



China International Marine Containers (Group) Co., Ltd.

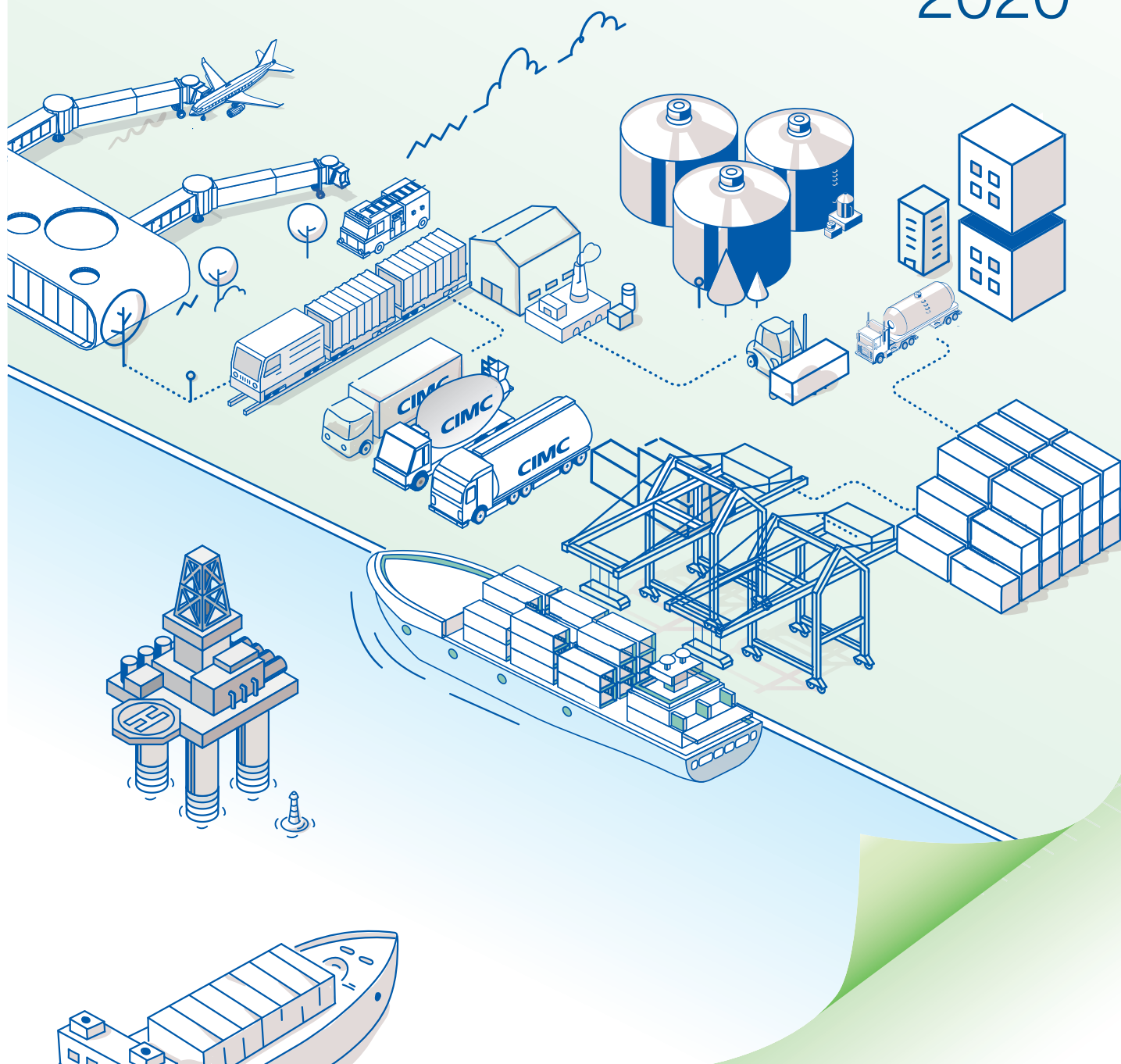
(a joint stock company incorporated in the People's Republic of China with limited liability)

