholders Regular reports and information disclosure
Government and Regulators	Responding to national policies Abiding by legal supervision rules Operating and paying tax Promoting employment	Adjusting innovative development strategy Accepting investigation and supervision Intensifying anti-corruption and integrity construction Actively participating in regional co-construction
Suppliers and Partners	Win-win cooperation Open and fair Achieving common growth	Improving supplier audit management mechanism Standardizing access mechanism Strengthening supplier communication
Industry Associations	Fair competition Promoting industry progress Elevating industry management level	Improving research and development capability Participating in industry discussions and communication Sharing operation experience
Communities	Protecting community environment Devoting to social welfare Building harmonious community Promoting community development	Fully practicing green operation Carrying out social welfare projects Actively participating in community co-construction Providing high-quality cultural resources



Materiality Assessment of 2018 ESG Issues

During the preparation of enterprise social responsibility report of the year, we combined the stakeholder expectations with the business development status of the Group, industry characteristics and national policies to make comprehensive evaluation on the importance of the ESG issues through stakeholder communication and industry analysis.



Very im- portant	01	Service Quality and Satisfaction
	02	Project Quality Management
	03	Innovation and R&D
	04	Resource Utilization and Environmental Protection
	05	Intellectual Property Right Maintenance and Protection
	06	Customer Information and Privacy Protection
	07	Participation of Social Welfare Undertakings
	08	Staff Recruitment and Team Building
Important	09	Staff Development and Training
	10	Production Safety and Occupational Health
	11	Supply Chain Management and Sustainable Development
	12	Compliance Management and Anti-Unfair Competition
	13	Protection of Labor Rights
	14	Anti-corruption and Integrity Construction
	15	Customer Satisfaction and Complaint Handling
Secondary importance	16	Water Resource Utilization and Sewage Treatment
	17	Waste Recycling and Treatment
	18	Prevention of Child Labor and Forced Labor

Compared with the results of the materiality assessment in 2017, the ESG issue of 2018 still mainly focused on service quality, product responsibility, employee development, green operation, etc. Adhering to the concept of overall project quality management, the group has built an intelligent service platform, enhanced the service capability of park, and established the subordinate property management, catering and hotel service brands in accordance with strict standards, scrupulously abiding by quality commitments and providing excellent services. At the mean time, the Group took the business philosophy of people-oriented and green operation, highlighted the growth of employees, and followed an environmental-friendly and harmonious development path. The Group put all ESG issues as the priority management objectives, upgraded and optimized the management of corresponding sections in 2018.

The Group firmly believes that communication with stakeholders is the basis for sustainable development of the enterprise, and will continue to improve the communication mechanism to promote the continuous improvement and improvement of enterprise social responsibility management.



# Pursuit of Core Values

Topic 1:  
Creating a Carrier for  
Entrepreneurship and  
Innovation to Promote  
Joint Innovation of  
Medium, Small and Micro  
Enterprises

Topic 2:  
Providing CEOVU Solu-  
tions for Industrial  
Upgrading

Topic 3:  
Promoting Energy Consumption  
Revolution to Explore Lifecycle  
Operation Mode

Topic 4:  
Building Intelligent Application  
System to Serve Intelligent City  
Construction

Topic 5:  
Supporting the the Develop-  
ment of Art Industry to Promote  
Soft Power of Urban Culture

## Topic 1:



Scan for more information

### Creating a Carrier for Entrepreneurship and Innovation to Promote Joint Innovation of Medium, Small and Micro Enterprises

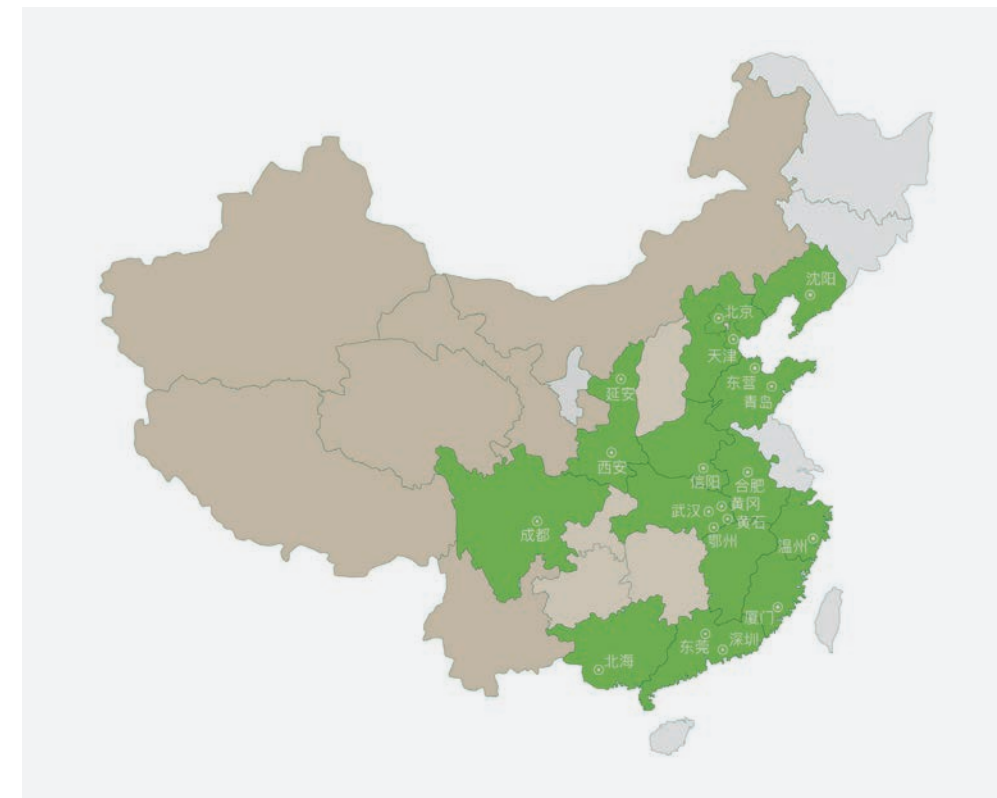
In 2018, the Group shouldered the mission as a central enterprise to actively respond to the call of the Chinese government to "carry out the innovation-driven development strategy in depth" and "promote high-quality development of innovation and entrepreneurship", constantly strengthen the integration of resources and improve the innovation and entrepreneurship service mode; Starting from the advantages in industrial space carriers and industrial resource agglomeration, the Group links all resources to actively construct a new carrier of "central enterprises driving and serving the joint innovation of medium, small and micro enterprises" with the attitude of "openness" and "sharing".

#### 1.Sharing Office Connecting All Resources for Entrepreneurs

During the reporting period, CEOVU, through its controlling subsidiary Wuhan OVU Technology Co., Ltd. (hereinafter referred to as "OVU "), laid out a scientific and shared ecology. With the network of theme parks around China and in-depth knowledge of the industry accumulated over the years, CEOVU set up a resource convection platform for various industries from an industrial perspective, striving to promote cross-regional and comprehensive characteristic shared office services:

- Efficient space service: providing innovative, low-carbon and environmental-friendly public office space for start-up teams and companies to share low costs and optimize the sustainable development of the industrial ecological chain by improving space utilization rate;
- Industrial link service: breaking the space constraint to create a cross-regional resource sharing platform for small and micro enterprises by virtue of the multi-regional city layout of the Group and OVU by taking the industrial chain and industry commonness as the starting point;
- All-factor enterprise service: establishing a service system cored by all-round development of enterprises to introduce as many as 120 suppliers' stationed service platforms covering all aspects of the industrial chain to provide diversified services for settled enterprises;
- Circulation port of industrial resources: exerting the industrial characteristics of easy construction, replicability and high degree of standardization to provide channels for the comprehensive development of regional industrial economy and the exchange of regional industrial and economic resources;

- Assisting industrial cultivation from point to plane: exerting the carrier function of "mass entrepreneurship and innovation" to export leading operation mode and management operation experience of entrepreneurship and innovation to regions with relatively weak industrial atmosphere and accelerate the development of medium, small and micro enterprises;
- Implementing more regular construction thoughts: combining with the characteristics of different regional environments or industries to explore and practice their unique development modes, and carry out characteristic park-driven development, characteristic industry-driven development, science-led development and industry-led development.
- Adhering to the entrepreneurial service activities, and try to internationalize the entrepreneurship and innovation exchange. In 2018, 82 offline activities were held, covering more than 500 start-up projects and benefiting 12,000 entrepreneurs. With the resource connectivity of the Group and OVU, more enterprises and entrepreneurs will benefit.



OVU National Layout





OVU · Creative World South Station



OVU Interior View

As of December 31, 2018, the Group had set up 33 OVU sites in 17 cities across China, covering major cities and providing 397,000 square meters of business space to attract more than 800 innovative startup teams and serve more than 20,000 people. OVU has been awarded multiple qualifications including 3 national incubators, 7 national-level mass entrepreneurship spaces, 1 national-level advertising industry incubation base, and more than 50 other provincial and municipal-level qualifications. In 2018, it was listed among the Top 50 Incubators in China, and won a series of heavyweight awards such as "2018 Netease Excellent Ecological Partnership" and "2018 Municipal College Student Entrepreneurship and Incubation Demonstration Base". Moreover, in addition to the layout of major domestic provinces and cities, OVU looked overseas in 2018 to cooperate with leading international technological innovation cities such as Silicon Valley in the United States, Calgary in Canada and Helsinki in Finland to establish contact sites and new form of international shared office service network.



### International Activities

In 2018, OVU established three overseas contact sites in Silicon Valley in the United States, Helsinki in Finland and Calgary in Canada, and undertook the construction activity of Wuhan Overseas Talent Station. As the only organizer in Hubei Province, it undertook the Entrepreneurship and Innovation Swiss Week sponsored by the National Development and Reform Commission to bring the brand of OVU to Europe.



Signing Ceremony of Wuhan Overseas Talent Station

OVU Silicon Valley Station



Sino-Finland International Venture Capital Project Road Show

### Collaborative Activities

OVU practiced the collaborative innovation ideas of the Group to link the industrial resources such as CEC and CEOVU. In 2018, it tried to make contact with resources in larger group systems by hosting CEC Port |2018 "Open · Linkage" (China Tour) Industry Matchmaking Symposium and Ningbo Project Investment Matchmaking Special Event, which initially established a sound cooperation relationship and laid the foundation for further practicing collaborative innovation and borderless business.

### Case Sharing: Entrepreneurial Event, Cooperative Undertaking --- An Optics Valley • Phoenix Tree Gathering

In 2018, OVU, as one of the main organizers, built an entrepreneurship, investment and financing platform with Wuhan municipal government and subordinate departments, namely, "Optics Valley • Phoenix Tree Gathering" to assist start-ups in contacting investors and creating an atmosphere of innovation and entrepreneurship of Optics Valley. OVU organized and hosted four 2018 large-scale Phoenix Tree theme roadshow activities, which attracted a total of more than 100 candidates on site, screened and carefully trained 40 enterprises, helped to contact over 200 investment and financing enterprises and agents to promote the financing cooperation of start-ups, shared rich and cutting-edge entrepreneurial resources both at home and abroad and enjoyed the entrepreneurial feast.





### Case Sharing: Red Dream Weaves Entrepreneurship in Yan 'an --- Yan 'an Red Dream Technology Incubation Base

OVU joined hands with Yan 'an High-tech Zone to create an entrepreneurial service brand of "Red Dream" incubation base, which adopted the operation and management mode of "government + enterprise". In the first phase, the incubation base covered 25,000 square meters in area and was consisted of Mass Entrepreneurship Space, Incubator and Accelerator to attract high-tech entrepreneurs to weave and fulfill their dreams Yan' an red highlands. By setting up a perfect venture capital system with the incubation base, OVU introduced 20 well-known financial strategic partners to establish cooperative partnerships, held more than 20 activities such as "Red Dream Weaves Entrepreneurship in Yan 'an", and held a "Red Dream Weaves Entrepreneurship in Yan 'an" brand conference during The 3rd Silk Road International Expo to promote the mass entrepreneurship and innovation in Yan' an, and accelerated the transformation and development of enterprises to strive to become a model combining innovation and entrepreneurship with the new era of CCP while supporting the development of Yan' an red old revolutionary base area. Moreover, the incubation base jointly established scientific research bases with Xi 'an Jiaotong University, Chang 'an University, Yan 'an University, etc. to provide scientific research, entrepreneurship and achievement transformation platforms for university researchers and entrepreneurial teams.



Red Dream Achieves Successful High-tech Zone "High-tech Cup" The 3rd Yan' an Youth Innovation and Entrepreneurship Competition



Photo of the OVU Marathon



### Case Sharing: Mass Innovation, Connecting Future --- Xiamen Venture Capital Event

On September 14, 2018, the first Xiamen "Connecting Future" Venture Capital Event was held by OVU and Xiamen CEC-OVU Incubator Co., Ltd. (hereinafter referred to as "Xiamen OVU") as the main contractors in the Venture Building of Xiamen Industrial Technology Research Institute. Under the background of the macro strategy of innovation and entrepreneurship, Xiamen OVU built a bridge of communication between venture capital organizations and entrepreneur teams in the "Connecting Future" Venture Capital Event.

Xiamen OVU will set up a special venture fund of RMB 1 billion in the future to focus on supporting the venture projects related to Internet of Things and smart life, and continue to explore Xiamen local high-quality innovative venture projects to further build an "industry-university-research investment" entrepreneurship and innovation industry resource sharing incubation platform integrating space, service, incubation, scientific research and marketing by means of incubation guidance, financing service, project roadshows, etc.



Site of Event



### Case Sharing: Creating an International Innovation and Entrepreneurship Agglomeration Demonstration Zone

In September 2018, CEOVU and OVU took a stake in Shenzhen CEC i-Valley operation Innovation Co., Ltd. (hereinafter referred to as "CEC i-Valley"), proposing to build an international intelligent hardware innovation and entrepreneurship demonstration zone in Huaqiang North District jointly with China Electronics International Information Service Co., Ltd. (herein after referred to as "CECIS") based on the current emerging science and technology industry and extended by the integration and application of intelligent hardware, intelligent industry and intelligent innovation. In 2018 CEC "i+" Innovation Contest Finals hosted by CECIS, CEC i-Valley held an unveiling ceremony and played a promotional film, marking the official launch of the CEC i-Valley project and its determination to become a new link between Huaqiang North and the world, as well as a model benchmark for industrial upgrading and innovation and entrepreneurship in Futian District.

### Aprilia Technology Cooperation Exchange Conference

On November 15, 2018, "CEC i-Valley --- Aprilia Technology Cooperation Exchange Conference" was held in Shenzhen Futian District Electronic Technology Building.

Aprilia is the first region in Europe to set up a nanotechnology center. The CECIS, CEC i-Valley and Aprilia Technology Cooperation Exchange Conference laid a sound foundation for more advanced technologies from Italy to connect Futian resources. Aprilia Region was proposed to set up a Sino-Italian Advanced Technology Innovation Center in CEC i-Valley to carry out further cooperation in the transformation of technological achievements, the contact of industrial resources, the exchange of talents and the introduction of technological projects between the two regions. CEC i-Valley will become a bridge for technological exchanges and cooperation between China and Italy, as well as a bearing platform for cooperation between Aprilia innovation and domestic industrial resources to create greater value for the development of Futian District and Shenzhen city.



CEC i-Valley --- Aprilia Technology Cooperation Exchange Conference

### Sino-German Intellectual Property Exchange Conference

On December 10, 2018, CEC i-Valley hosted the "2018 CEC i-Valley China-Germany Intellectual Property Exchange Symposium & Conference on Intellectual Property Rights Protection in the Background of German's Industry 4.0".

Themed by "Intellectual Property Rights Protection in the Background of German's Industry 4.0", the event invited experts at home and abroad to share the latest information in the field of intellectual property to build a bridge of cooperation between China and Germany in intellectual property. The event promoted Chinese technological enterprises to strengthen the protection of their intellectual property achievements for their technological achievements after this exchange, so as to make their technological achievements more widely applied in the world to create greater value .and assist the industry in Futian District to climb up to the high end of innovation value chain.

CEC i-Valley will continue to strengthen its capabilities for international service in the fields like intellectual property rights protection, legal consulting, patent application, trademark registration, copyright registration and so on, to promote the transformation of intellectual property achievements into reality for enterprises settled in CEC i-Valley by means of patent technology introduction and high-value patent exploration to provide more professional services and assist in the industry transformation of Huaqiang North in Futian District of Shenzhen!





CEC i-Valley 2018 Sino-Germany Intellectual Property Rights Exchange Conference

## 2. Providing healthy financing channels for medium, small and micro enterprises and start-ups

The financing difficulty is a common problem faced by start-up enterprises and medium, small and micro enterprises to hinder their development. CEC i-Valley actively assisted the national entrepreneurship and innovation strategy to solve the financing difficulty of medium, small and micro enterprises, set up Wuhan Lingdu Capital Investment Management Co., Ltd. (hereinafter referred to as "Lingdu Capital") in 2015, and participated in the establishment of CEC-CICC (Xiamen) Electronic Industry Equity Investment Management Co., Ltd. (hereinafter referred to as "CEC-CICC") during the reporting period.

CEOVU kept strengthening the synergy and collaboration between Lingdu Capital and CEC-CICC to broaden vision and stimulate vitality to make full use of CEOVU industrial resources sharing platform to provide all-round health financing services to start-up enterprises, medium, small and micro enterprises.

### Lingdu Capital

As a professional investment organization under CEOVU, Lingdu Capital is headquartered in Wuhan with liaison offices in 30 cities across China, including Beijing, Shanghai, Shenzhen, Qingdao, Hefei, Shenyang, Chongqing, Changsha and Chengdu. The main business of Lingdu Capital covers private equity investment, mergers and acquisitions, investment and financing docking, investment consulting and venture capital services, and it has established angel investment funds, industrial investment funds and mergers and acquisitions funds in cooperation with multiple governments. By the end of 2018, the total size of the management fund had exceeded RMB 4 billion, completing investment and consulting services for more than 100 start-ups, growth enterprises and listed companies.

Lingdu Capital invests equity in smart city, smart manufacturing, integration of military and civilian, network security and entertainment, and has gradually established a diversified industrial ecology of enterprises. On the basis of deep understanding of industrial ecology and industrial development, it has built a set of growth and M&A methodology running from a start-up enterprise to a listed company, and designed targeted industrial ecology construction schemes to help local governments promote industrial upgrading and transformation.



Site of Outshining Show Event



By virtue of the rich industrial factor resources of CEC and CEOVU, Lingdu Capital has unique core competitive advantages and is committed to providing high-quality services to local governments, enterprise groups and start-up enterprises in following aspects:

- Equity Investment:** Centered on five national strategic emerging industries of smart city, smart manufacturing, integration of military and civilian, network security and entertainment, Lingdu Capital has invested in seed round, angel round and Pre-A round of innovative enterprises in the early, middle and growing stages.
- Industrial M&A:** Under the model of "listed companies +PE", Lingdu Capital helps enterprises and local governments to carry out industrial M&A to provide professional services in M&A strategy formulation, M&A scheme design, M&A negotiation and transaction, M&A integration, financial management, organizational structure and business process reengineering, etc.
- Financial Advisory:** Lingdu Capital provides "one-stop" value-added financial advisory services to provide consultation services such as mechanism adjustment, strategy sorting, management improvement, financial optimization, industry integration and international expansion for the development and growth of enterprises.
- Industrial Consultancy:** Lingdu Capital provides industrial consulting services to local governments and enterprise groups on the basis of sorting out the industrial development paths and transformation modes of local governments and enterprise groups to assist all parties in building industrial ecological funds and rapidly implementing industrial transformation and industrial upgrading by opening up primary and secondary markets.



Some Enterprises Invested by Lingdu Capital

CEC-CICC

In order to seize the opportunities of electronic information technology and related industries to invest in emerging electronic industries such as semiconductor design, industrial control chips and internet of things, grasp the change trend of related industries and lay out the development pattern of the industry, CEC-CICC has established CEC-CICC (Xiamen) Intelligent Industry Equity Investment Fund (hereinafter referred to as "CEC-CICC Fund"). The fund size in the first phase was no more than RMB 5 billion, and was closed for the first time in mid-August 2018 with the size of RMB 2.821 billion. The fund made full use of the industry layout and network resources of CEC to focus on the upstream and downstream enterprises in the electronic information technology industry chain, grasp the opportunities under the medium and long-term electronic industry changes and industry development trends, and invest in technological innovation enterprises with competition barriers and innovation enterprises with sustainable business models. By the end of 2018, CEC-CICC Fund had completed two projects totaling RMB 281 million in equity investment, with investment targets involving high-end intelligent manufacturing and big data medical services.

CEC-CICC Fund		
Investment centered on the upstream and downstream electronic industry in China	Mixed ownership reform projects of CEC	Outstanding enterprises of CEOVU
Investing related enterprises in integrated circuit/Beidou navigation/communication and exiting through listed companies of CEC	Mixed ownership reform of CEC internal enterprises participating in the investment	Digging up outstanding enterprises in the park and striving for returns on capital appreciation



Investment Case: Focusing on Health Care Big Data

In response to the call of China government, CEOVU pays close attention to the development of small and medium enterprises in the field of health care and has made active plan. At present, the layout enterprises include Shenzhen Jiumingzhu Information Technology Co., Ltd. (hereinafter referred to as "Jiu Ming Zhu") invested by funds under Lingdu Capital and MedBanks Network Technology Co., Ltd. invested by CEC-CICC Fund.

Founded and invested by Sanjiu Enterprise Group, Jiu Ming Zhu adheres to the gene of massive health industry of Sanjiu Group to focus on the position of "a provider of comprehensive solutions for medical informatization, producer and user of medical precision big data, and building enabler for medical and health cloud service platform" to build a new ecology of intelligent medical care in an all-round way.

The subordinate all series smart medical /HIT product line and healthcare cloud service platforms have been successfully applied to 10,000 users of regional health and large, medium and small medical institutions across China, covering 20,000+ physicians with 100 million visits per year and 700 million + visits for accumulated medical big data, and are expanding at a high speed.

In 2017, Jiu Ming Zhu was once again awarded a new round of strategic investment by China Electronic Information Industry Group /CEC Industry Fund, the core member of the "National Team for Health Care Big Data", and officially became a member of CEC "modernization of urban governance" industry chain, which further enhanced the strategic height and dimension of Jiu Ming Zhu, and it is rapidly growing into a new ecological leader in smart health care.



Jiu Ming Zhu Yunxing HIS System

MedBanks Network Technology Co., Ltd. (hereinafter referred to as "MedBanks Network") is engaged in the development of clinical electronic databases for tumor patients, patient follow-up system, real-world drug research, clinical trial management services, sales of tumor specific drugs, and optimization of medical institutions/expert organization services. MedBanks Network is committed to building an integrated tumor information platform and anti-tumor ecosystem to serve physicians, patients, pharmaceutical companies and insurance payers. Relying on a powerful data platform, MedBanks Network has set up a professional clinical service team of more than 1,500 staff and established 50 special drug pharmacies nationwide to provide all-round services to physicians and patients.



### Investment Case: Focusing on High Risk Industries and Opening New Chapter of Intelligence and Efficiency

In the traditional aerial glass curtain wall cleaning operation, the employees "spider man" work just relying on a working rope to operate at an altitude of 120 meters or higher, which is inefficient and has a high accident rate. Among the safety accidents in the construction industry, the proportion of falling from high altitude is close to 50%. For example, only in Beijing, about 10,000 people are employed in curtain wall cleaning, and nearly 40 people die each year, with a mortality rate as high as 4%. Shanghai XRobot Co., Ltd., invested by Lingdu Capital, is a company specializing in the research and development of aerial work robots to provide aerial robot solutions and services for intelligent properties, intelligent buildings and intelligent fire fighting, and is committed to making the world free from dangerous work. At present, the self-developed intelligent aerial work robot is applied to replace arduous, heavy and high-risk aerial work to control the risks of aerial work and ensure urban public safety.

Lingdu Capital invests in the research and development of the project with the anticipation of effectively overcoming the difficulties of the artificial intelligence high-altitude robot project and promoting the technological development and service upgrade of the cleaning service industry.



### Investment Case: Innovating Energy Saving Technology to Facilitate Community Sustainable Development

Lingdu Capital invests in Wuhan Linptech Technology Co., Ltd. (hereinafter referred to as "Linptech") with the aim to improve the current situation that the traditional household industry spends a lot of time, labor and expense on switching and doorbell wiring in advance, and to seek more intelligent and efficient solutions. As a high-tech enterprise holding the core technology of micro-energy collection, Linptech is committed to providing products, basic modules and solutions of smart household/smart building based on energy collection technology. The "passive wireless switching system" product owns full independent intellectual property rights with stable and reliable performance, and is easy to deploy and install, which can bring more flexible design, faster construction and more comfortable application to users. The kinetic energy generator researched and developed by the company is of greatly improved performance compared with the traditional model, and the volume of the whole machine is 40% lower, which can reduce the decoration cost, lift the decoration efficiency, save the decoration materials, lower the energy consumption of household electricity and facilitate the sustainable development of community.





## Topic2:

### Providing CEOVU Solutions for Industrial Upgrading



Scan for more information

As an industrial resource integration platform of CEC and the leading cloud platform for smart parks in China, CEOVU makes full use of its advantages in industrial resource clusters and constantly breaks through itself to connect online and offline industrial resources with Internet + and Internet of Things technologies to build a smart sharing platform for industrial resources. It always keeps in mind the responsibilities of a central enterprise to burst out the enterprise vitality brought about by the mixed ownership reform to facilitate the transformation of local economic industries. By providing the above solutions, it is committed to realizing industrial transformation, upgrading, high-quality and sustainable social and economic development.

#### 1. Building Industrial Resource Sharing Platform with Innovation and Progress



The industrial resource sharing platform built by CEOVU is a cloud platform relying on the industrial advantages in new display, network security, integrated circuits, etc. of CEC as well as the 36 industrial parks and more than 5,100 customer resources throughout China. The platform is based on the lifecycle operation service of industrial clusters to realize the information interconnection between parks and parks, parks and enterprises, enterprises and enterprises through Internet of Things and Internet technology, and brings together various industrial resources such as technical resources, human resources, policy resources and financial resources. Through the Internet platform tools of the industrial resource sharing platform, high-end talents and innovative technologies are linked to solve the problem of shortage of people and technologies in industrial development. Through the introduction of industrial resources on the platform and in-depth integration with local industrial resources, it can not only solve the problem of investment invitation, but also promote the transformation and upgrading of local industries and supply-side reforms, and foster new momentum for industrial and urban development.

After elaborate construction, the Group has formed an ecological system of intelligent manufacturing and intelligent service based on core technologies such as low-power wide-area Internet of Things, Beidou navigation and positioning chip, ultra-high frequency RFID, intelligent control, cloud computing, artificial intelligence, etc., which create conditions for industrial structure transformation and upgrading, technological innovation and deep integration of technological enterprises.

As of December 31, 2018, CEOVU had built 36 industrial clusters in 26 cities across China, laying a solid industrial cluster foundation for building an industrial resource sharing platform.

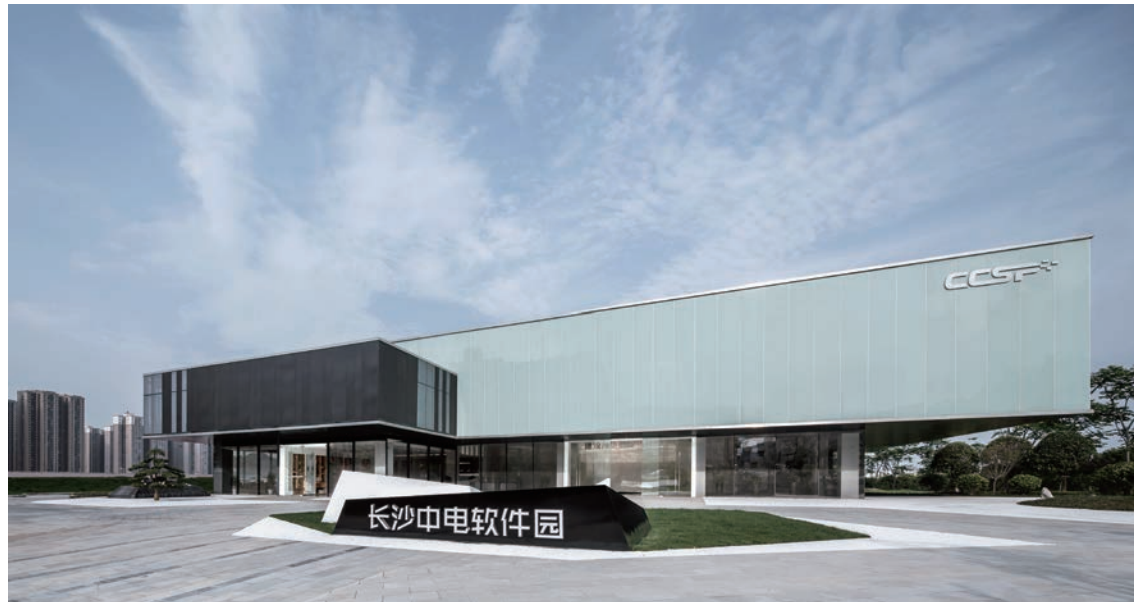


Qingdao Optics Valley International marine Information Port



CEC Information Port (Xi'an)





China (Changsha) Information Security Industrial Park



Ezhou Optics Valley United Technology Town



Shanghai CEC Information Port



Hefei Financial Port



### Case Sharing: CEOVU Industry Resource Sharing Platform Selected as "Typical Case of Shared Economy"

In December 2018, the 2018 China "Internet +" Summit was held sponsored by China Academy of Information and Communications Technology under the joint guidance of the National Development and Reform Commission, the Ministry of Industry and Information Technology and the Office of the Central Cyberspace Affairs Commission, on which CEOVU Smart Industry Shared Cloud Service Platform (i.e. Industrial Resource Sharing Platform) was successfully selected as a "Typical Case of Shared Economy" and incorporated in the China Shared Economic Development Report, indicating the full affirmation of the operation mode and management experience of the industrial resource sharing platform.

The summit aims to thoroughly implement the socialist ideology with Chinese characteristics and the spirit of the 19th National Congress of CCP, focus on the innovative achievements of the in-depth integration of the Internet and the real economy, and deeply discuss the important role and implementation path of "Internet +" in promoting the high-quality development of the real economy.



Site of 2018 China "Internet +" Summit

### Case Sharing: CEOVU Industry Resource Sharing Cloud Platform Selected as "Typical Application Case of Enterprise Cloud Computing"

In the selection activity of "Typical Application Cases of Enterprise Cloud Computing" organized by the Ministry of Industry and Information Technology, the CEOVU Industrial Resources Sharing Cloud Platform was selected and reported by CEC as a typical case to become the only recommended and selected representative of central enterprises.

The selection activity lasted for half a year and was strictly controlled through case collection, case declaration, review at all levels, expert evaluation etc., aiming to implement the Opinions of the State Council on Promoting Innovative Development of Cloud Computing and Cultivating New Formats of Information Industry, the Three-Year Action Plan for Cloud Computing Development (2017-2019) and the Implementation Guide for Promoting Cloud Computing for Enterprises (2018-2020), timely grasp the progress of cloud computing for domestic enterprises, practically promote cloud computing for enterprises and guide enterprises to accelerate the pace of digital transformation.

The enterprise cloud platform independently designed by CEOVU is the product of its active response to the strategy of becoming a manufacturing power and a network power, making full use of new generation information and communication technologies such as big data, cloud computing and Internet of Things to gradually eliminate the technical mode of traditional information room to realize the collection and analysis of large data such as space, business, customers, talents, capital, market, facilities and equipment, and provide convenient and efficient data service and decision support for the internal development of the enterprise. The platform is dedicated to providing one-stop cloud service of industrial resources for cooperative enterprises and realizing efficient contact and collaborative innovation on the upstream and downstream of the industrial chain.

### 2. Mutual Benefit and Win-Win to Facilitate Local Industry Transformation and Upgrading

In 2018, the Group exerted the economic advantages of mixed ownership, continued to thoroughly implement the national strategy of "The Belt and Road " construction and promote the coordinated development of regional economy, deepened the cooperation with the government through various channels, and relied on its own innovative development experience of industrial clusters in multiple cities and regions of China to make use of the policy resource advantages of a central enterprise and the vitality of private economy to make good for deficiency, complement mutual advantages, and assist in the transformation and upgrading of local economy, highlight the important pivots of the "Silk Road Economic Belt" of Xi 'an, Xianyang, Yan 'an, Yinchuan, etc. to drive development with innovation, actively integrate into the national "The Belt and Road" construction; carry out systematic plan and earnest promotion of the industrial poverty alleviation in economically backward regions and ethnic minority regions, excavate and highlight local industrial characteristics, and seek to achieve deep-level and high-quality development of the regional economy.



Deputy Secretary of Hubei Provincial Party Committee and Secretary of Wuhan Municipal Party Committee Ma Guoqiang Inspecting Wuhan Creative World



Chairman and Party Secretary of CEC Rui Xiaowu Inspecting Hefei Financial Port Project



As of December 31, 2018, the Group had established 22 government cooperation projects in 14 cities/regions across China, including 18 professional consulting projects for regional innovation and development, 4 joint construction projects with the government, and another 6 projects under negotiation.



Member of the Standing Committee of Liaoning Provincial Committee and Minister of Organization Wang Zhengpu Leading Delegate to Inspect Shenyang Optics Valley United Science and Technology City.



A delegation led by the 8th Bureau of the United Front Work Department of the Central Committee visited Wuhan Game Industry Building.



Liang Bin, Deputy Director of the Network Security Administration of the Ministry of Industry and Information Technology, Fu Jingguang, Director of the Network and Data Security Department, Fu Jingbo, Director of the Information Center of the Ministry of Industry and Information Technology, Dewen Li, Deputy Director, Zhu Jianfeng, Deputy Director of the Security Department and their party led the investigation of the second phase of Changsha CEC Software Park.



Member of the Standing Committee of Xi 'an Municipal Committee and Vice Mayor Gao Gao and His Party Investigating Xi 'an CEC Information Port.



### Case Sharing: "City Partner" --- Chongqing Shapingba Project

In July 2018, CEOVU and Shapingba District Government of Chongqing jointly established Chongqing CEOVU Science and Technology Industry Development Co., Ltd., with the Science and Technology Innovation Town of Chongqing University as the core to build an innovation demonstration site in Chongqing and strive to turn the University Science and Technology Innovation Town into a new scientific town with wisdom, ecology and humanity. CEOVU, under the role of a city partner, has given full play to its experience in industrial cluster innovation and development in a number of cities and regions across China, made great efforts to explore new paths for industrial development in Shapingba District of Chongqing, fully participated in the upgrading and development of Shapingba District in the fields of economy, industry and innovation, broken the dilemma of industrial economic development in Chongqing, fully explored and highlighted the regional characteristics of Shapingba District, stimulated the vitality of regional innovation, and built a regional innovation network to achieve the objectives of innovation-driven development and industry-city integration development, facilitate Chongqing Science and Technology Innovation Town to become an important strategic fulcrum for the innovation engine of Chengdu-Chongqing urban agglomeration and the development of the western region, and assist the smooth transformation of industrial development in Shapingba District of Chongqing.

The cooperation between the two parties is not only a positive response to the important strategic plan to build a university science and technology innovation city of Chongqing municipal party Committee and municipal government, but also the implementation of the strategic framework agreement for the two parties to jointly build the University Science and Technology Innovation Town. In the future, the two parties will strengthen cooperation in several aspects, including demonstration project building, "Innovation +" ecological construction, university resource integration, essential resource introduction, international cooperation and exchange, brand co-construction and promotion, industrial fund supporting, smart park construction, comprehensive service system, etc. to realize technical innovation by taking the University Science and Technology Innovation Town as the starting point, facing the whole city and radiating to Southwest China.



Signing Ceremony for Co-constructing Science and Technology Industry Service Platform of Chongqing University Town

### Case Sharing: A New Pole of China Integrated Circuits --- Chengdu Core-Valley Project

In October 2018, CEOVU and Chengdu Shuangliu Better City Construction Investment Co., Ltd. (Chengdu Shuangliu District Government Investment and Financing Platform) jointly invested to establish Chengdu Core-Valley Project Development and Operation Company --- Chengdu Core-Valley Industrial Park Development Co., Ltd.. Relying on years of rich experience in urban industrial planning and project planning as well as the professional advantages in building new urbanization benchmark project with large-scale comprehensive industrial park and integration of production and city, CEOVU integrated resources of Shuangliu Better City to promote the development of electronic information industry agglomeration in Shuangliu District, fully drive the focus of urban construction in Shuangliu District to shift to the main center of Yangliuhu City, and promote the leapfrog improvement of production and living environment in Shuangliu Pengzhen Town, Huangshui Town and Jinqiao Town.