H Share Stock Code : 2039

A Share Stock Code : 000039

Corporate Social Responsibility & Environmental, Social and Governance Report

2020



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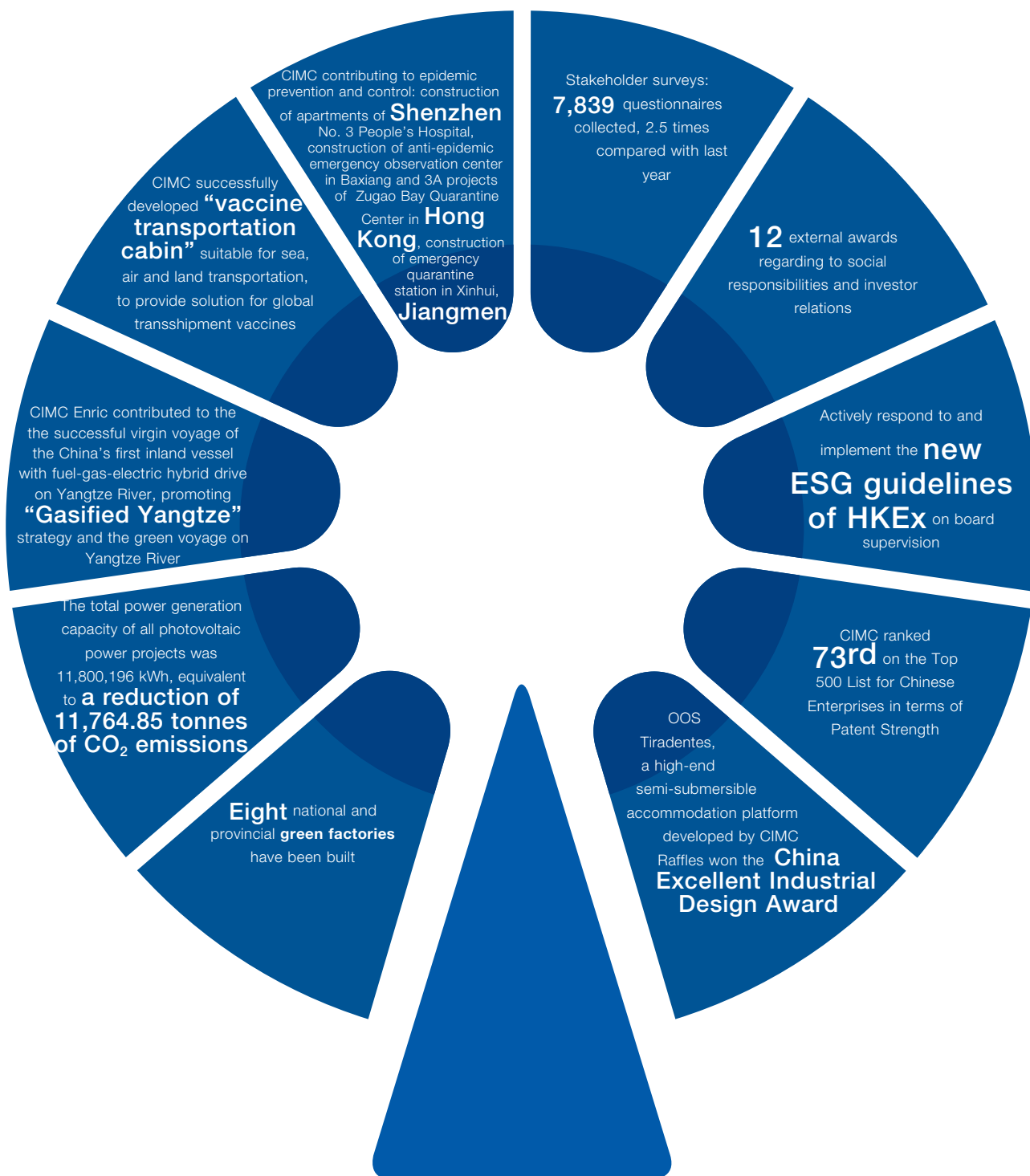
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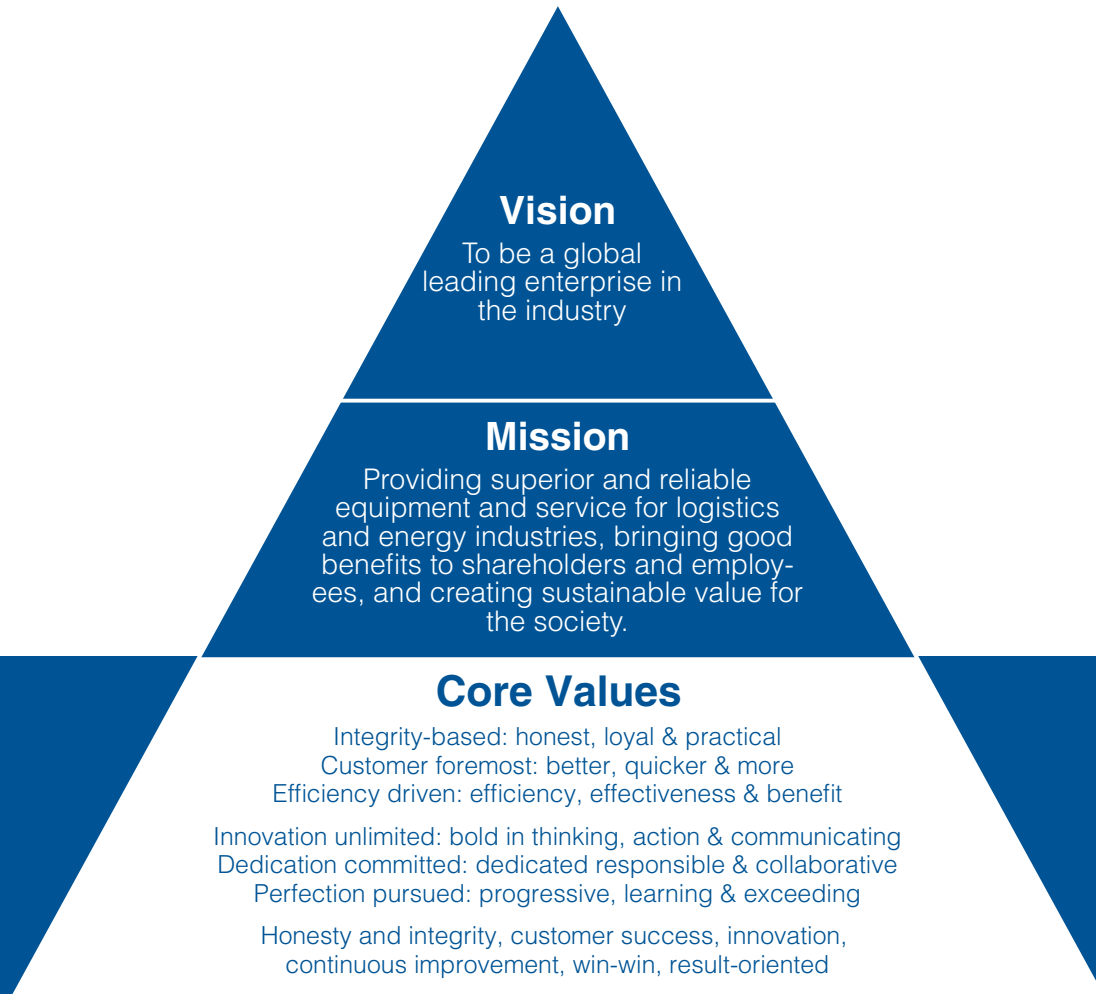
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Sustainability Achievements in 2020