2018 International Pan-Semiconductor Industry Investment Summit Held in Chengdu CDiCV

### Case Sharing: Starting Point Serving Silk Road --- Xianyang Starting Point · Technology Town Project

At 9: 30 a.m., July 16, 2018, the "Starting Point · Technology Town" project held a grand commencement ceremony. The project was jointly built by CEOVU and Xianyang Financial Holding Group Co., Ltd. with new model, high standard and high starting point with the concern and support of Xianyang Municipal Party Committee and municipal government,

As a national development zone, Xianyang High-tech Zone is one of the first six national display device industrial parks of China, which is located at the starting point of "The Belt and Road " and the core area of Grand Xi 'an Economic Development Area. As a representative project exporting the comprehensive operation capacity of CEOVU Industrial Park in Northwest China and with the full construction, the Starting Point · Technology Town project means the common recognition of the comprehensive service capability of CEOVU by Xianyang municipal government and all sectors of society, as well as an important step for the development of CEOVU in the Northwest China. CEOVU will fully cooperate with Xianyang Financial Holding Group in practical actions to make full use of the whole industrial chain resources of CEOVU and the advantageous enterprise resources covering the world, and fully invest in the construction, investment invitation and operation of the Starting Point · Technology Town project to turn the project into an important carrier and benchmark project for the industrial agglomeration demonstration park in Northwest China, promote the industrial transformation and upgrading of Xianyang, and facilitate Xianyang to become the starting point city of Silk Road, a dynamic city of innovation, a strong city of development and a leading city of high points.





Scan for more information



An Aerial View of Xianyang Starting Point · Technology Town Project

### Case Sharing: Facilitating Economic Development in Ethnic Regions --- Yinchuan Military and Civilian Integration Project

In December 2018, CEOVU established Yinchuan Military and Civilian Integration Industrial Park Operation Co., Ltd. jointly with Yinchuan state-owned enterprises of Helan County Rongsheng Investment and Operation Co., Ltd. and Helan County State-owned Assets Operation Co., Ltd. based on the Project Cooperation Agreement signed by Yinchuan Municipal People's Government and CEC. CEOVU was entrusted with full responsibility for the operation and management of the joint venture company to provide lifecycle services for the planning, construction, investment invitation and operation of Yinchuan Military and Civilian Integration Industrial Park, promote the industrial agglomeration development of the park through scientific management and professional services, and boost the innovative economic development of Yinchuan ethnic minority areas.



Deputy Secretary of the Ningxia Hui Autonomous Region Provincial Committee and Secretary of the Yinchuan Municipal Committee Jiang Zhigang, Chairman of the Board of Directors and Secretary of the Party Committee of CEC Rui Xiaowu, and other leaders attended the opening ceremony of Yinchuan Military and Civilian Integration Industrial Park Operation Co., Ltd.

## Topic 3:

### Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode

General Secretary Xi Jinping stressed at the meeting of the Central Financial and Economic Leading Group that energy security is an overall and strategic issue related to the economic and social development of China, and the energy production and consumption revolution must be promoted to ensure the energy security of China.

#### 1. Taking District Central Heating and Cooling System as Focus of Technological Innovation to Promote Energy Consumption Revolution

Adhering to the concept of "innovation changes the world, green development drives the future", the Group has made heavy investment in the research, development and application of District Heating and Cooling (hereinafter referred to as DHC) system through its holding subsidiary, Wuhan CEC Energy Saving Co., Ltd. (hereinafter referred to as CEC Energy Saving), focusing on the research and development of energy-saving technology, intelligent control service and new materials to effectively improve energy efficiency and promote the green energy service system through technological innovation. DHC system can effectively utilize the upper energy to collect refrigerant or heat medium centrally, transmit and distribute the refrigerant or heat medium to each single building and the occupants through regional pipe network based on their needs, therefore provides an overall regional energy service scheme for new buildings and existing projects including public buildings, industrial parks and commercial complexes, through comprehensive energy utilization.

Effectively reducing electricity load capacity by 35%, which equals to 800,000 kilowatts based on the estimation of 20 million square meters of gross area in total.

Intensifying land use, reducing floor space of computer rooms, and improving the utilization rate of land resources

Enhancing the building appearance, reducing outdoor hang-up and cooling tower equipment, reducing noise and local heat island effect, and improving the quality and value of building commodities



Being conducive to energy conservation and emission reduction. About 5,000-6,000 tons/year carbon dioxide emission will be reduced per 100,000 square meters of construction area

Saving operation cost. The air conditioning cost of the users will be reduced by about 15%-20% on average

Reducing investment cost. Compared with decentralized air conditioner, DHC system can reduce the system investment by about 20%-30%

CEC Energy Saving is committed to building the leading green regional building energy sharing service platform in China, insisting on the core of operation to coordinate the whole process of DHC design and construction, and innovatively carrying out the service mode of "whole industrial chain and lifecycle". In 2018, CEC Energy Saving completed the research and development of two core products: DHC Energy Efficiency Management System (Intelligent Control System) and Building Energy Consumption Management System (Air-conditioning Energy Metering System), which can carry out real-time health check, hydraulic balance monitoring, global intelligent control, real-time energy consumption monitoring and optimization control on DHC system to improve system COP, greatly reduce energy consumption of air-conditioning system, and lower energy consumption cost of users. At present, CEC Energy Saving has been awarded nearly 40 intellectual property rights in DHC key areas.



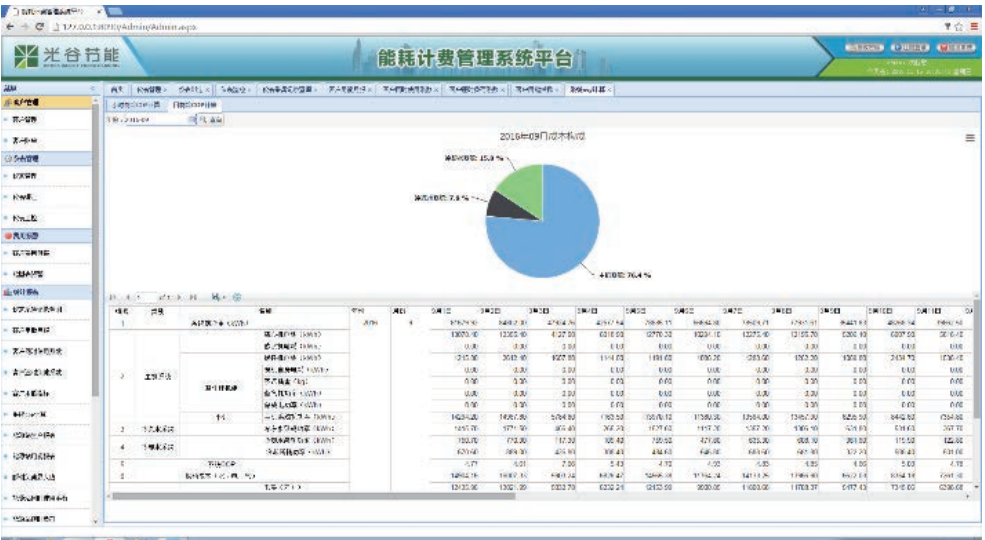
DHC projects the company has invested in or provided technical and energy operation services cover Hubei, Hunan, Anhui, Henan, Sichuan, Chongqing, etc., and the urban project parks include Wuhan Optics Valley Financial Port, Wuhan Optics Valley Software Park, Hefei Financial Port, Beichen Optics Valley, Wuhan Smart Eco-City, Wuhan Future Technology City Start-up Area, Chengdu CDiCV Valley Pilot Area, Luoyang Wealth Center, Wuhan Creative World, etc. In December 2018, CEC Energy Saving set up two subsidiaries, Anhui CEC Energy Saving Technology Co., Ltd. and Chongqing CEOVU Energy Saving Technology Co., Ltd. in Anhui and Chongqing respectively to be responsible for the promotion and comprehensive operation of local DHC business for the Group to further push the energy saving business to the strategic layout over China.

By the end of 2018, CEC Energy Saving Service Project had covered an area of 8 million square meters with more than 600 enterprise users, reducing carbon emissions by more than 400,000 tons, making outstanding contributions to improving the urban ecological environment and promoting the construction of urban ecological civilization with practical actions.

By virtue of advanced intelligent control system, unique technical design advantages and mature operation and management mode, CEC Energy Saving has made the operation cost of DHC reach the optimal level of similar systems in China, attracting a number of relevant government departments and enterprises to visit, exchange and learn.



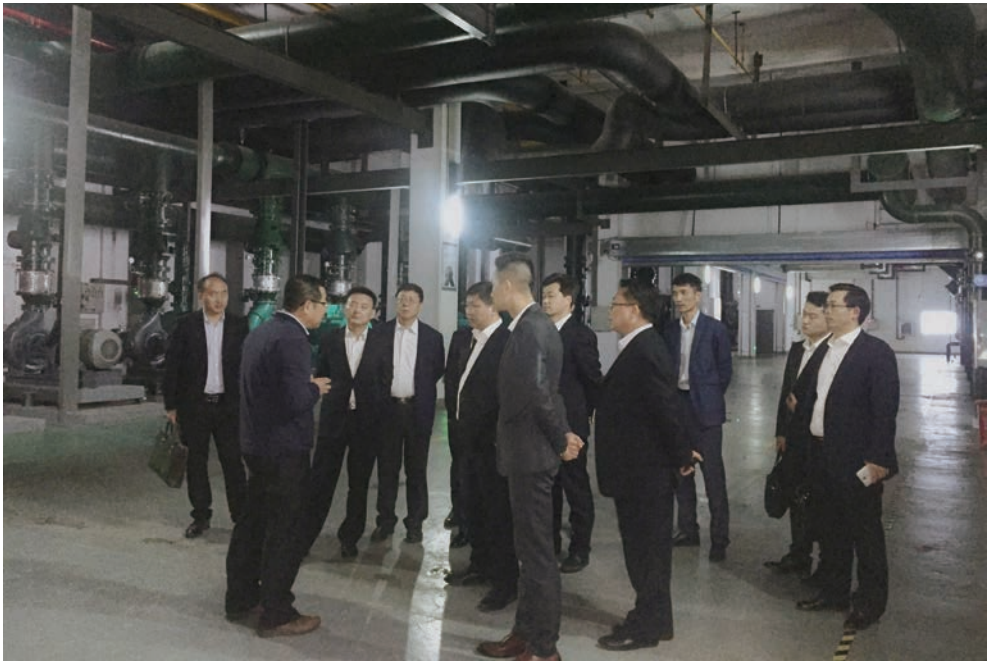
Interior View of DHC Energy Station



Platform Interface Display of Building Energy Consumption Management System



Standing Committee and Executive Vice Governor of Hubei Provincial Committee Huang Chuping, Deputy Secretary of Wuhan Municipal Committee and Mayor of Wuhan Zhou Xianwang and other leaders visiting CEC Energy Conservation Exhibition Center in Creative World.



Chongqing Municipal Leaders and Their Party Visiting the Second Phase of Financial Port Energy Station





Shenzhen Qianhai Energy and its Delegation Visiting Intelligent Control System Diagram

### Case Sharing: CEC Energy Saving Model Winning High Recognition by China Association of Building Energy Efficiency, Regional Energy Professional Committee

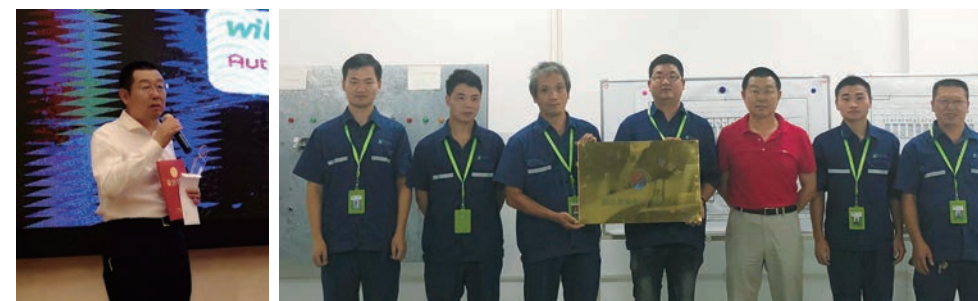
On September 13, 2018, CEC Energy Saving organized the China Regional Energy High Quality Development & Sustainable Operation Summit Forum and CDEA 2018 9th Annual Regional Energy Conference as the designated unit of the regional energy professional committee of China Association of Building Energy Efficiency, Regional Energy Professional Committee. Nearly 150 leaders of relevant departments of Hefei government and regional energy experts, scholars, enterprise representatives from all over China gathered in Hefei Financial Port to discuss the methods and paths of high quality development and sustainable management of regional energy, interpret industry policies, and share the development experience of existing regional energy projects. Qu Bin, Director and General Manager of CEC Energy Saving, was invited to attend the meeting and made a thematic report on "Win-Win and Service" to analyze the current market-oriented operation situation of regional energy (DHC) in China from multiple angles, deeply resolve the attributes of DHC business, and express his views on how CEC Energy Saving can fulfill the DHC project, which won warm applause from the participants.

Cheng Shiman, representative of CEC Energy Saving, made a special report of DHC Operation Service Management. She started from the actual combat experience and personal feelings of DHC operation service in past ten years, and emphasized that operation service management was an important link in the sustainable management of regional energy resources. Over the years, CEC Energy Saving has always adhered to the customer demand orientation, and has built an operation service system supported by production operation, equipment management and customer service, creating a good reputation and customer satisfaction of over 95%.

During the meeting, the China Association of Building Energy Efficiency, Regional Energy Professional Committee awarded Qu Bin, Director and General Manager of CEC Energy Saving the title of "CDEA·2018 China Regional Energy Leader"; Cheng Shiman, head of Customer Service Department, was awarded the title of "CDEA 2018 China Regional Energy Outstanding Young Worker"; Qi Yan, head of Energy Station of Regional Heating and Cooling Center at No. 4 Hefei Financial Port, CEC Energy Saving, was awarded the title of "CDES 2018 China Regional Energy Outstanding Station Head"; and DHC Energy Station of Hefei Financial Port Phase II operated by CEC Energy Saving Investment was awarded the qualification of "China Regional Energy Green Energy Center (Pilot)".



The 9th China Association of Building Energy Efficiency, Regional Energy Professional Committee



Left: Director and General Manager of CEC Energy Saving Qu Bin awarded the title of "CDEA·2018 China Regional Energy Leader"

Right: CEC Energy Saving Hefei Financial Port Phase II Station winning the qualification of "CDEA·2018 China Regional Energy Green Energy Center (Pilot)"



## 2. Large scale Application of Advanced Technology in Space Product Construction to Create Energy-saving Products

CEOVU integrates the concept of green development into the overall planning of the space project, emphasizing the organic combination of space development of park and urban green ecology to improve the ecological and environmental benefits of park and its surrounding areas through reasonable construction site selection and garden greening design, and actively introduces energy-saving and environment-friendly design elements and construction materials to reduce the overall energy consumption of building. In the aspect of architectural design, advanced technologies such as BIM (Building Information Management) and other advanced technologies are fully utilized to realize the effective combination of various resources to the maximum extent, providing strong support for green building.

### Case Sharing: A Flower of Wuhan New Energy --- Institute of New Energy , Wuhan Future Technology Town Constructed and Managed under Consultancy of CEOVU

The building is a key construction project in Wuhan funded by the Wuhan municipal government, constructed and managed under consultancy of CEOVU, realizing unified management, supervision and control during the whole process from planning, design, bidding, procurement to construction. The project fully integrated 338KW solar photovoltaic (polycrystalline silicon) power generation system, 12KW wind power generation system, natural ventilation system and rainwater recovery application system with annual water saving of 12,600 tons into the building to realize the reasonable utilization of natural resources such as rainwater, wind power and solar energy.

In 2015, at the FIDIC 2015 (International Federation of Consulting Engineers) Dubai Annual Conference, the project stood out from 66 projects recommended by 14 countries, including the United States, Britain, China and France, and became one of the 19 winners of the Excellence Award, with its commitment to solving major key technical problems in the development of the new energy industry.

In 2016, The Flower of Wuhan New Energy won the Three-star Certificate, the highest evaluation standard for green buildings in China. In 2017, it won the British BREEAM Excellence --- Three-star Certification.

On August 26, 2018, the Yangtze River Economic Belt special stamp was first released in Wuhan by China Post, and the Institute of New Energy ,Wuhan Future Technology Town was listed on the "National Business Card" for the first time and was included in the min figure stamps.



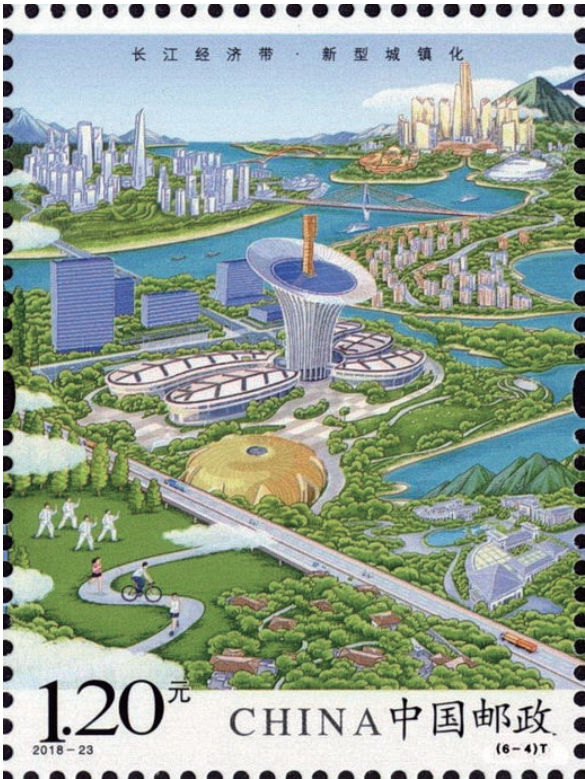
The Institute of New Energy, Wuhan winning the British BREEAM Three-star Certification.



The Institute of New Energy, Wuhan Project winning International FIDIC Excellence Award



The Institute of New Energy, Wuhan winning China Three-star Green Building Award



Yangtze River Economic Belt special stamp Special Stamp of China Post Firstly Issued, and the Institute of New Energy, Wuhan Future Technology Town was listed on the "National Business Card" for the first time and was included in the min figure stamps.



Live View of the Institute of New Energy, Wuhan Future Technology Town



### Case Sharing: CEOVU Architectural Design Institute Co., Ltd. Winning "Best Operation BIM Application Award"

On October 15, 2018, the Hefei Financial Port project (lifecycle BIM application) submitted by CEC Optical Valley Architectural Design Institute Co., Ltd (hereinafter referred to as "CEC Optical Valley Design Institute") successfully entered the 4th International BIM Competition held in Hong Kong and won the "Best Operation BIM Application Award"

Design Institute digitally presents energy, security, monitoring, fire protection and space management before the official commencement of the project to elaborately build green and energy-saving buildings while controlling costs with building informatization means to achieve breakthrough progress in industrial park space development.

CEOVU believes that information management platform will lead the trend of the times and BIM application mode in the lifecycle will boost the industry development. CEOVU Architectural Design Institute will devote itself to the forefront exploration of BIM technology application in the lifecycle, making intensive efforts to create a new green, intelligent and economical industrial model.



CEOVU Design Institute Winning "Best Operation BIM Application Award"



Winning Projects: Hefei Financial Port Project





BIM Design for Block B-29b of CEC (Wenzhou) Information Port



BIM Design for Block B-29b of CEC (Wenzhou) Information Port

3. Control Environmental Management of Construction Projects Firmly and Strictly

The Group attaches great importance to environmental protection, energy conservation and emission reduction, strictly abides by the Environmental Protection Law of PRC, the Environmental Impact Assessment Law of PRC, the Solid Waste Pollution Prevention Law of PRC and other relevant laws and regulations, and has formulated internal regulations and policies such as the Administrative Measures for Low-carbon Green Environmental Protection Construction in Project and the Administrative Measures for Civilized Construction on Construction Site on this basis to continuously improve the environmental protection management system. During the project construction, the Group actively carried out clean production, strictly implemented the project EIA (Environmental Impact Assessment) approval process, analyzed the possible impact on the environment in the project development and construction, defined the environmental protection responsibilities at all levels, and promoted the environmental protection, energy conservation and emission reduction effects of the Group in the construction section of the project to accelerate the construction of high-quality, safe, civilized, green and low-cost conservation-oriented projects. There are no problems in seeking for suitable water sources this year.

<p>● <b>Environmental Impact Assessment</b></p> <p>Assessing the impact of project development on natural and social environment Carrying out environmental impact publicity, and soliciting public opinions to reduce the adverse impact of the project on the environment as far as possible</p>	<p>● <b>Project Planning Management</b></p> <p>Establishing and perfecting a green, low-carbon and environment-friendly construction management system Preparing special green, low carbon and environmental protection construction plan Implementing dynamic management for the whole construction process</p>	<p>● <b>Dust control</b></p> <p>Closure and greening of site Taking dense mesh net covering measures for stacking materials prone to dust Using vacuum cleaner to clean up dust before pouring concrete</p>
<p>● <b>Exhaust Emission Control</b></p> <p>Using transport vehicles that meet the exhaust emission standards All instruments and equipment shall be maintained and repaired by professional companies</p>	<p>● <b>Noise and Vibration Control</b></p> <p>Using low noise and low vibration machines and adopting sound-insulation and vibration-isolation measures Time control for noisy operation Real-time noise monitoring during construction</p>	<p>● <b>Light and Water Pollution Control</b></p> <p>Setting up outdoor lighting lampshade at night Taking shielding measures such as light shed and light angle of control surface for electric welding operation Setting up septic tank and sewage discharge control Setting up secondary sedimentation tank Disposing toxic chemicals</p>
<p>● <b>Soil Protection</b></p> <p>Setting up landmark drainage system, stabilizing slope and vegetation coverage Earthwork backfilling</p>	<p>● <b>Waste Disposal</b></p> <p>Solid waste reduction Recycling of solid wastes Waste sorting and disposal</p>	<p>● <b>Material Saving Measures</b></p> <p>Material loss rate setting Reasonable arrangement of purchasing and inventory Using local materials Placing material damage and spills</p>
<p>● <b>Water Saving and Water Resource Utilization</b></p> <p>Adopting water-saving construction technology Reasonable arrangement of water supply network Establishment of reusable water collection and treatment system</p>	<p>● <b>Energy Conservation and Utilization</b></p> <p>Energy conservation education Developing energy consumption indicators Using efficient and energy-saving construction equipment</p>	<p>● <b>Land Saving and Construction Land Protection</b></p> <p>Reasonable determination of temporary facilities and their land allocation Making full use of the original structures, roads and pipelines Reasonable shortening of transportation distance</p>



#### 4. Pay Attention to Environmental Protection from Subtle Aspects by Garbage Classification

Ziyuan Hotel and Quantai Catering, subordinate to the Group, adhere to the concept of green operation, strive to build a low-carbon and civilized environment-friendly society, strictly abide by relevant national and municipal regulations, and set up internal policies and systems such as Garbage Room Management Policy, Waste Oil Recovery Management Policy and Swill Management Policy, and strictly handle the general garbage and kitchen waste from daily operations in accordance with regulations:

- Storing general garbage, recyclable garbage and kitchen waste by classifications;
- Classifying dry and wet kitchen garbage and storing at low temperature (5°C) for recycle by the Municipal Environmental Sanitation Bureau at designated place on a daily basis;
- Never discharge waste grease into the sewer to prevent environmental pollution and affect normal operation of the sewage discharge system;
- Waste oils and fats shall be separately classified and recycled in sealed containers, managed by special personnel and recorded in ledgers;
- The garbage room shall be equipped with proper drainage system and ventilation facilities to ensure that there is no accumulated water on the ground or obvious peculiar smell in the room;
- The garbage room shall be equipped with high-pressure water gun and garbage can cleaning system;
- The garbage room shall be thoroughly cleaned and disinfected on a daily basis.

#### 5. Advocating Green Office, Mobilizing to Create New Environment-friendly Environment

The Group emphasizes the implementation of "green office" concept, advocates an environment-friendly and low-carbon office mode. The concept of sustainable development is deeply rooted in mind of every staff through the implementation of various energy-saving and emission-reduction measures and the cultivation of green and environment-friendly culture.

The main practices in green office of the Group in 2018 include:

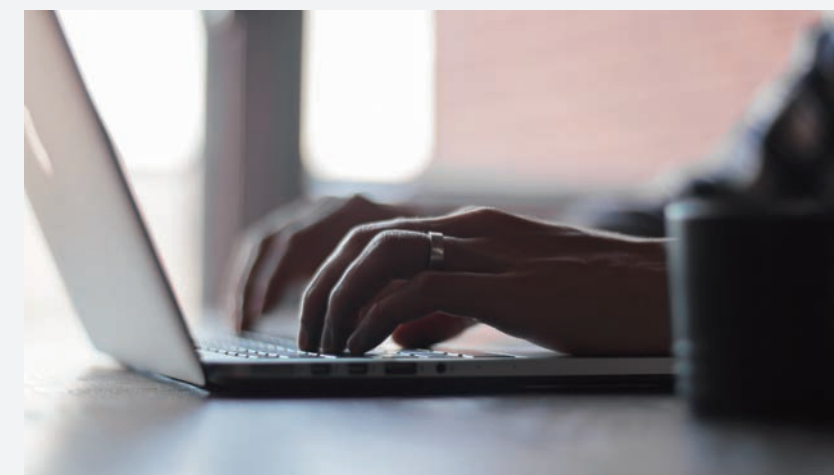
- Using internal staff OA online system to simplify the office process, implement paperless office, reduce energy and resource consumption;
- video conference system to reduce staff travel requirements, decrease operating costs and improve efficiency;
- Standardizing and supervising the use of office electronic and electrical equipment such as computer, printer, fax machine, lighting, air conditioning, etc. to reduce power consumption;
- Using energy-saving and environment-friendly electrical equipment such as LED energy-saving lamp and electronic ballast;
- Using environmental protection and safety materials for office building decoration to ensure air quality and staff health;

- Distributing office paper on quota, printing at double sides, classifying waste paper for recovery of paper mills;
- Using refillable ink cartridges, and waste ones to be recycled by the manufacturer;
- Posting water-saving signs at prominent positions, and installing induction water-saving faucets in some areas in 2018 around the company;
- Formulating strict application and approval procedures for the use of official vehicles to control energy use and exhaust emissions;
- Emphasizing green water conservation, advocating recycling water, using rainwater or recycled water as much as possible for greening; promoting sprinkler irrigation, micro irrigation, drip irrigation, etc., prohibiting the use of tap water pouring irrigation.

#### Paperless Office

■ By the end of 2018, all units of the Group had implemented a paperless office system, with more than 80,000 approval documents circulating in the system and saving 400,000 sheets of paper. Timeliness, accuracy and scientificity of work is guaranteed to reduce grass-roots work manpower, strengthen work efficiency, reduce communication costs for enterprises, and realize energy conservation and emission reduction.

■ As of the end of 2018, the paperless office system had been connected to 145 functional departments of the Group headquarters and related departments of affiliated companies, covering more than 5,400 employees and users of the Group, with an average monthly activity of more than 70%.



2018 Environmental Key Performance Data

Key Indicators	Unit	Consumption / Discharge Amount in 2018	Consumption / Discharge Amount in 2017	Up /Down
SOx	Kilogram	0.27		
NOx	Kilogram	160.91		
Particulate Matter	Kilogram	12.13		
Greenhouse Gas Emissions (Scope 1)	Ton	57.95	40.67	▲ Up 42.48%
Greenhouse Gas Emissions (Scope 2)	Ton	41,082.11	42,983.18	▼ Down 4.42%
Greenhouse Gas Emissions (Scope 1 + Scope 2)	Ton	41,140.06	43,023.85	▼ Down 4.38%
Discarded Ink Cartridge/- Cartridge (Recycled)	Ton	0.27	0.19	▲ Up 42.11%
Discarded lamp Tube and Bulb	Ton	0.87	3.79	▼ Down 77.04%
Total Amount of Hazardous Waste (Waste Ink Cartridge/Selenium Drum + Waste Lamp Tube and Bulb)	Ton	1.14	3.98	▼ Down 71.36%
General Waste	Ton	2, 294.17	2,827.43	▼ Down18.86
Office Paper Consumption	Ton	1.74		
Gasoline	Litre	20, 878.36	14,463.63	▲ Up 44.35%
Diesel	Litre	540.00	576	▼ Down 6.25%
Power Consumption	KWH	45, 575, 889.40		
Electricity Consumption Density	KWH/square meter	19.63		
Direct Energy Consump- tion	GJ	671.29	482.66	▲ Up 39.08%
Indirect Energy Consump- tion	GJ	164, 073.20	162,626.86	▲ Up 0.89%
Total Energy Consumption ( Direct Energy Consump- tion + Indirect Energy Consumption)	GJ	164, 744.49	163,109.51	▲ Up 1%
Energy Intensity	GJ/square meter	0.07	0.07	- Flat
Total Water Consumption	Cubic meter	129, 141.90		
Water Intensity	Cubic meter/ square meter	0.06		

Environmental Data Description:

- The collection time of environmental data covered January 1, 2018 to December 31, 2018. The 2018 environmental data collection scope of the Group included the office area of the Group headquarters as well as the operation parks and property office areas of five industrial parks, namely, Wuhan Optics Valley Software Park, Wuhan Creative World, Wuhan Financial Port, Wuhan Research and Innovation Center and Ezhou United Technology Town.
- The emissions are generated from the consumption of gasoline by the official vehicles of the Group, and diesel by the backup generators and lawn mowers of the park. The main sources of greenhouse gas emissions (Scope 1) are gasoline and diesel consumption mentioned above, while the greenhouse gas emissions (Scope 2) are from purchased electricity. The relevant emission factors are referenced from the Reporting Guidance on Environmental KPIs of the Stock Exchange, and the greenhouse gas emission factors for purchased electricity refer to the Chinese Regional Power Grid Baseline Emission Factors for 2017 Emission Reduction Projects of the Ministry of Ecology and Environment of PRC.
- The types of energy consumed by the company in 2018 included gasoline, diesel and purchased electricity, and the energy consumption factors are referenced from the national GB2589-2008T General Principles of Comprehensive Energy Consumption Calculation.
- General wastes are non-hazardous wastes generated in office areas and public areas of the park, as well as the park greening wastes.
- Part of the increase in the environmental data in 2018 of the Group lied in the increase of the number of enterprises in the park (within the scope of data collection).



## Topic 4:

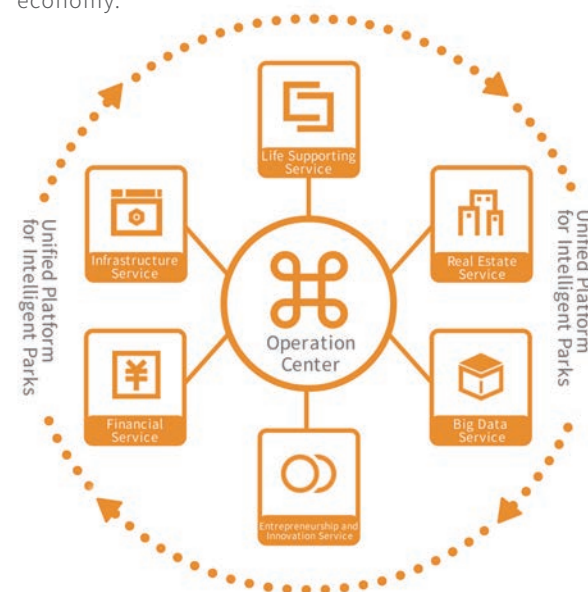
### Building Intelligent Application System to Serve Intelligent City Construction

The Internet of Things is an important part of the strategic emerging industries in China, and a new round of information technology revolution following computer, the Internet and mobile communication. As the vital branch of the new generation of information technology industry, the Internet of Things industry is of great strategic development significance, which is an indispensable area on the road of "Building an Intelligent City" in China, as well as an important part of the "Made in China 2025" strategic plan.

In order to achieve the national objectives of "Made in China 2025" and "Building an Intelligent City", CEOVU adheres to the basic policies of "innovation-driven, quality first, green development, structural optimization and talent-oriented". Under the guidance of the development concept of "overtaking at corner, joint innovation and industrial ecology", the Group takes the Internet of Things technology as a breakthrough point, while making great efforts to promote the intelligent development of industrial park, to take strategic shares in outstanding Internet of Things enterprises represented by Easy Linkin, continuously optimize the service capability of the lifecycle operation, enrich the content of intelligent applications, and form a unique innovative industrial ecological network to coordinate the development of cities, parks and technologies and fulfill the responsibility of sustainable development of enterprises.

#### 1. Technological Innovation to Build Digital Park

Based on scores of years experience in industrial park investment and construction and industrial operation, CEOVU has built a brand-new intelligent park life-cycle service system by the application of new generation information and communication technologies such as the Internet, big data, artificial intelligence and the Internet of Things to provide real estate service, entrepreneurship and innovation service, infrastructure service, financial service, big data service and life support service for enterprises settled in the park. Moreover, it takes the operation of smart park as the core capability to realize the new generation of information technologies such as big data and cloud computing to realize the connection between enterprises in the park, the connection between parks, the physical park and the Internet platform, so as to promote the construction of an industrial ecosystem with related industry leading enterprises and innovative start-up enterprises as dual engines and provide new impetus for the development of urban economy.



#### 1616 service system

- "1" One operation center.
- "6" Six types of professional services.
- "1" One intelligent platform.
- "6" Six core data;
- To build a safe, efficient, convenient and personalized development space for enterprises.



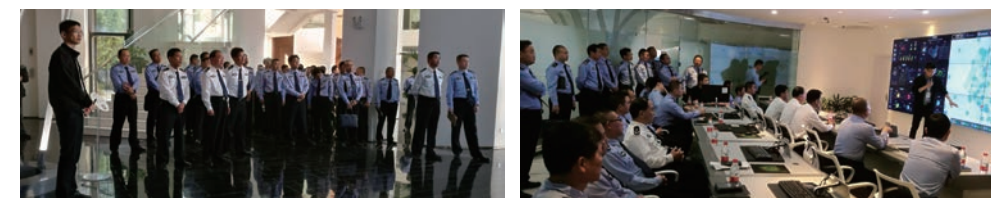
Scan for more information

#### Case Sharing: Laying out Smart Security to Build a Safe Park

On October 31, 2018, about 50 leaders from Wuhan Municipal Public Security Bureau visited CEOVU Creative World to inspect the construction of Smart Peace Park. In the Command and Dispatching Center and the No. 1 High-Rise Office Building, the leadership team carried out in-depth research on intelligent facilities and equipment such as video monitoring, intelligent access control/door magnetism, vehicle management, and Internet of Things sensing, and watched the report-back demonstration of the Creative World Smart Security Park construction. On November 1, the Wuhan Municipal Public Security Bureau issued the official post "First Smart Security Zone Appearances in Wuhan", introduced the construction standard of "Smart Security Zone", and planned to cover 154 economic zones in Wuhan by 2020.

Nearly 800 enterprises registered in Hongshan District in the whole park of Creative World, with more than 10,000 office workers. Joining hands with Wuhan Municipal Public Security Bureau, the Group built intelligent security through big data and Internet of Things technology. It has set up a Command and Dispatching Center in the park to ensure the daily safety prevention and control in the park and unified and efficient dispatch and command against emergencies through such functions as space visualization, real-time situational awareness, monitoring, early warning and alarm and data statistical analysis in combination with video monitoring, access control management, face recognition, parking management, asset management, WIFI probe positioning, intelligent water and electricity meters, etc.

The park has connected the park management and command platform with the backend of police through the Internet and Internet of Things technology for 24-hour real-time data transmission to facilitate the police and park staff to carry out daily prevention and control and to make quick response to emergencies. Furthermore, the intelligent water and electricity meters configured in the park can collect and monitor the running status of the water and electricity supply network in real time through the Internet of Things to accurately analyze the business operation status of the entire park, and realize the intelligent energy management and sustainable operation.



Leaders of Wuhan Municipal Public Security Bureau Inspecting the Construction of CEOVU Creative World Smart Peace Park



Intelligent Management and Command Platform of Creative World Park



## 2. Laying out Intelligent Internet of Things to Open up New Positions for Easy Linkin

Easy Linkin, a subordinate of CEOVU, is dedicated to the research, development and application of low-power wide-area Internet of Things (LPWAN) core technology. The products of Easy Linkin Technology can be widely used in city-level Internet of Things network coverage, vertical application-level Internet of Things proprietary network construction and equipment networking solutions to provide users with easy-to-deploy, low-cost, highly reliable Internet of Things network and vertical system solutions. At present, Easy Linkin has connected more than 90 kinds of terminal sensors from about 70 manufacturers worldwide, and has more than 100 ground application cases in urban, park and vertical areas throughout China, and the project results have been affirmed and promoted by local governments.

In 2018, Easy Linkin took the sense of acquisition, security and happiness of residents as the core, and the realization of intelligent control of community public security as the goal to carry out a series of park intelligence-related projects with many years of actual combat experience and technology accumulation in wide-area IOT technology to provide users with rich terminal products and excellent solutions.

### Ten application scenarios have been completed in market expansion capability



Public Security Bureau,  
Guangzhou



Park, CEOVU



Community Wuhan



Environment,  
Huangshi



Transport, Wuhan



Fire Protection,  
Huangshi



Security and Protection,  
Office Building



Switch,  
Joint Enterprise Center



Construction Site, Science  
and Technology Museum



Electricity Meter, Rural  
Commercial Bank

### Case Sharing: People's Daily Reports Demonstration Project of Easy Linkin: Leveraging Smart Internet of Things to Create "Miracle" of Community Security

On August 21, 2018, People's Daily reported the Optics Valley Ideal City Project in half a page in its 19th Edition, starting from the story of a community policeman Wu Yao to tell the important role of the Internet of Things in the construction of a three-dimensional and safe community.

The report pointed out that with the development of crime from "traditional" to "technical" in recent years, the "Internet +" illegal crime had brought new challenges to the security of residential areas, while the traditional way of security prevention and control could no longer meet the development requirements of the information era. Driven by the requirements of "one standard, three actualities" (stand address, actual population, actual house and actual unit) and "four actual systems" (actual population, actual house, actual unit and actual facility), Wuhan Easy Linkin Technology Co., Ltd., a subordinate of CEOVU, made significant progress in the "pan-public security Internet of Things" field of comprehensive perception of cities for "comprehensive social governance".