Business Philosophy



Our Spirit

To strive unceasingly and pursue excellence

Core HR Philosophy

People-oriented Common Cause

Business/Management Philosophy

Development concept: Quality growth

Management concept: Concise and efficient

Globalization concept: Global operations and local wisdom

HSE concept: Safe and healthy, green management

Reports for Previous Years



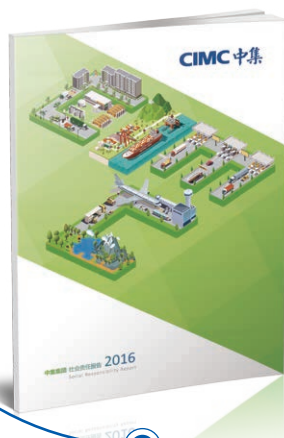
2017



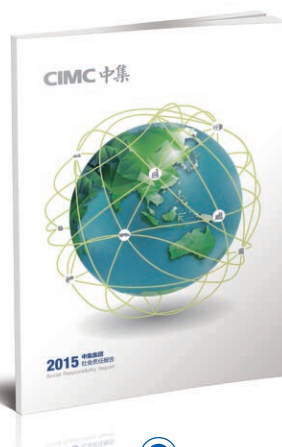
2018



2019



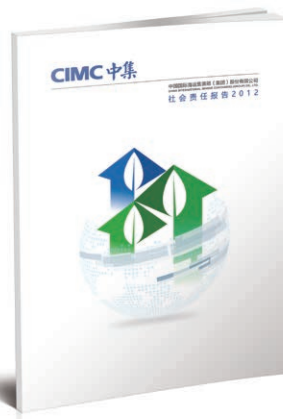
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2015

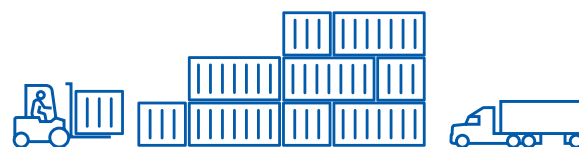


2014



2012

CIMC has published sustainable development reports for 12 consecutive years since 2008.



About the Report

This report is the fourth Corporate Social Responsibility & Environmental, Social and Governance Report (the “CSR & ESG Report” or “Report”) of China International Marine Containers (Group) Co., Ltd. (the “Company” and its subsidiaries) and its subsidiaries (together the “CIMC”, “CIMC Group”, “Group” or “us”). The board of directors of the Group expressly knows their responsibility for authenticity of the report, takes full responsibility for the Group’s environmental, social and governance strategies and reporting as it has reviewed and approved the report.

Reporting Scope

The Report supplements the 2020 Annual Report of the Group and discloses the Group’s management approaches, measures and performance in environmental, social and governance from January 1, 2020 to December 31, 2020 (the “current year”) (with some contents dating back to the prior years or looking forward to the date of disclosure of the Report). For further details of corporate governance, please refer to the section headed “Corporate Governance and Corporate Governance Report” in the 2020 Annual Report of the Group.

The coverage of the text disclosed in the Report is the same as that of the 2020 Annual Report of the Group, while the staff training data does not include the vehicle sector and all overseas companies. The data in the environmental category covers: (1) domestic manufacturing enterprises (including all key pollutant discharge companies) under the seven major segments of Containers Manufacturing, Road Transportation Vehicle, Energy and Chemical, Airport, Offshore Engineering, Unit Load Business and Heavy Trucks, basically achieving a full coverage; (2) four enterprises and offshore engineering institutes under logistics segment; (3) 7 overseas companies under the Vehicle, Energy and Airport segments, accounting for over 60% of the overseas revenue.

Preparation Basis

The Report was prepared in accordance with the Appendix 27 the Environmental, Social and Governance Reporting Guide (“ESG Guide”) to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”), the Guidelines

for Companies Listed on the Shenzhen Stock Exchange on Releasing Information on Corporate Social Responsibility, the “Core” items of the GRI Standards, the CSR Guide for China’s Industrial Enterprises and Industrial Associations (GSRI-CHINA 2.0) and the CASS-CSR 4.0 Guidelines of Chinese Academy of Social Sciences. The currencies involved in the Report are measured in Renminbi (“RMB”) unless otherwise stated.

Statement on Reliability

The board of directors and all directors guarantee that this report contains no false record, misleading representations, or material omissions.

Publication Cycle

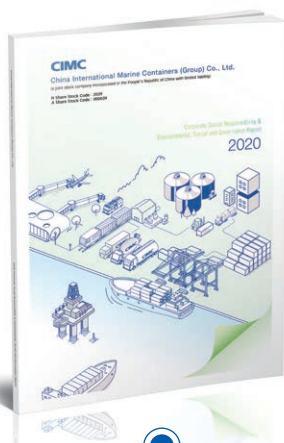
The report is published annually, specifically in March of each year.

Publication

The Report is published in Chinese and English. Should there be any discrepancy between the Chinese and the English versions, the Chinese version shall prevail. Readers and all stakeholders can inspect the Report at the Company’s official website (www.cimc.com), Cninfo website (www.cninfo.com.cn) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

Contact Information

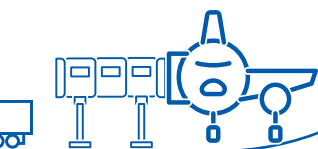
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2020



2013



Chairman & CEO's Statement



2020 is set to be remembered as a very unusual year in history. During the year, the sudden Novel Coronavirus Pneumonia (COVID-19) pandemic delivered a far-reaching impact on politics, economies, people's lives and sustainable development in all countries around the world, and it produced a direct impact on CIMC Group as well. In the face of this challenge, we fully assessed the situation and took quick action. In April 2020, we set up the Group Decision-making Committee for the Special Period, devised a series of special operation and control measures, and firmly implemented these measures. As a result of the concerted effort put forth by all members of the Group from top to bottom, we were able to achieve better-than-expected operating results for the year as a whole. Moreover, the Group has grown even healthier, generated higher quality growth, and optimized its ESG work with a broad range of significant moves, including optimization of the Group's strategic blueprint and business focus, disposal of low-efficiency assets, and implementation of significant strategic agendas.