Easy Linkin has built a provincial-level low-power wide-area Internet of Things (LPWAN) platform in Hongshan District of Wuhan, with a total of 13 city-level base stations covering an area of 210 square kilometers. In terms of terminal applications, intelligent fire protection, security protection, parking, environmental monitoring, property management, etc. have been realized in parks of Optics Valley Software Park, Wuhan Creative World, Wuhan Lidao Garden and Hubei University of Technology.

### Case Sharing: CEOVU Subordinate Easy Linkin Winning 2018 Most Valuable Internet of Things Enterprise

On October 11, 2018, the annual Canton Tower Science and Technology Conference kicked off in Guangzhou. Wuhan Easy Linkin Science and Technology Co., Ltd. subordinate to CEOVU, was awarded 2018 Most Valuable Internet of Things Enterprise, and Hu Yu, founder and chairman of Easy Linkin, was formally employed as the senior consultant of science and technology industry of Guangzhou municipal government.

The Canton Tower Science and Technology Conference was initiated and hosted by World Expo subordinate to International Data Group (IDG), the world's largest information technology publishing, research, exhibition and venture capital company. The conference was upgraded from AndroidWorld Global Mobile Developers Conference and has reached the 7th session in 2018. In 2017, it was officially written into the work report of Guangzhou municipal government.



Hu Yu, founder and chairman of Easy Linkin, was formally employed as the senior consultant of science and technology industry of Guangzhou municipal government.



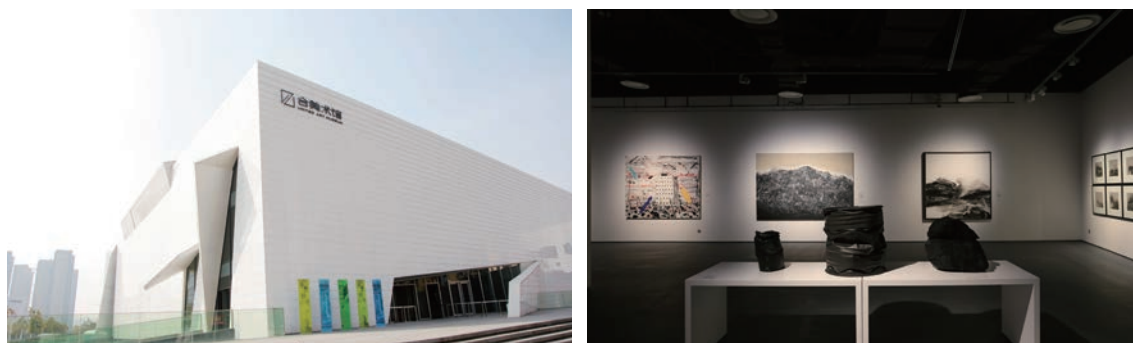


Scan for more information

## Topic 5:

### Supporting Artistic Career to Promote Soft Power of Urban Culture

Hubei Creative Harmony Gallery (hereinafter referred to as the "Harmony Gallery") is a public welfare gallery with independent legal personality established by the Group and directed by the Hubei Culture and Tourism Office. Having been adhering to the concept of "academic, international and pioneering" and the principle of "bringing contemporary art to the mass", it emphasizes case study of artists and supports artistic innovation to strive to establish a new type of art gallery facing the future with ideological influence and artistic dissemination power.



The Harmony Gallery is located in Wuhan Creative World, and is the first public welfare social art gallery in Central China.



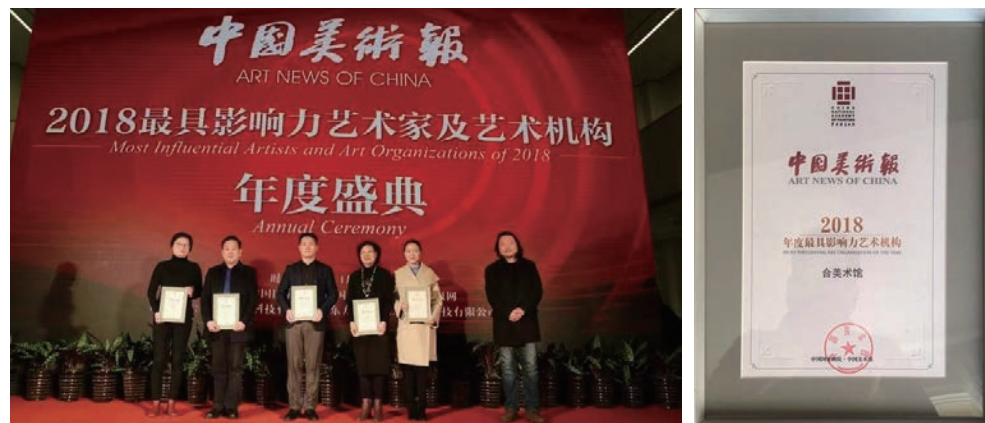
Member of Political Bureau and Minister of the Publicity Department of the CPC Central Committee Huang Kunming and his party visiting the Harmony Gallery

In 2018, the Harmony Gallery won the "2018 Most Influential Art Organization" award organized by the Art News of China, and the curator Huang Liping also won the title of "2018 Top 100 Most Influential Art Figures" sponsored by the 12th China Art Power List Organizing Committee.



Curator Huang Liping winning the title of "2018 Top 100 Most Influential Art Figures" sponsored by the 12th China Art Power List Organizing Committee.





Harmony Gallery winning the award of "2018 Most Influential Art Organization" organized by the Art News of China

Since its opening in 2014, the Harmony Gallery has actively implemented the principle of "making contemporary art to the mass", stressing the importance of interaction and linkage with all sectors of society to achieve the objectives of improving the popularization of public education and serving the mass. The Public Education Department of Harmony Gallery has cooperated with major exhibitions and festivals in recent years to prepare various forms of educational activities for audiences of different ages and knowledge backgrounds, including lectures, performances, workshops, guided tours, screenings, children's art experience activities, etc., seeking to help resolve the obscurity and abstraction of contemporary art and provide methods and platforms for the public to understand contemporary art. The gallery has continuously expanded its public education space, made full use of its collections, exhibitions, academic resources and other resources to carry out public education activities with rich contents and various forms for the public so as to fully demonstrate the social value and public welfare.



Teachers and Students of China University of Geosciences Visiting "Solo Exhibition of Xu Bing"



Children and Parents Attending Opening Ceremony of "Hello, Kids --- June 1 Children's Works Exhibition"



Gallery Volunteers Guiding Children and Parents



Site of Children Attending "Christmas Children's Special Activity"

As a public gallery in urban community, the Harmony Gallery is well aware of its important mission of urban public education and aesthetic education. Since the opening, it has independently organized more than 300 public education events, each with 150-300 audience from different age groups with rich social and knowledge backgrounds. In 2018 alone, the gallery held more than 70 public education activities, attracting the participation and interaction of more than 20,000 art lovers. The activities focus on the integration between professionalism and popularity, and also give consideration to interactivity and interest. Academic lecture is one of the most important public education programs in the Gallery, which mainly aims at adult audiences. Among the guest speakers, there are both senior experts and scholars in the domestic art history field, and artists telling the story behind their artistic creations. In 2018, the Harmony Gallery completed the construction of a digital gallery by adopting the existing information technology platform to set up the museum exhibition guide and public inquiry service system. In response to the increase in the number and the increasing complexity of audience, the gallery promptly launched the "Show you the exhibition" hall tour brand event, inviting curators, artists, experts and scholars of major exhibitions to provide guided tours to the audience in the exhibition hall in combination with the exhibition works. At the same time, we have also cooperated with more than 20 universities and research institutions to establish a stable, sound and efficient teaching practice base for art professionals, effectively promoting the co-construction of teaching platforms in libraries and universities to bring high-quality artistic enjoyment to college students and facilitate the popularization of excellent culture and arts and the precipitation of social humanistic quality.

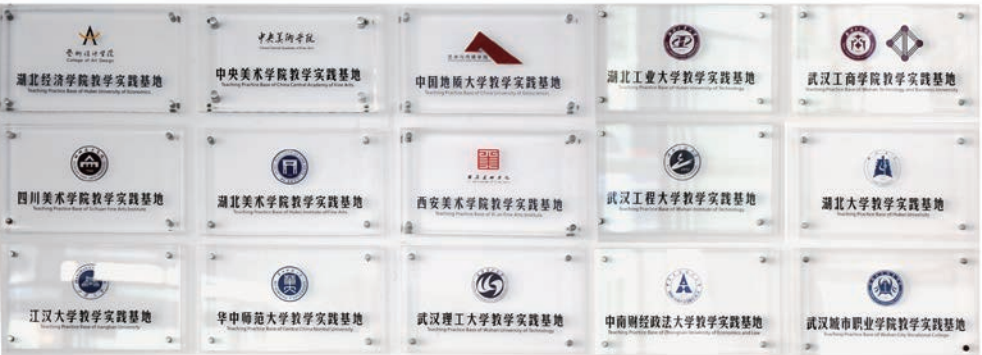




Super Class --- Wuhan City Polytechnic Students Visiting "Solo Exhibition of Xu Bing"



Interactive Answering of Audience with artist Su Xinping, curator Yu Ke and critic Lu Hong in "Dialogue with Su Xinping" Lecture of Super Class.



The Harmony Gallery has established gallery-university cooperation with more than 20 universities and research institutions

Children and juvenile are the key groups in the public education service of the Gallery. Educational activities for children, teachers and parents have gradually developed into the strengths of public education in recent years. A series of June 1 Children's Works Exhibition has been developed, such as the "Albizia Tree 1st Children's Art Exhibition and Charity Auction of 'Love in Cambodia' Children's Works Exhibition, "Hello, Kids 2nd Children's Works Exhibition", and innovative branded children's educational activities such as "Small Super Class", "Children's Copy Works" and "Children's Sketch Activity" have also been launched, amounting to more than 200 special activities and attracting 10,000 children to participate, with the hope of extending the concept of gallery by "children" driving "adults" to attract more participants and thus bring aesthetic education to the social space outside gallery.



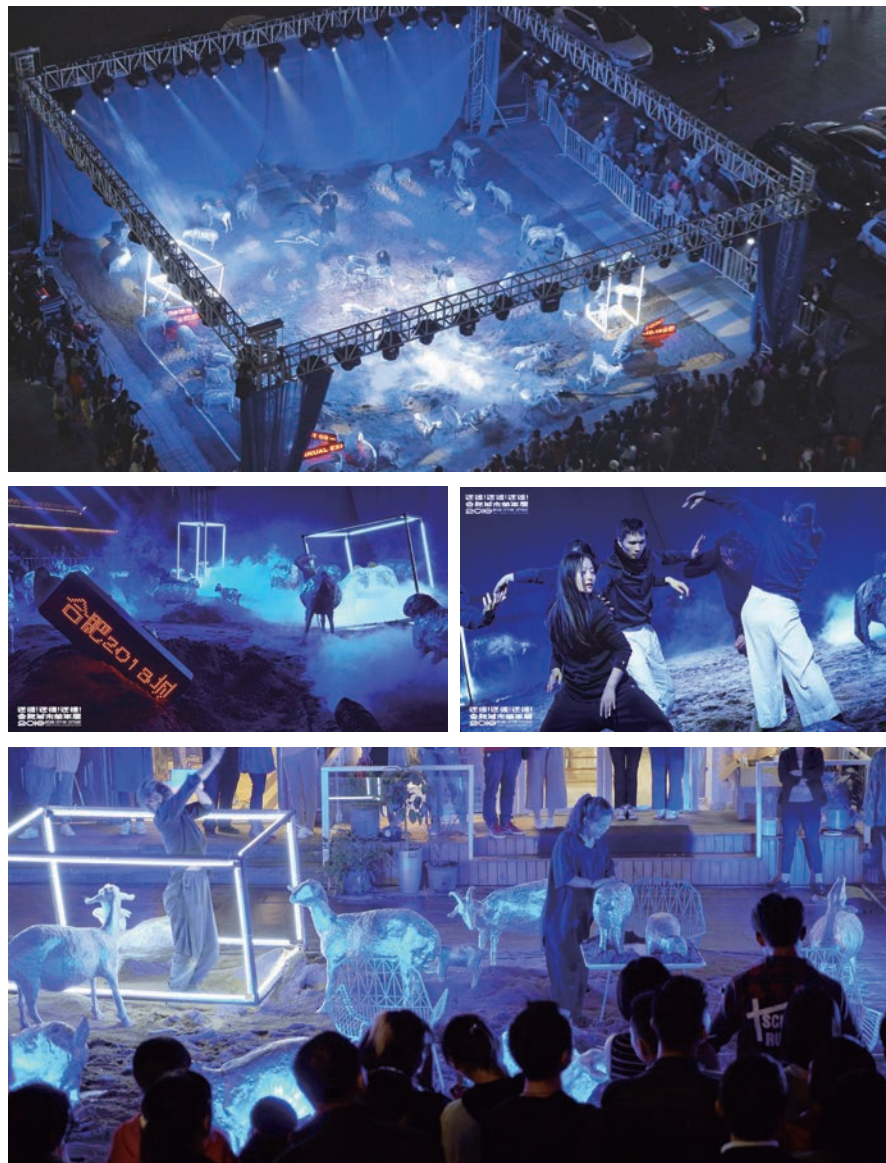
Children Attending "Little Painters" Public Education Activity of the Gallery





Scan for Creative  
Hefei Video

At the mean time, the Harmony Gallery has been committed to bringing contemporary art to the mass, actively exploring artistic activities, and directly entering the communication path of urban life through various public spaces in an interactive manner to play a constructive role in the cultivation of urban innovative culture. The first case is the "Creative Hefei 2018 Urban Annual Exhibition" held in Hefei in October 2018. This is a multi-dimensional cross-border cultural activity mainly taking place in urban public space and covering visual arts, new media, dance, music and other media forms, and focusing on interaction, experience and public participation. The activity has achieved good social response and audience evaluation, improved the relationship between art and the public and stimulated the cultural vitality and creativity of the city. The second case is the "@Wuhan 2018" planned and led by the Harmony Gallery in December 2018, which gathered 16 art exhibitions with different characteristics and greatly enlivened the atmosphere of Wuhan art circles. "@ Wuhan" emphasizes "harmony but difference", adheres to the value orientation of contemporary, academic, documentary, inclusive and international, and devotes itself to the construction of urban public cultural services.



"Creative Hefei 2018 Urban Annual Exhibition", Empowering Urban Temperament with Art

The Gallery has always practised to show the original intention of art for the society from the very beginning to safeguard the dignity of the art essence and adhere to its own cultural judgment and value principles. Today, the Gallery has increasingly become an indispensable, unique and charming public field for cultivating the visual literacy of all citizens. On the basis of more open space construction, it highlights more diverse social groups to realize more humanized public education construction of the Gallery. It has also played an important carrier role in actively cultivating and practicing socialist core values, expanding the influence of mainstream values, and enhancing the soft power of urban culture, which has played an indispensable role in helping the mass improve their artistic accomplishment and promoting society to form a good artistic atmosphere.





## Adhering to Social Responsibility

Focusing on Quality Service and Being Responsible for Customers

Strengthening Anti-corruption Campaign and Upholding Integrity to Spread Red Culture

Caring for Employees and People Oriented

Responsible Procurement to Create Value Together



## Focusing on Quality Service and Being Responsible for Customers

### Quality Management of Space Products

The Group strictly abides by relevant laws and regulations including Product Quality Law of the People's Republic of China, Regulations on Quality Management of Construction Projects and Real Estate Administration Law of the People's Republic of China, and has formulated internal rules and regulations in combination with its own reality to create high-quality space products in terms of management and technology to guarantee the health and safety of products. At the management level, it carried out full investigation and study before bidding for land, and prepared the project investment plan and development guidance plan through the formulation of the Cost Management Measures and detailed implementation rules. After acquiring land, it carried out development strictly in accordance with the project development guidance plan to effectively control the progress and pace of project development and prevent idle land. Through the Administrative Measures for Engineering Quality, the responsibilities of managing lines and engineering lines were clearly defined to ensure that engineering quality management control and engineering entity quality supervision in place. At the technical level, it defined the detailed construction requirements and standards for each project link through the formulation of the Construction Technology Standard to improve the project quality and fulfill the corporate responsibility of providing high-quality project services.

In order to effectively control and evaluate the standardization of the project plan, cost, project quality, safe and civilized construction and project management of the urban project company, the Group has formulated the Group Project Inspection Management Method (Trial). Through the coordination and cooperation of the Group inspection team, the urban project company and the project inspectors at three levels, the requirements of technology, project quality, civilized construction and other related aspects are strictly checked by regular and irregular inspection methods.

### Park Service Quality Management

In order to build the lifecycle service of the industrial park, the Group has proactively laid out the property, catering and hotel services as supporting services, continuously and unremittingly optimized and improved the quality of supporting services, and is committed to providing integrated and diversified comprehensive operation services for enterprises in the industrial park.

#### 1. Property Service

Lidao Property Company is a subsidiary company of the Group responsible for property management in the park, continuously providing high-quality property services to owners and customers of high-end residential buildings, office buildings, theme industrial parks, logistics parks, colleges and universities by establishing professional quality management teams, setting up hierarchical training

systems, organizing special quality promotion activities, and conducting quality inspection and sampling methods. Lidao Property has passed ISO9001, ISO14001 and OHSAS18001 management system certifications, and won the honor of "Top100 Comprehensive Strength Evaluation of Property Service Enterprises" issued by China Property Management Institute in 2018.



#### 2. Catering Service

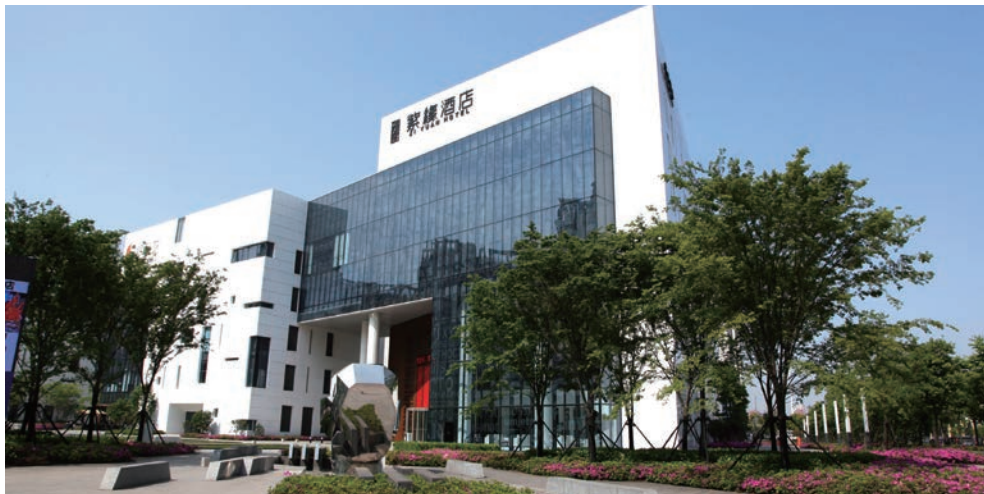
Quanpai Catering, strictly abiding by laws and regulations including Food Safety Law of the People's Republic of China and Enforcement Regulations on Food Safety Law of the People's Republic of China, is committed to providing high-quality catering services for the park with high standard. Quanpai Catering guarantees healthy and hygienic environment by standardizing the management of tableware and equipment and regularly entrusting third party to carry out water quality testing, kitchen tableware testing, finished product testing, measuring instruments testing, etc, and moreover, introduces the information visualization equipment to invite joint customer supervision and improve service transparency and satisfaction.