Refining governance

In the past year, we have continued to refine the Group's ESG governance framework under the leadership of the Board of Directors and in accordance with the ESG Reporting Guide issued by Hong Kong Stock Exchange. We clarified that the Strategy Committee under the Board of Directors is responsible for ESG affairs, designed the ESG working mechanism, and established and refined the organizational system based on hierarchical reporting principles. The Group is now gradually optimizing the internal policy framework, processes and information system to help the Board of Directors better perform its ESG function and ensure that the Group is providing accurate and timely information disclosure in the ESG report. After COVID-19 broke out, the Group quickly announced the onset of a "special period," established the Group Decision-making Committee for the Special Period, and implemented an array of risk control measures to bring operational risk under control across the Group. In the following weeks and months, all of the Group's members worked shoulder-to-shoulder to implement these measures, and as a result the Group was able to effectively control operational risk and demonstrate its capacity for sustainable development.

Strengthening communication

In 2020, we attached great importance to stakeholder communication and opened regular communication channels, and we distributed a total of 7,839 internal and external questionnaires to effectively identify key issues related to sustainable development. We have striven to define objectives for sustainable development management and have put in place measures to address substantive issues that are of common concern to stakeholders. Furthermore, in order to enhance the sustainable development of the economy, the environment and society, we have connected the strengths of all of our employees and stakeholders and implemented effective processes to handle issues that attract the attention of stakeholders, including operational and risk control compliance; research, development and application of clean and environment-friendly production technologies; employee safety and health; climate change response and greenhouse gas emissions. We have played an active part in various industry associations and social activities and have outlined CIMC Group's ideas and point of view at various social responsibility summits. As a result of these efforts, CIMC Group has been able to gradually improve its external ESG ratings and receive wider recognition from the capital market and society as a whole.

Leading by example

As a pioneer in China's reform and opening up and as an industry leader, CIMC Group has always been committed to its original vision and goal of "actively exploring sustainable business models and creating sustainable value for society." In 2020, we announced our decision to "start business a second time" in the new era, continued to carry out our sustainable development strategy, and pursued quality-oriented growth. We played our role as an

industry leader and worked hard to reward all shareholders and stakeholders, as well as society as a whole. Despite the challenges that arose during the year, we were still able to successfully implement important ESG initiatives, including "strengthening responsibility management," "tackling climate change," "improving global logistics" and "demonstrating corporate care." These measures have yielded positive results and have allowed us to guide the industry forward.

To strengthen responsibility management, we have steadily refined the Group's governance and management mechanisms in order to address sustainable development risks and capture the business opportunities that accompany these risks. In line with the "reporting promotes management" ESG guideline, we have gradually integrated ESG work into our 5S management system based on the two mainstays of "improving reporting quality and enhancing governance." Furthermore, we have integrated climate change and other issues into the comprehensive risk management system, reinforced special risk governance, explored digital risk control and performed risk checks during the special period. At the same time, we have strived to conduct operations firmly in line with the concept of "legal, honest and credible corporate governance."

To tackle climate change, we have reduced the Group's total greenhouse gas emissions for 3 consecutive years. At the same time, we are deeply aware that we have a long way to go before we can reach peak carbon dioxide emissions and achieve carbon neutrality. For this reason, we have actively echoed the commitment of the Chinese Government to participate in global environmental governance, researched technologies that enable carbon neutrality and peak carbon dioxide emissions, and implemented the Green Development Plan of CIMC Group. CIMC Group is dedicated to reducing its resource consumption, reducing pollution emissions, and propelling green transformation and development. We are working hard to address global climate change and construct an ecological civilization by deploying cutting-edge technologies and offering advanced products, including bamboo flooring; natural gas, hydrogen energy and other clean energy equipment; improved container and vehicle coating processes; and modular construction.

To improve global logistics, we are holding fast to our core value of "pioneering innovation." We see scientific and technological innovation as the lifeline of our corporate survival and development. For this reason, we have steadily developed and improved the Group's system for scientific and technological innovation and have carried out research and development for patents as well as industrialization of the results. We see product quality as a cornerstone of our corporate survival, and we always view health and safety as the most important aspect of our product responsibility efforts. We adhere to the principle of "continuously improving without limits," and we deploy a competitive strategy that is oriented toward global sales and best-in-class products. Under this strategy, we strive to efficiently deliver products and services that are safe and high-quality to a wide array of customers. Furthermore, we believe that in order to succeed in the new era of industrialization, companies need to acquire comprehensive

digital intelligence. For this reason, we have deployed strategies to upgrade intelligent manufacturing and advance techniques associated with the new era of industrialization in an all-round manner by combining the Group's comprehensive roadmap with pilot promotion programs. In this way, we aim to gradually transform and upgrade the Group's manufacturing operations. In addition, we consider suppliers to be strategic partners of CIMC Group, and we cooperate with them in order to develop and grow our business and achieve mutual benefits. We have teamed up with our suppliers to establish a sound environmental and social risk control environment and implement green supply chain development and management. In this regard, in 2020, CIMC Group was able to use its advanced logistics equipment and services to contribute to the global fight against COVID-19.

To demonstrate its "corporate care" efforts, CIMC Group advocates the human resources concept of "putting people first in pursuit of a common cause" in order to build a community that "shares both returns and risks." We combine CIMC Group's overall corporate development vision with the personal goals of employees, and promote personal growth and the pursuit of excellence. In this way, CIMC Group is able to grow together with its employees. With its social responsibility obligations firmly in mind, CIMC Group takes measures to care for society and improve people's livelihoods, and it seeks to create a sound operating environment for enterprises and support the development of local economic and social philanthropic causes. Following the outbreak of COVID-19 in 2020, the Group immediately sets up the epidemic work steering group and the epidemic response working group, and implemented strong measurements to effectively assure the health and safety of employees. Simultaneously, we have encouraged all of our affiliates to actively participate in the global fight against the pandemic. By working together, we can fully demonstrate CIMC Group's top-notch capabilities, compassion, and operational risk resilience.

The 2020 Corporate Social Responsibility & Environmental, Social and Governance Report published by CIMC Group details CIMC Group's efforts and results in the fight against COVID-19, its commitment to maintaining operations, and the tangible actions it has taken in its pursuit of sustainable development during the "special period" following the global outbreak of the pandemic.

Future outlook

Going forward, ESG reporting will be subject to stricter requirements by the State and listed-company regulators; stakeholders will pay closer attention to ESG and sustainable development; and ESG agenda items such as climate change, carbon neutrality and green supply chains will emerge as global focuses. Within this context, as a company with a dual A+H share listing, CIMC Group will work to take its overall ESG reporting to the next level and improve its ESG management capabilities in 2021.

To this end, we will:

- Integrate substantive agendas that attract major attention from stakeholders into CIMC Group's operations management strategy and work to address the relevant issues.

- Closely monitor type-B indicator data and promote functional management improvements according to the new ESG guidelines released by Hong Kong Stock Exchange.
- Ensure that the Board of Directors leads ESG work, identify gaps between the new ESG guidelines and CIMC Group's operations, and drive ESG improvements across CIMC Group.
- Adhere to the best-in-class product strategy, pursue scientific and technological innovations, and boost global logistics by offering more high-quality products and services.
- Comprehensively implement the Green Development Plan of CIMC Group, reduce various emissions, and construct and improve green factories and green supply chains.
- Better implement the human resources concept of "putting people first in pursuit of a common cause," stay firmly committed to employees' occupational safety and health, and realize the common growth of both the enterprise and employees.
- Actively research climate change and carbon neutrality topics and explore paths that CIMC Group can take to achieve its carbon neutrality objectives.
- Cultivate and expand clean energy business, mainly in the natural gas sector; actively explore and develop other clean energy businesses such as hydrogen energy and offshore wind energy; and devise a diversified clean energy portfolio to develop more application scenarios and integrated solutions.