Quanpai Catering has passed ISO22000 Food Safety Management System, ISO9001 Quality Management System, ISO14001 Environmental Health Management System and OHSAS18001 Occupational Health and Safety Management System certification. In May 2018, Quanpai Catering won the "2017 Top 100 Chinese Canteens" award at the "2018 13th China International Group Cuisine Industry Conference" sponsored by the China Cuisine Association.



### 3. Hotel Service

As a hotel service company subordinate to the Group, Ziyuan Hotel pursues the concept of "elegance, art, perfection and life", and is committed to building a first-class boutique hotel with complete supporting facilities, standardized work flow and operation guidelines, and international service management. The hotel attaches great importance to customer satisfaction improvement and complaint disposal, having established multi-party feedback channels, satisfaction tracking and investigation system, and staff assessment index mechanism to timely correct service problems and meet customer needs, improve customer stay experience and continuously perfect service quality.



Ziyuan Hotel exterior

### 4. Intellectual Property Management

The Group attaches great importance to the management of intellectual property protection, and has formulated and implemented a series of intellectual property management systems and actively carried out the application of intellectual property and patents in strict accordance with the provisions of the Property Law of the People's Republic of China, the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, etc.. As of December 31, 2018, the Smart Park Division of the Group had obtained 12 computer software copyrights. Wuhan CEC Energy Saving Co., Ltd. subordinate to the Group had obtained 24 utility model patents, 9 inventions and 4 software copyrights, and got a grant of RMB 150,000 from the Hubei Provincial Intellectual Property Office with district cooling and heating system as the 2018 Hubei Province high-value patent cultivation, transformation and industrialization project.

### 5. Customer Information and Privacy Protection

The Group strictly abides by laws and regulations including Provisions on Technical Measures for Internet Security Protection and Provisions on Personal Information Protection of Telecom and Internet Users, takes strict measures to protect customer information and privacy, and adopts double guarantee of management system and software technology. At the management system level, it strictly controls the contact groups of customer information through account management, authority management and reminder authorization, and approves authority applications layer by layer to prevent disclosure of customer information. At the software technology level, the independently developed data encryption and separation storage system, coupled with cloud service deployment and vendor confidentiality clause management is adopted to reduce the risk of disclosure of customer information and privacy in a multi-level and all-round way.

## Strengthening Anti-corruption Campaign and Upholding Integrity to Spread Red Culture

### Continuously Improving Anti-corruption System to Create a Clean and Transparent Enterprise Atmosphere

The Group strictly abides by the laws and regulations including Anti-Unfair Competition Law of the People's Republic of China and the Interim Provisions on Prohibiting Commercial Bribery, and has formulated the Anti-Corruption and Integrity Management System to vigorously promote the integrity construction, clarify the reporting mechanism, strengthen the supervision and restriction, regulate the power operation and implement the main responsibility.

The Audit Office of the Group is the executive department of anti-corruption work, and the Party Committee Office of the Group is the supervision department of the anti-corruption work. The Group has set up reporting channels such as complaint mailbox, e-mail boxes and dedicated telephone lines, and posted on the official website for the public to report anonymously and complain about violations of laws and regulations. The Audit Office of the Group assigns special personnel to receive reports and complaints of violations of discipline independently, and checks and records the information collected by various reporting channels on a weekly basis. If any Party member is involved, the investigation will carry out jointly with the Party Committee Office, and after investigation, the investigation department will report directly and independently to the management and Board Of Directors of the company.

When an incident violating the regulations of this system, the Group Audit Office will form an incident investigation report as soon as possible, make suggestions to the Group Board of Directors, management or relevant departments depending on the specific case and the seriousness of the case, and notify the internal and necessary external third parties of the handling results according to the specific situation. For any employee who violates regulations and are suspected of committing crimes, the Group Legal Office will be responsible for coordinating and following up the cases and transferring them to judicial organs for investigation of criminal responsibilities. If any Party member is involved in violation of discipline and regulations, the Group Party Committee Office will, in accordance with the provisions of the Party Constitution and depending on the nature and seriousness of their mistakes, give criticism and education up to disciplinary action.

No lawsuits related to corruption, bribery, fraud and money laundering have happened in the Group during the reporting period.

### Case Sharing: Occupational Crime Risk Prevention Lecture

In order to actively respond to the call of the state to fight against corruption and advocate integrity, the Group held a professional crime risk prevention lecture for all employees on April 8, 2018 to raise the awareness of employees' integrity and ring the alarm bell for the leading cadres through a special lecture on Enterprise Duty Crime Risk Prevention and a special report on Enterprise Governance and Audit Supervision by external lecturers.



## Spreading Red Energy and Giving Full Play to Party Members' Pioneering Role in Serving Communities

In 2018, Lidao Property, under the leadership of the Group Party Committee and guided by the spirit of the 19th National Congress of CCP, thoroughly implemented the "Opinions of Wuhan Municipal Committee of CCP on Implementing the "Red Engine Project" to Promote the Modernization of Grassroots Governance System and Governance Capability", innovated the leading mode of Party building, built up the foundation of "Red Property", further improved the quality of property services, and consciously assumed social responsibilities. By the end of 2018, all projects had realized "red property", and the organization and work of the Party had been effectively implemented in each property service project.

Prospering "Red Culture". Mass sports and cultural activities and spiritual civilization creation activities were actively carried out to continuously enrich the cultural life of owners, integrate into community cultural construction, make the voice, new ideas, strategies of country governing and new core values of socialism of CCP widely known and deeply rooted in the mind of people, so that the principles, lines and policies can fall to the ground, take root, blossom and bear fruit among the broad masses of Party members and cadres at the grassroots level. Each property service center adopted diversified publicity forms and carriers in combination with the actuality of project management to build a unified "red culture" publicity visual system, made full use of the public activity areas, corridors and parks in the area to arrange display panels, red knowledge and culture corridors, added display screens to play red songs to extend the "red culture" perspective in various ways to stimulate the initiative of Party members and cadres to catch up and surpass through the display wall of benchmarking figures and the selection of advanced pacesetters for posts, and cultivated the awareness of employees to learn from advanced models to inherit revolutionary ideals and beliefs, spread the concept of patriotism and love of the Party, and deepen the red culture in the mind of people to complete the construction of "Red Position" and "Red Cultural Wall" of Lidao Property Corporation.

Carrying out Party members in service entering community activities to serve the owners, encouraging and guiding Party members in service to enter community, claim "tiny wishes", claim service posts, contact and serve the owners. A property volunteer service team has been set up in each project to provide various voluntary services and convenience services on a regular basis to provide handy services for owners in water and electricity maintenance, pipeline dredging, electric appliance maintenance, household cleaning, etc. to enhance owners' sense of belonging and responsibility. Guiding owners to organize and participate in voluntary service activities, set up patrol teams, cleaning teams, elderly caring and other voluntary service teams, consciously safeguard the community environment and help needy residents. Unifying streets and communities to carry out large-scale volunteer service activities such as "homeland cleaning", voluntary haircut and free medical examination. Visiting the elderly who are childless or living alone and other people with special difficulties on traditional holidays. Carrying out "tiny wish" claim activity to focus on such groups as needy Party members, the mass, the empty-nest elderly, the disabled, the leftover children, laid-off workers, migrant workers and their accompanying children, to solicit concrete, practical and easy-to-solve "tiny dreams", "tiny wishes" and "tiny difficulties" from the community masses, and to mobilize the Party members in service to take the initiative to claim and help the masses as much as they can. Implementing the "5431" rapid response mechanism to problems raised by the owners to arrive within 5 minutes, solve within 30 minutes, 4 hours for major problems, or 1 day for special and complicated problems to form a solution to improve the satisfaction of owners.



Lidao Property Carrying Out Free Community Clinic Activities Jointly with The Central Hospital of Wuhan of China Construction Third Engineering Bureau Co., Ltd.



Zi Yuan Hotel Visiting the Empty-nest Elderly on the Dragon Boat Festival



Lidao Property Organizing Respecting and Loving the Old Activity on the Double Ninth Festival



## Caring for Employees and Being People Oriented

An excellent talent team is regarded as the most important capital and wealth for a Group. The Group adheres to the people-oriented value concept, respects and values every employee, sticks to labor standards, protects the legitimate rights and interests of employees, and provides career development and promotion channels and cares for employees to increase their sense of belonging, realize the unity of values between the Group and employees, and grow together hand in hand.

### Talent Introduction and Talent Cultivation

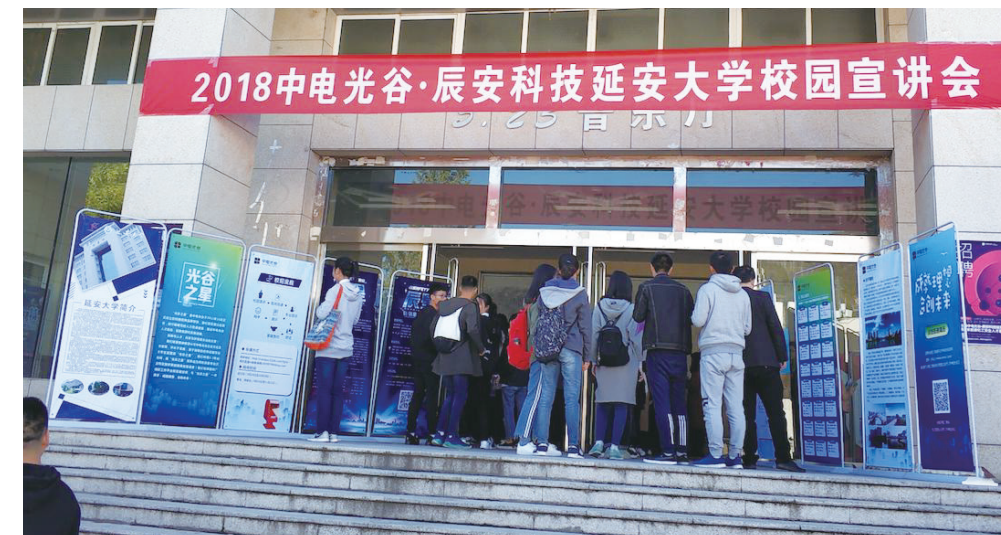
On the basis of strictly abiding by the Labor Law of the People's Republic of China, the Employment Promotion Law of the People's Republic of China, and the Minimum Wage Regulations, the Group has established and gradually improved its internal human resources management system, formulated and implemented a series of policies and regulations such as the Staff Recruitment Management Measures, the Performance Management Implementation Plan, and the Compensation and Welfare Management Measures. In 2018, the Group continued to adhere to the principles of equality, fairness and cooperation, optimized relevant systems of talent recruitment, performance management and staff training to provide a good platform for staff development.

#### 1. Talent Introduction and Talent Optimization

According to the organizational structure plan and the actual situation of business development, the Human Resources Center of the Group has formulated annual recruitment plan, introduced and reserved excellent employees for the Group through campus recruitment, social recruitment, internal recommendation and other channels to establish a high-quality talent team.

#### Case Sharing: Signing Ceremony for 2018 CEOVU Campus Recruitment of Yan 'an Station and Yan 'an Energy and Chemical Safety Talent Base

In the afternoon of October 27, 2018, the "2018 CEOVU • GSafety Technology Yan 'an University Campus Lecture and Yan 'an Energy and Chemical Safety Talent Base Co-construction and Signing Ceremony" was solemnly held in Yan 'an University. The Group joined hands with more than 10 enterprises including Safety Technology and Red Dream Technology Incubation Base to hold on-site propaganda and recruitment activities. The active interaction and warm atmosphere of the event fully demonstrated the good corporate image of CEOVU.



2018 CEOVU Campus Recruiting Lecture • Yan 'an Station

#### 2. Continuous Improvement of Assessment And Compensation System

The Group strictly abides by relevant national laws and regulations, and has carried out post performance assessment on responsible persons and employees at all levels based on the annual "Responsibility for Business Objectives" and "Monthly Schedule" by formulating internal systems such as Post Performance Management Measures and Performance Management Implementation Plan, and considers the indicators of work quality, work progress, work results, etc. to encourage and help employees to further improve their professional quality and professional ability.

The Group attaches great importance to the health and welfare of its employees, and has formulated such systems as Administrative Measures for Remuneration and Welfare and Ten Rules on Remuneration and Welfare Management (Notice on Issuing Relevant Provisions for Further Improvement of the Group's Remuneration and Welfare Management) to establish a scientific and standardized remuneration and welfare management system. The Group provides employees with diversified welfare programs. In addition to the "Five social insurances and one housing fund", legal holidays and paid holidays stipulated by the government, the Group also provides additional labor insurance fees, cooling fees, heating fees, birthday gifts, wedding gifts, funeral services, birth solatium, annual physical examination, retirement allowance for key employees, etc., as well as assistance to help employees get out of difficulties in case of major diseases through the large medical assistance fund.



3. Multi-level Talent Training Plan

The Group carries out systematic training on finance, semiconductors, integrated circuits, legal affairs, information technology, emerging industries and other sectors every year, and is committed to training high-quality and professional young management talents. At the mean time, the hotel, property and catering companies subordinate to the Group actively promotes staff training and improves the talent training system. In 2018, several trainings on fire safety, occupational health and professional knowledge in corresponding business sectors were held to mobilize staff enthusiasm and improve service quality in the park.

Case Sharing: The "General Manager Training Institute" Basic Training Class (Phase III) Coming to a Successful Conclusion

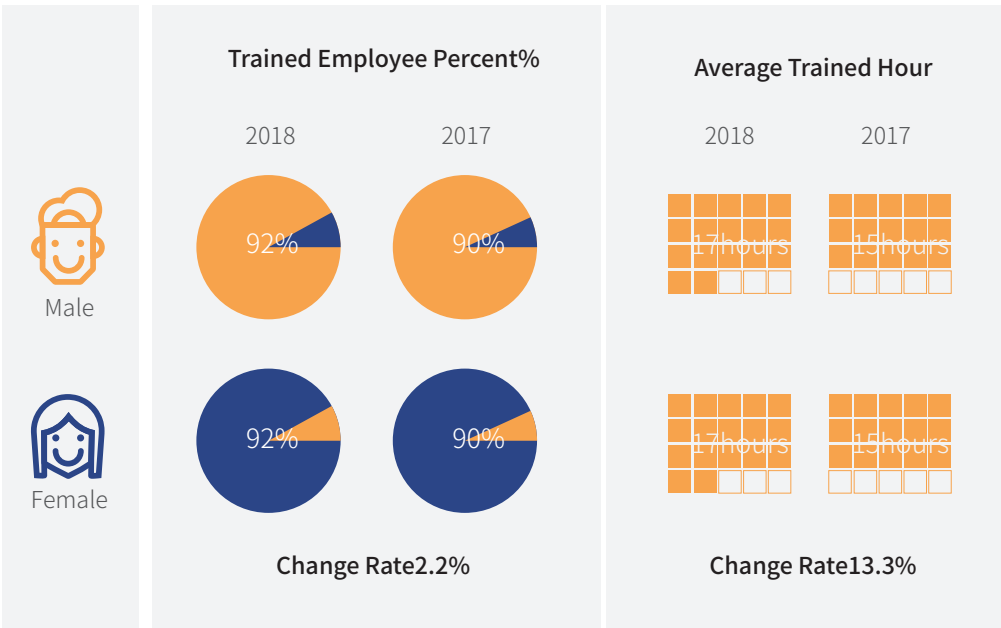
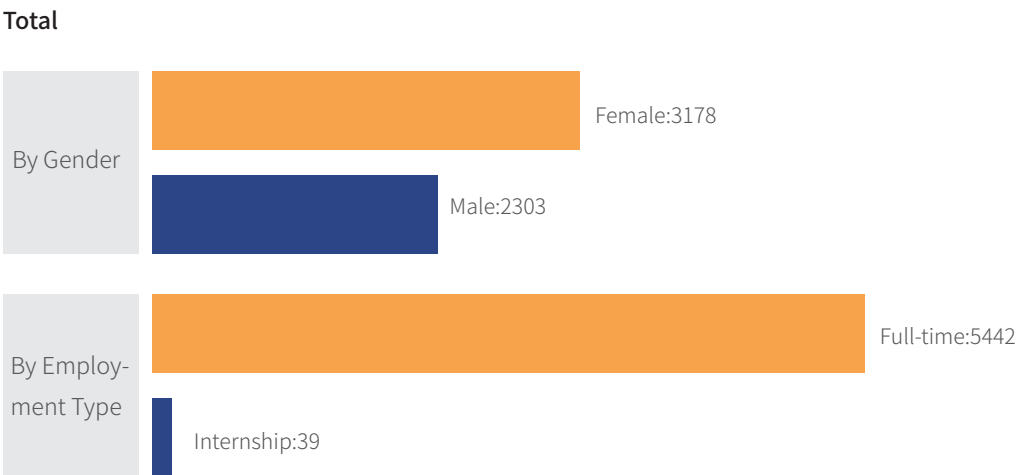
The Group attaches great importance to the management of advertising, intellectual property and compliance in daily operation, and strictly abides by the laws and regulations including Advertising Law of the People's Republic of China and Patent Law of the People's Republic of China. From November 22 to 23, 2018, the Human Resources Center, together with the Legal Affairs Office and the Propaganda Department of the Group, successfully held the "General Manager Training Institute" Basic Training Class (Phase III). Nearly 100 staff members from the Headquarters, city companies and industrial chain companies participated in the training, which combined external and internal lecturers from six dimensions, including legal risk prevention and control of intelligent property, interpretation of the new advertising space on service content, specifications and recommendations on Group publicity work, basic legal risk control points of the company, key points of information disclosure, legal system and legal affairs handling process of the Group for employees to effectively reserve relevant professional knowledge, enhance risk prevention and control capacity, carry out legal marketing and propaganda, optimize brand promotion effect and improve working efficiency.