2021 marks the first year of China's 14th Five-Year Plan period, and it is also the year in which CIMC Group will begin to implement its 2021-2023 Three-Year Strategic Plan. During this special year, we will consolidate our hard-won achievements, seize opportunities in the new era, adhere to the theme of "operating prudently and pursuing quality growth," inherit and uphold CIMC Group's spirit and culture, and enthusiastically work together to "start business a second time." In short, CIMC Group will work to make a more valuable contribution to sustainable development, with the ultimate goal of making the world a better place.

Chairman & CEO
Mai Boliang
March 2021

About Us

Company Profile

Headquartered in Shenzhen, China, China International Marine Containers (Group) Co., Ltd. (the “CIMC Group” or “CIMC”) is a world leading logistics, energy equipment and service supplier. CIMC Group is dedicated to the following major businesses: containers, road transportation vehicles, energy, chemical and food equipment, offshore engineering, logistic service and airport equipment etc. providing high-quality and reliable equipment and services. The booming development of these businesses is supported by: financial companies that provide professional capital management, and financial leasing companies that provide financial solutions. As a diversified multinational industry group serving the global market, CIMC has over 300 member companies in Asia, North America, Europe, Australia and other regions and 4 listed companies¹. Its customers and sales network covered more than 100 countries and regions around the world.

Four Listed Companies

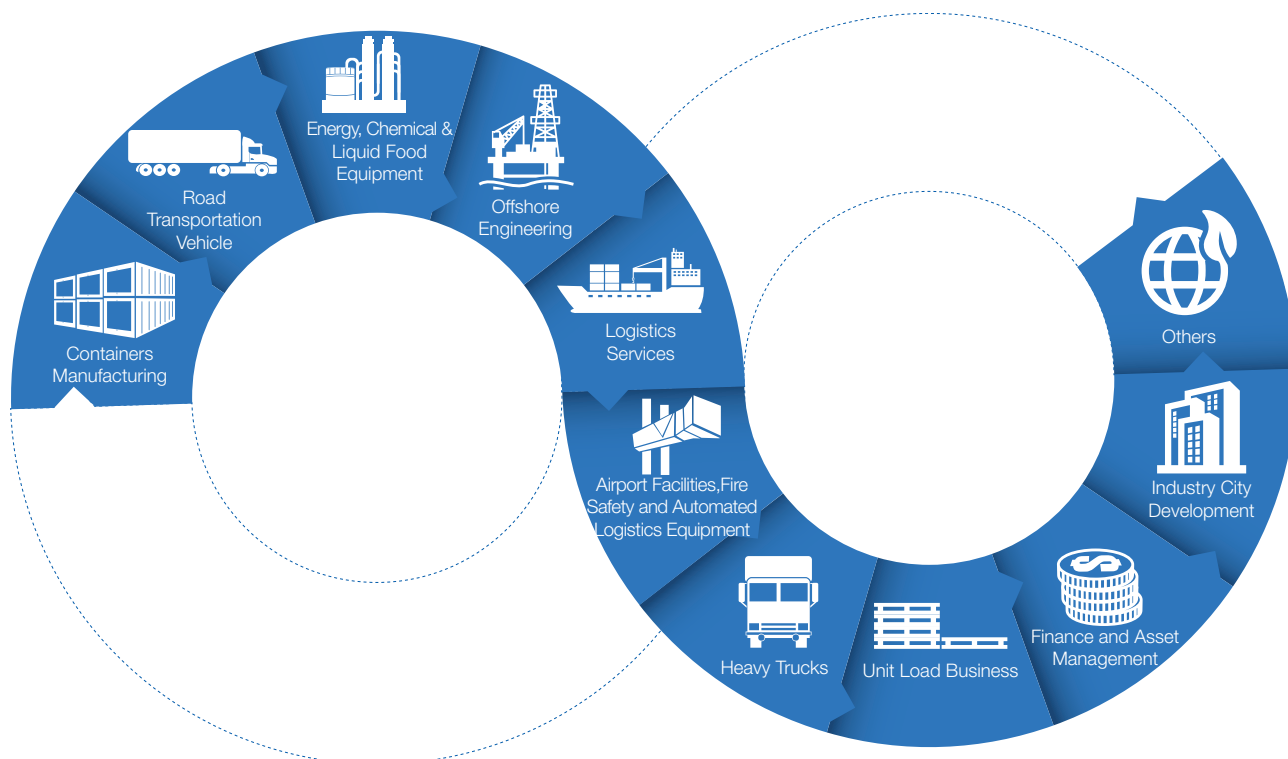
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000039.SZ/02039.HK

CIMC | 中集车辆
01839.HK

CIMC | 中集安瑞科
03899.HK

CIMC | 中集天达
00445.HK

Ten Major Business Segments



¹ On January 25, 2021, CIMC Tianda was privatized through a negotiated arrangement and officially withdrew from the listing status of the Stock Exchange.