2018 General Manager Training Institute Basic Training Class (Phase III)

Key Performance Indicators

As at 31 December 2018, the Group had 5,481 employees specifically as follows:





Occupational Health and Safety

The Group has always adhered to the people-oriented principle and attached great importance to safety production. In order to ensure the occupational health and safety of employees, the Group strictly abides by laws and regulations such as the Safety Production Law of the People's Republic of China, Occupational Disease Prevention Law of the People's Republic of China and Administrative Measures for Occupational Health Management, and has formulated and implemented internal policies and regulations such as the Production Safety Target Management System and Occupational Health Management System to improve the safety and health management system.

The Group has improved the safety operation management system by improving the safety management structure, supervising civilized construction and carrying out safety inspection, implemented safety production objectives by setting up safety production committees, clearly dividing the contents and responsibilities of safety production management at all levels, introducing accountability, reward and punishment mechanisms, and standardizing the responsibility allocation and safety civilized construction standards on construction sites through the formulation of Administrative Measures for Civilized Construction on Construction Sites, so as to effectively enhance safety precaution and avoid accident risks. During the reporting period, no major site casualty accidents happened to the Group, and the lost working hours due to occupational injuries were "0".

1. Fire Safety and Emergency Mechanism

The Group adheres to the safety policy of "safety first, prevention foremost, comprehensive management", and implements the fire control management concept of "prevention first, prevention and elimination combined" to earnestly implement the fire control management in accordance with the "Fire Prevention Law of the People's Republic of China" and other laws and regulations.

In 2018, Lidao Property, Quantai Catering and Ziyuan Hotel carried out a total of 18 hours of fire safety knowledge training by inviting fire brigade and external lecturers to train on fire prevention and fighting, and organized more than 10 fire drills and mobilized volunteer fire brigade to deal with 6 sudden inspections, so as to strengthen the rescue ability of employees and ensure fire safety.

2. Strengthening Safety Education Awareness

The Group adheres to safe development in safety production to strengthen the main responsibility of safety production and effectively enhance the safety prevention and control capacity by intensifying safety publicity, safety inspection, coordination, joint efforts and co-management.



Establishing and improving safety production management system.



Establishing safety production WeChat group and the rapid response mechanism.



Establishing VR safety experience area on the project site to simulate the accident scene.



Publicizing safety production regulations, safety slogans, signs and warning signs on the operation site and carrying out safety publicity at 360 degrees without dead corners;



Carrying out safety production, safety management, safety post responsibilities and relevant safety knowledge education with the opportunity of safety production activity month;



Posting board newspapers and banners with the theme of safety production, and inviting professionals to give lectures on safe production in each unit.

Protection of Staff Rights and Interests and Humanistic Care

The Group strictly abides by laws and regulations including Labor Contract Law of the People's Republic of China, the Trade Union Law of the People's Republic of China and Minors Protection Law of the People's Republic of China , and has formulated internal systems such as the Employee Manual and the Attendance Management Measures to prevent illegal employment and protect the legitimate rights and interests of employees in terms of recruitment, salary, vacation and welfare.

1. Age Regulation and Supervision Mechanism for Employees and Interns

The Group strictly requests all regular employees and interns from Headquarters and subsidiaries, industrial chain companies and supplier units to reach the minimum age limit for employment, and resolutely prohibits the use of child labor. During the reporting period, no child labor was reported in the group.

2. Overtime-related Regulations and Standards

The Group has formulated and implemented the Attendance Management Measures in accordance with relevant national laws and regulations to strictly manage overtime work, strictly forbid force of overtime, and provide temporally overtime employees with rest breaks and salary subsidies according to regulations. No forced labor was reported during the reporting period.

3. Equal Democracy and Complaint Mechanism

The Group is committed to creating fair and democratic opportunities and environments to ensure that all employees are treated equally in employment, salary and benefits, training and promotion, and are not affected by any factors such as gender, age, nationality, religion, region, etc. Any form of discrimination is strictly prohibited to create equal and democratic working environment for employees. During the reporting period, no employment-related complaints or those infringing the rights and interests of employees were reported in the Group.

The Group attaches great importance to listening to employees' opinions and ensures smooth complaint channels. When employees believe that their personal interests have been unduly violated or have any demands, they can report the situation to their immediate superiors, Human Resource Department, Trade Union members, president or chairman of the Board Of Directors in person or in writing.





#### 4. Staff Humanistic Care

The Group adheres to the talent concept of "people-oriented", cares for the life of employees, and advocates the balance between efficient work and healthy life to actively carry out various cultural activities such as basketball friendly matches, table tennis matches and "March 8th" outdoor outing, and encourages employees to participate in international marathon competitions and other competitions to enrich the spare time life of employees and enhance their vitality and happiness.



2018 "CEO Cup" Friendly Basketball Match



"March 8th" Outdoor Outing

## Performing Responsible Procurement to Create Value Together

The Group adheres to the responsible procurement system with integrity as the leading factor, and is committed to establishing a long-term, stable and mutually beneficial cooperative relationship through a two-way feedback and exchange mechanism to create a responsible industrial chain and sustainable development values jointly with suppliers.

According to relevant national laws and regulations, the Group has formulated relevant regulations such as Administrative Measures for Group Centralized Supplier Procurement and Detailed Implementation Rules for Project Bidding Management for Group Project Suppliers. In accordance with the principle of fairness and justice, the Group has made clear regulations on the access, evaluation and management of suppliers, aiming at selecting high-quality suppliers and establishing long-term cooperation to ensure the quality of products and services of the Group. In addition, the group has also taken into consideration the environment-friendly and occupational health-related policies of suppliers to ensure responsible procurement and create a better future.

#### 1. Supplier Selection Mechanism

The Project Management Center of the Group is responsible for inspecting the construction service providers and materials and equipment suppliers recommended by the city company, referring to the principles of industrial chain priority and bidding, and focusing on the qualification certificate, engineering performance certificate, technical ability certificate, enterprise financial status certificate, product quality certificate, relevant certificates and permits of imported materials, award-winning certificates and other data of the recommended company, and preparing procurement documents for qualified construction units and advancing to the evaluation procedure stage. For the same category of construction, services, materials or equipment, there shall be 3 units or suppliers at least to enter the evaluation procedure to maintain healthy competition. The Group will only negotiate and draw up contracts with suppliers or service providers that have passed the evaluation.

#### 2. Supplier Evaluation Grading

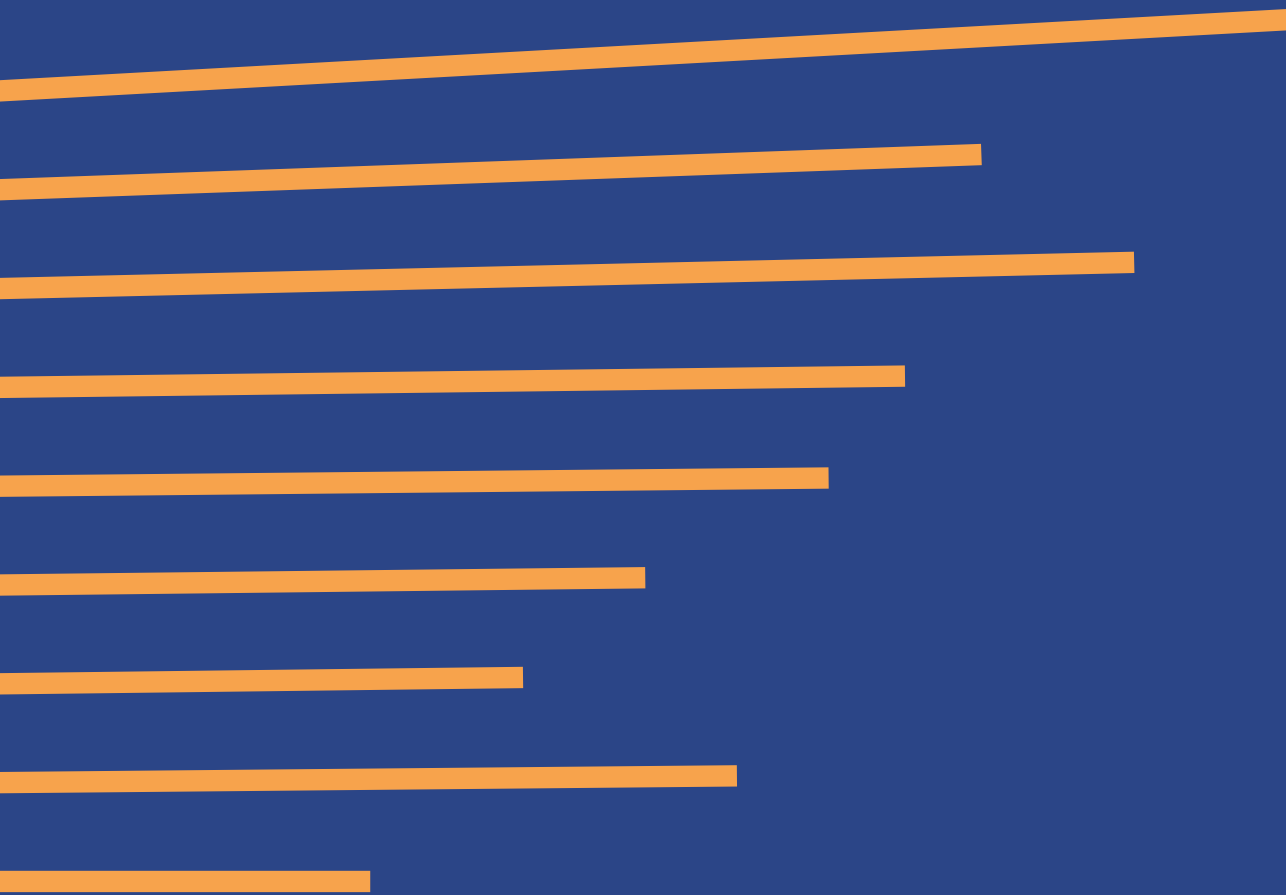
The project management center of the group, together with city companies and industrial chain companies, is responsible for the supplier evaluation and grading management. According to the supplier management regulations of the Group, suppliers are assessed and scored in terms of product quality, service quality, moral integrity, etc. According to the scoring results, suppliers are divided into four levels: excellent, qualified, unqualified and forbidden. Among them, excellent is the preferred supplier and the preferred recommended partner for the Group headquarters and subsidiaries. For the contract units graded as unqualified, the Group will no longer cooperate in future procurement activities, and will promptly remove them from the contract unit information base to ensure the quality of the supply chain.

#### 3. Supplier Communication and Cooperation

Based on mutual benefit and win-win cooperation, the Group has established good communication and cooperation with suppliers by carrying out consultation and exchange with suppliers on market conditions and supply situation, developing strategic cooperation relations, ensuring stable operation of supply chain, promoting efficient allocation of resources, and providing reliable guarantee for the daily operation of the park and its subsidiaries. As of 2018, the Group had 376 engineering suppliers, of which 9 were preferred suppliers.

Through active communication with suppliers, the catering and hotel departments of the Group have implemented multi-channel inquiry and pricing to ensure real-time control of market price dynamics and stable supply. Moreover, the Group will communicate on supplier services and put forward rectification opinions to improve the delivery quality and service quality of suppliers through regular meetings so as to establish long-term cooperation and successful achievements.





# 2019 Responsibility Vision



Sustained, steady and high-quality growth is the economic basis for enterprises to fulfill their social responsibilities. Looking forward to 2019, we will grasp the important opportunities for innovation and development, seek the overall situation, and take the construction of an industrial resource sharing platform as the objective, jointly innovate and share to achieve high-quality economic growth under the CEOVU model.

We will actively and attentively construct an industrial resource sharing platform with an inclusive and open mind, resolutely abandon the narrow commercial idea of exclusive use of resources, vigorously develop borderless operation, and create a win-win situation. We will continue to respond to the call of the government to vigorously develop entrepreneurship and innovation, continuously strengthen the integration of resources, link all resources, and actively build a new carrier to serve the joint innovation of medium, small and micro enterprises. We will stick to systematic coordination with CEC, deepen and promote cooperation within the system, break down barriers, effectively use this compound comprehensive advantage and promote enterprise development. We will promote modernization with intelligence, make the intellectualization of the park a new engine for high-quality development, firmly grasp the application orientation, take user experience as the core, cooperate with the company resources to promote steadily, rely on the strategic layout of CEC urban governance modernization, and accelerate the promotion of intelligent systems in the park through multiple channels and ways. We will play a leading role in consulting business, starting with accurately grasping the strategic objectives of the government to build a modern economic system and the transformation and upgrading of local economy, and assisting local construction in a targeted way to form a new industrial system led by innovation, so as to stimulate the development potential of each business unit and further effectively promote the construction of the industrial ecosystem of the company by mobilizing vitality and creativity in multiple ways.

For an enterprise, the core of existence and the driving force of development lie in its contribution to society and recognition by society. CEOVU will continue to build an industrial resource sharing platform with a keen determination to realize the sustainable development of the company, and contribute more positive value to the country and society.



# Appendix

Appendix I. 2018 Key Performance

Appendix II: 2018 Group Honors

Appendix III. Index of Environmental, Social and Governance Reporting Guide of the  
Stock Exchange

Appendix IV. List of Laws, Regulations and Internal Policies

Appendix V. Rating Standards/Guidelines of the Chinese Academy of Social Sciences

Appendix VI. Reader's Feedback Form



## Appendix I. 2018 Key Performance

Operating Performance --- Ensuring Stable and Healthy Development of Enterprises to Create Sustainable Economic Benefits

		2018 Performance	Up/Down From 2017
Financial Performance	Total Asset	<b>RMB 15.180594Billion</b>	▲Up 13.56%
	Business Volume	<b>RMB 3.001137Billion</b>	▲Up 11.45%
	Signing Amount of Property for Sale	<b>RMB 2.093961 Billion</b>	▲Up 13.58%
	Signing Area of Property for Sale	<b>348,345 Square meters</b>	▲Up 13.28%
	Gross Profit Rate	<b>34.52%</b>	▼Down2.13%
	Net Profit	<b>RMB 590.916 Million</b>	▲Up 21.67%
	Land Reserve Area	<b>6115862 Square meters</b>	▲Up 45.59%
	Business Coverage City	<b>30</b>	▬Flat
Products and Services	Customer Satisfaction	<b>96%</b>	▲Up 3%
	Customer Complaint Feedback Disposal Rate	<b>97%</b>	▲Up 2%
	Tenant Satisfaction	<b>98.6%</b>	▲Up 2.6%
	Fair Dealing	<b>100%</b>	▬Flat
	Economic Contract Performance Rate	<b>100%</b>	▬Flat
	New Patent Number	<b>21</b>	▲Up 87.5%

Environmental Performance --- attaching importance to the impact of enterprise production and operation activities on the environment, promoting energy conservation and emission reduction, and practising green office

		2018 Performance	Up/Down From 2017
Environmental Investment	Total Environmental Investment	<b>RMB 52.3268 Million</b>	▲Up 80.16%
	Investment in R&D of Energy Conservation and Emission Reduction Technologies	<b>RMB 6.087 Million</b>	▲Up 7.14%
Number of Environmental Education and Training		<b>56</b>	▲Up 3.12%

Social Performance --- taking the initiative to assume public responsibility and creating value for society

		2018 Performance	Up /Down From 2017
Employee Right Protection	Labor contract signing rate	<b>100%</b>	▬Flat
	Social insurance coverage rate	<b>100%</b>	▬Flat
Employee Safety and Health	Total investment in employee health management	<b>RMB 1.973 Million</b>	▲Up2.71%
	Employee medical examination coverage rate	<b>100%</b>	▬Flat
	Death toll of occupational injury	<b>0</b>	▬Flat
Multiple communion	Total number of employee	<b>5481</b>	▼Down13.82%
	Female employee rate	<b>42.02%</b>	▲Up0.78%
	Female rate in management level	<b>33%</b>	▼Down1%
Employee Care	Average paid vacation days	<b>&gt;5Days</b>	▬Flat
	Employee training coverage rate	<b>92%</b>	▲Up2.2%
	Employee satisfaction	<b>98%</b>	▲Up0.5%
Employee Growth	Average training investment	<b>RMB 608.6</b>	▲Up5%
	Average training hour	<b>17 Hours</b>	▲Up13.33%
Job Creation	Number of new employees	<b>992</b>	▲Up0.61%
	Number of fresh graduates employment	<b>42</b>	▲Up7.69%
Taxation	Total taxation	<b>RMB 372.28188 Million</b>	▼Down12.31%
Safety production	Number of emergency drills	<b>192</b>	▲Up5.2%
	Number of general and above occupational accidents	<b>0</b>	▬Flat
Law Suits	Law suits relating to corruption, bribery, fraud and money laundering	<b>0</b>	▬Flat



Appendix II: 2018 Group Honors

Honor Time	Honor Name	Issuing Authority	Winning Unit
2018.3	2017 Red Property Management Five-star Enterprise	Organization Department of Wuhan Municipal Party Committee, Wuhan Housing Security And Housing Administration Bureau	Wuhan Lidao Property Management Co., Ltd.
2018.5	Hubei 2017 "Entrepreneurship and Innovation Strategic Team"	Organization Department of Hubei Provincial Party Committee, Science and Technology Department of Hubei Province, Development and Reform Commission of Hubei Province, Education Department of Hubei Province, Human Resources and Social Security Department of Hubei Province	Wuhan Easy Linkin Technology Co., Ltd.
2018.6	Top 50 of 1st China Incubator	IDG, South China News	Wuhan OVU Technology Co., Ltd.
2018.6	Shaanxi Mass Entrepreneurship Space Incubation Base	Science and Technology Department of Shaanxi Province	CEC Xi'an Industry Park Development Co., Ltd.
2018.7	The 10th IOTE 2018 "Gold Award" Innovative Product	IOTE 2018 The 10th International Internet of Things Expo	Wuhan Easy Linkin Technology Co., Ltd.
2018.7	Top 30 of 2018 Producer and City Development Operator Comprehensive List	E House · CRIC	Wuhan Optics Valley Union Group Co., Ltd.
2018.8	AAA-Level Enterprise Credit Registration Certificate	China Building Decoration Association	Wuhan Lidao Technology Co., Ltd.
2018.9	Vice President Unit of the 6th Council	Wuhan Real Estate Development Enterprise Association	Wuhan Optics Valley Union Group Co., Ltd.
2018.9	Hubei Technology Enterprise Incubator	Science and Technology Department of Hubei Province	Wuhan OVU Technology Co., Ltd.
2018.9	Talent Innovation & Entrepreneurship Platform of Optics Valley Union Technology Town	Science and Technology Department of Hubei Province	Hubei Technology Enterprise Accelerator Co., Ltd.
2018.9	Winning "Excellence Award" on 2018 World Physics Network Expo New Technologies, New Products and New Applications	Organizing Committee of World Internet of Things Expo	Wuhan Easy Linkin Technology Co., Ltd.
2018.10	TOP 10 of 2018 Property Management Service Enterprise Comprehensive Strength Evaluation	China Property Management Institute, Shanghai E House Real Estate Research Institute, China Real Estate Evaluation Center	Wuhan Lidao Property Management Co., Ltd.

Honor Time	Honor Name	Issuing Authority	Winning Unit
2018.10	Shaanxi Small and Micro Enterprise Entrepreneurship Innovation Base	Shaanxi Medium and Small Enterprise Promotion Bureau	CEC Xi'an Industry Park Development Co., Ltd.
2018.10	The 4th International BIM Award	buildingSMART	CEOVU Housing Design Institute Co., Ltd.
2018.12	2018 Management Innovation Advanced Unit	The Academic Committee of China Academy of Management Sciences	Hubei Technology Enterprise Accelerator Co., Ltd.
2018.12	Industry Sharing Resource Platform	National Development and Reform Committee	Wuhan Optics Valley Union Group Co., Ltd.





Appendix III. Index of Environmental, Social and Governance Reporting Guide of the Stock Exchange

	ESG Index	Disclosure Status	Corresponding Chapters
A1General Disclosure	Policies on emissions of exhaust gas and greenhouse gas, discharges into water and land, and generation of hazardous and non-hazardous waste, and information on compliance with relevant laws and regulations that have a significant impact on the issuer.a significant impact on the issuer.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A1.1	The types of emissions and respective emissions data.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A1.5	Description of measures to mitigate emissions and results achieved.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A2General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A2.1	Total direct and/or indirect energy consumption and intensity by type.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A2.2	Total water consumption and intensity.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A2.3	Description of the energy use efficiency initiatives and results achieved.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A2.4	Description of whether there is any issue in sourcing water that is fit for purposes, water efficiency initiatives and results achieved.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Disclosed	
A3General Disclosure	Policies on minimizing the issuer’s significant impact on the environment and natural resources.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Topic 3: Promoting Energy Consumption Revolution to Explore Lifecycle Operation Mode
B1General Disclosure	Policies on remuneration and dismissal, recruitment and promotion, hours of work, holidays, equal opportunities, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	Caring for Employees and People Oriented
B1.1	Total workforce by gender, employment type, age group and geographical region.	Partially Disclosed	Caring for Employees and People Oriented
B1.2	Employee turnover rate by gender, age group and region.	Not Disclosed	
B2General Disclosure	Information on the policies and 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.	Disclosed	Caring for Employees and People Oriented

	ESG Index	Disclosure Status	Corresponding Chapters
B2.1	Number and rate of work-related fatalities.	Disclosed	Caring for Employees and People Oriented
B2.2	Lost days due to work injury.	Disclosed	Caring for Employees and People Oriented
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Disclosed	Caring for Employees and People Oriented
B3General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	Caring for Employees and People Oriented
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Partially Disclosed	Caring for Employees and People Oriented
B3.2	The average training hours completed per employee by gender and employee category.	Partially Disclosed	Caring for Employees and People Oriented
B4General Disclosure	Information on the policies and compliance with relevant laws and regulations which have a significant impact on issuer relating to preventing child labor and forced labor.	Disclosed	Caring for Employees and People Oriented
B4.1	Description of measures to review employment practices to avoid child labor and forced labor.	Disclosed	Caring for Employees and People Oriented
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	Caring for Employees and People Oriented
B5General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	Caring for Employees and People Oriented
B5.1	Number of suppliers by region.	Partially Disclosed	Caring for Employees and People Oriented
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Disclosed	Caring for Employees and People Oriented
B6General Disclosure	Information on the policies and compliance with relevant laws and regulations which have a significant impact on issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Disclosed	Highlighting Quality Service and Being Responsible for Customers
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not Disclosed	
B6.2	The number of products and services related complaints received and how they are dealt with.	Partially Disclosed	Highlighting Quality Service and Being Responsible for Customers
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Highlighting Quality Service and Being Responsible for Customers
B6.4	Description of quality assurance process and product recall procedures.	Disclosed	Highlighting Quality Service and Being Responsible for Customers
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Disclosed	Highlighting Quality Service and Being Responsible for Customers
B7General Disclosure	Information on policies and compliance with relevant laws and regulations which have a significant impact on issuer relating to prevention of bribery, extortion, fraud and money laundering.	Disclosed	Highlighting Quality Service and Being Responsible for Customers
B7.1	Number of conducted legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Disclosed	Highlighting Quality Service and Being Responsible for Customers
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Disclosed	Highlighting Quality Service and Being Responsible for Customers
B8General 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.	Disclosed	Topic 5: Supporting the Artistic Career to Promote Soft Power of Urban CultureDeepening Anti-corruption Combat and Upholding Integrity to Spread Red Culture
B8.1	Focus areas of contribution (for example, education, environmental matters, labor needs, health, culture, sports).	Disclosed	Topic 5: Supporting the Artistic Career to Promote Soft Power of Urban CultureDeepening Anti-corruption Combat and Upholding Integrity to Spread Red Culture
B8.2	Resources contributed (e.g. money or time) to the focus areas.	Disclosed	Topic 5: Supporting the Artistic Career to Promote Soft Power of Urban CultureDeepening Anti-corruption Combat and Upholding Integrity to Spread Red Culture



Appendix IV. List of Laws, Regulations and Internal Policies

ESG Index	Internal Policies	Laws, Regulations and Rules
A1Emissions	《Waste Oil Recovery Management System》	《Environmental Protection Law of the People's Republic of China》
	《Swill Management Provisions》	《Environmental Noise Pollution Prevention Law of the People's Republic of China》
	《Administrative Measures for Low-Carbon and Environmental Protection Construction》	《Air Pollution Prevention and Control Law of the People's Republic of China》
	《Garbage Room Management System》	《Water Pollution Prevention and Control Law of the People's Republic of China》
	《Safety production Management System》	《Marine Environment Protection Law of the People's Republic of China》
	《Working Environment Management Provisions》	《Prevention and Control Regulations on Pollution Damage to the Marine Environment from Land-based Pollutants of the People's Republic of China》
	《Equipment Environment Management Provisions》	《Prevention and Control Regulations on Pollution Damage to the Marine Environment from Land-based Pollutants of the People's Republic of China》
		《National Hazardous Wastes List》
		《Administrative Measures for Hazardous Waste Transfer Checklist》
		《Comprehensive Emission Standard for Air Pollutants》
		《Environmental Impact Assessment Law of the People's Republic of China》
		《Clean Production Promotion Law of the People's Republic of China》
		《Comprehensive Wastewater Discharge Standard (GB8978-1996)》
		《Administrative Measures for Municipal Solid Waste》
		《“The 13th Five-Year Plan” for Greenhouse Gas Emission Control》
A2 Resource Consumption	《Administrative Measures for Low-Carbon and Environmental Protection Construction》	《Energy Conservation Law of the People's Republic of China》
	《Measurement Management Provisions》	《Administrative Provisions on Urban Water Conservation》
	《Energy Consumption Management Provisions》	《Administrative Measures for Electricity Saving in Hubei Province》
	《Energy Quality Management Standard》	《Renewable Energy Act》
	《Standard Operation Method for (Energy Station) Operators》	《Clean Production Promotion Law of the People's Republic of China》
	《Monitoring and Measurement Management System》	
A3 Environment and Natural Resources	《Environment and Natural Resources》	《Administrative Provisions on Urban Water Conservation》
B1Employment		《Clean Production Promotion Law of the People's Republic of China》
	《Supplementary Provisions on Overseas Assignment-Related Welfare for Employees of Consulting and Management Division》	《Labor Law of the People's Republic of China》
	《Staff Recruitment Management Provisions》	《Labor Contract Law of the People's Republic of China》
	《Post Performance Management Provisions》	《Employment Promotion Law of the People's Republic of China》
	《Attendance Management Provision》	《Social Insurance Law of the People's Republic of China》
	《Remuneration and Welfare Management Measures》	《Minimum Wage Regulations》
		《Trade Union Law of the People's Republic of China》
		《Women's Rights and Interests Protection Law of the People's Republic of China》
	《Fitness System of Consulting and Managing Division》	
	《Administrative Measures for Safe and Civilized Construction at Group Construction Sites》	
	《Administrative System for Identification of Hazard Sources and Environmental Factors in Energy Center》	
	《Administrative Measures for Equipment Use and Maintenance》	
	《Administrative Measures for Patrol Inspection System of Equipment Points》	
	《Administrative Measures for Equipment Technical Diagnosis and State Evaluation Details》	
	《Administrative Measures for Equipment Accidents》	
	《Administrative Rules for Power Equipment Maintenance in Energy Stations》	
	《Safety Production Management System》	
	《Environmental Management System for Distribution Room》	
	《Administrative Measures for Working Environment》	
	《Equipment Environment Management Provisions》	
	《Monitoring and Measurement Management System》	
	《Occupational Health Management System》	
	《Safety Management System for Lifting Operations》	

ESG Index	Internal Policies	Laws, Regulations and Rules
B2Health and SecurityHealth and Security	《Safety Management System for Fire Operation》	《Labor Law of the People's Republic of China》
	《Safety Management System for High-Altitude Operation》	《Occupational Disease Prevention and Control Law of the People's Republic of China》
	《Safety Management System for Equipment Maintenance Operation》	《Safety Production Law of the People's Republic of China》
	《Work Safety Management System for Entering Confined Space》	《Fire Prevention Law of the People's Republic of China》
	《Safety Management System for Blind Disk Drawing and Blocking》	《Emergency Response Law of the People's Republic of China》
	《Safety Management System for Earth-moving Operation》	《Safety Management Regulations on Hazardous Chemicals》
	《Safety Management System for Open Circuit Operation》	《Regulations on Production Safety Accident Reporting, Investigation and Disposal》
	《Emergency Plan for Water, Power, Gas and Equipment Failures in Energy Station》	《Interim Regulations on Hidden Danger Investigation and Management of Safety Production》
	《Emergency Plan for Energy Station Fire, Electric Shock, Mechanical Injury and Steam Leakage》	《Occupational Injury Insurance Regulations of the People's Republic of China》
	《Accident Statistics, Registration, Investigation and Disposal System》	《Administrative Regulations on Occupational Health Supervision in Workplaces》
	《Accident Investigation and Disposal System》	《Occupational Disease Classification and Catalogue》
	《Emergency Plan for Water Stagnation in Energy Stations》	《Food Hygiene Law》
	《Safety production Target Management System》	《Edible Vegetable Oil Standard》
	《Implementation Plan for Safety Production Targets》	《Administrative Provisions on Labor Protection Supplies》
	《Safety Production Inspection System》	
	《Regular Safety Meeting System》	
	《Company Fire Safety Management System》	
	《Standard Equipment Operation Procedures》	
B3Development and Training	《Administrative Measures for Staff Training》	《Labor Law of the People's Republic of China》
	《Responsibilities of Energy Station Head》	《Labor Contract Law of the People's Republic of China》
	《Responsibilities of Energy Station Operation Staff》	
B4Labor Criterion	《CEOVU Staff Manual》	《Labor Law of the People's Republic of China》
	《Administrative Measures for Staff Recruitment》	《Child Labor Prohibition Provisions》
		《Minors Protection Law of the People's Republic of China》
B5Supply Chain Management	《Administrative Measures for Procurement of Group Suppliers》	《Contract Law of the People's Republic of China》
	《Detailed Implementation Rules for Centralized Procurement of Group Suppliers》	《Bidding Law of the People's Republic of China》
	《Detailed Implementation Rules for Bidding Management of Group Project Suppliers》	
B6Product Liability	《Administrative Measures for Patrol Inspection of Group Projects》	《Urban Regional Environmental Noise Standard》
	《Hotel Information Security Management System》	《Environmental Noise Pollution Prevention and Control Law of the People's Republic of China》
	《Industrial Park Project Planning Work Guidance Manual---Eight Planning Systems》	《Standardization Law of the People's Republic of China》
	《Guidelines for Design Work of Planning and Development Center》	《Product Quality Law of the People's Republic of China》
	《Implementation Measures for Intensifying Group Design Technology Platform Construction (Trial)》	《Consumer Rights Protection Law of the People's Republic of China》
	《Administrative Measures for Evaluation of Planning and Construction Schemes》	《Real Estate Administration Law of the People's Republic of China》
	《Guidance Manual for Exhibition Center》	《Administrative Regulations on Construction Project Quality》
	《Group PMO Management Measures》	《Building Design Code for Fire Protection (GB50016-2014)》
	《Administrative Measures for Construction Drawing Design》	《Property Management Ordinance》
	《Administrative Measures for Project Quality》	《Opinions of the CPC Central Committee and the State Council on Further Strengthening the Standardized Construction and Management of Cities》
	《Administrative Measures for Customer Energy Supply Services》	《Opinions of the General Office of the State Council on Promoting Sustainable Development of Construction Industry》
		《Food Safety Law of the People's Republic of China》
		《Enforcement Regulations on Food Safety Law of the People's Republic of China》
		《Advertising Law of the People's Republic of China》
		《Patent Law of the People's Republic of China》
		《Provisions on Technical Measures for Internet Security Protection》
		《Provisions on Personal Information Protection of Telecom Internet Users》
B7Anti-corruption	《Anti-corruption Management System of Group》	《Anti-Unfair Competition Law of the People's Republic of China》
	《Administrative Measures for Customer Energy Supply Services》	《Interim Provisions on Prohibiting Commercial Bribery》
		《Company Law of the People's Republic of China》
		《Anti-Money Laundering Law of the People's Republic of China》
		《Bidding Law of the People's Republic of China》
		《Anti-Monopoly Law of the People's Republic of China》

## Appendix V. Rating Standards/Guidelines of the Chinese Academy of Social Sciences

### Rating Report of “Enterprise Social Value Report 2018 of China Electronics Optics Valley Union Holding Company Limited.”

Upon request of China Electronics Optics Valley Union Holding Co., Ltd., the Chinese Expert Committee on CSR Report Rating selected experts to form rating team to rate the “Enterprise Social Value Report 2018 of China Electronics Optics Valley Union Holding Co., Ltd.” (hereinafter referred to as “the Report”).

#### I. Rating Basis

China CSR Report Guidelines (CASS-CSR 4.0) issued by Chinese Academy of Social Sciences and China CSR Report Rating Standard (2019) issued by “Chinese Expert Committee on CSR Report Rating”.

#### II. Rating Process

1. Rating Team reviews the Confirmation Letter for the Process Materials of CSR Report and relevant supporting materials submitted by the preparation group of the Report;
2. Rating Team evaluates the preparation process and contents of the “Report” and prepares a rating report;
3. The Vice Chairman of the Rating Expert Committee, the leader of the Rating Team and the experts of the Rating Team jointly signed the Rating Report.

#### III. Rating Results

Process (★★★★)

The Secretariat of Board of Directors of the Group establishes a report preparation group. The review committee takes the lead in control of the overall direction and key milestones; the board of directors is responsible for the final review of the Report; the company positions the report as a tool to respond to the appeal of the stakeholders, as well as an important tool for building the enterprise brand image; identifies the substantive issues in combination with the relevant national policies, important matters of the company, industry benchmarking analysis, stakeholder questionnaires; plans to publish reports through official website and will present reports in electronic format, print, Chinese and English, etc., with excellent process performance.

Materiality (★★★★☆)

The Report systematically discloses key industrial issues in the industry such as implementation of macro policies, guarantee of house quality, prevention of unused land, noise pollution control, environmental evaluation of new projects, cyclic utilization of wastes and green building, with excellent substantive performance.

Integrity (★★★★☆)

The main contents of the “Report” systematically disclose 81.29% of the core indicators of the industry it operates within from the perspectives of “pursuit for core value” and “stick to social responsibility” with excellent performance of its integrity.

Balance (★★★★)

The “Report” discloses “major casualties in construction site”, “loss of working hours due to work-related injury”, “number of accidents of child laborers”, “number of forced labor incidents”, “number of complaints about infringement of employee rights and benefits”, “number of litigation cases” and “mortality of industrial accidents” and other negative data information, with excellent balance performance.

Comparability (★★★★★)

The “Report” discloses data of 52 key indicators for more than 2 consecutive years, including “signing ratio of labor contract”, “training hours of female employees per capita”, “overall reduction of greenhouse gas”, “office paper consumption”, “contract price for the sold property” and “land reserve area”, and compares horizontally with the same industry with respect to such data as the “First Top 50 Chinese Incubators” and “Top 30 Industrial and Urban Development Operators of 2018” and other data, with excellent

comparability performance.

Readability (★★★★)

The “Report” is divided into two chapters and continues “pursuit of core value” as the theme; displays the annual responsibility practice and effectiveness of the company’s special issues such as scientific and technological innovation and industrial coordinated development with rich cases, highlighting the characteristic value of the enterprise and enhancing the identification of the Report; “sticking to social responsibility” explains the company’s fulfillment in performance of responsibilities of stakeholders from perspectives of customers, employees and partners and explains the company’s deep understanding of fulfilling social responsibility. The overall style is concise and the expressions are rich, with proper combination of images and texts, with excellent readability performance.

Innovation (★★★★☆)

The “Report” actively echoes with important national development strategies such as “Mass entrepreneurship and innovation” and focuses on the corporate characteristic practice, highlights the responsibility of enterprises to implement macroeconomic policies; identifies substantive issues through questionnaires and other forms, enhances the participation of internal and external stakeholders and effectively enhances the accuracy of the issue identification; the first participation in the report rating service not only enhances the awareness and height of corporate social responsibility management, but also enhances the standardization and credibility of corporate social responsibility work, with outstanding innovative performance.

Overall Rating (★★★★)

According to the rating team’s assessment, “Enterprise Social Value Report 2018 of China Electronics Optics Valley Union Holding Co., Ltd.”, an excellent corporate social responsibility (CRS) report, is of four-star rating

#### IV. Improvement Suggestions

1. Enhance the disclosure of the core indicators of the industry and improve the integrity of the Report;
2. Optimize the presentation method of key performance data and further improve the readability of the Report.

魏紫川

Vice President of Chinese Expert Committee on CSR Report Rating

张喜

Leader of the Rating Team Expert of the Rating Team

Process Evaluator Ren Jiaojiao

Issuance date: June 26, 2019



Scan QR Code to View Enterprise Rating Files

## Appendix VI. Reader's Feedback Form



Scan for Readers' Feedback Form

Dear Readers,

Thank you for reading the 2018 Enterprise Social Value Report issued by CEOVU. We sincerely appreciate your evaluation on this report and your valuable advice to help us continuously improve the management of social value, constantly improve the level of responsibility fulfillment, and create value for the construction of a green ecology and a harmonious society.

Your evaluation on this report: (Please tick the appropriate position)

	Very Good	Good	Ordinary	Poor	Very Poor
Do you think this report highlights important information about the environmental and social responsibilities of the company?					
Do you think the information and indicators disclosed in this report are clear, accurate and complete?					
Do you think the content arrangement and style design of this report are easy to read?					

Do you have any comments or suggestions on the social value of the Group and this report?

Please leave your personal information if available:

Name: \_\_\_\_\_

Work Unit: \_\_\_\_\_

Tel: \_\_\_\_\_

Email: \_\_\_\_\_