Business Segment



01 Containers Manufacturing

Headquartered in Dongguan, China, CIMC Container Holdings Co., Limited (the "CIMC Container"), a subsidiary of the Group, is a wholly-owned subsidiary of CIMC, and also the largest business segment of CIMC with the longest history. Its main business included dry containers manufacturing, reefer containers manufacturing and special-purpose containers manufacturing, and has the capacity to produce a full range of container products with independent intellectual property rights. Its products are sold to North America, Europe, Asia and other major global logistics systems. Since recent years, CIMC Container has been extending its container business into other industries and fields such as cold chain, small and medium-sized logistics equipment, and innovative business with new materials as the core, and with concentrating on the innovative business of "container as main business" and "manufacturing + service + finance", it is committed to building a two-wheel driven development strategy



02 Road Transportation Vehicle

Headquartered in Shenzhen, China, CIMC Vehicles (Group) Co., Ltd. (the "CIMC Vehicles", 1839.HK), a subsidiary of the Group, is mainly engaged in the manufacture and sales of semi-trailers and special-purpose vehicles, and serves as a leader in the global semi-trailers industry. CIMC Vehicles began manufacturing and selling semi-trailers in 2002. Since 2013, the company has continuously maintained its first ranking in the world in terms of the sales volume of semi-trailer. Leveraging on its advantages in cross-border design, cross-ocean manufacturing and global supply chain, CIMC Vehicles currently have formed a cross-border operation structure with core competitiveness.



03 Energy, Chemical & Liquid Food Equipment

CIMC Enric Holdings Limited (the "CIMC Enric", 3899.HK), a subsidiary of the Group, is a leading company of energy, chemical and environmental, as well as food equipment sector, providing customers with key equipment, engineering services and system solutions for transportation, storage and processing. CIMC Enric has over 10 product brands and more than 20 manufacture bases and the world-leading R&D centers. Its marketing network covers Europe, United Kingdom, South America, North America, Central Asia, Southeast Asia and Africa. After more than ten years of steady development and accumulation, CIMC Enric has now become an industry-leading integrated solution provider which ranked first in the world in terms of production and sales volume of ISO liquid tank and business scale of high-pressure gas storage and transportation equipment; ranked first in the PRC in terms of business scale of cryogenic equipment, and production and sales volume of three major energy storage and transportation equipment of CNG, LNG and LPG. It has a world-leading capability to deliver brewery turnkey project service.



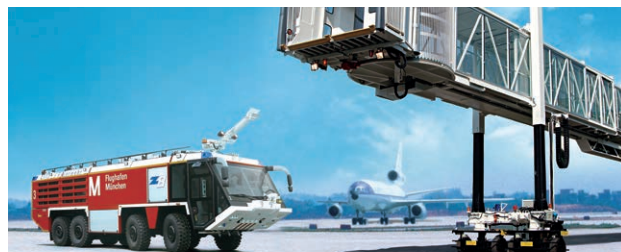
04 Offshore Engineering

This company name does not match any names in the company name list, please double check. The company referred to in the previous year's report is CIMC Raffles Offshore Ltd. a subsidiary of the Group, is one of China's leading offshore engineering equipment manufacturers and has always participated in global competition in the international offshore engineering market. The company's main products include drilling rig, production platform, special vessel, fishery equipment and high-end yachts. The semi-submersible drilling rig delivered by CIMC has covered the global mainstream offshore oil and gas production areas such as the South China Sea, the Norwegian North Sea, the Gulf of Mexico and the Brazilian waters. Among them, the ultra-deep-water drilling rig independently designed and built by CIMC, the "Blue Whale No. 1", assumed important task as the core drilling equipment in China's first successful combustible ice of pre-production waters in the South China Sea.



05 Logistics Services

CIMC Modern Logistics Development Co., Ltd. (the "CIMC Logistics"), a subsidiary of the Group, has over 100 members including Zhenhua Logistics, Southern CIMC and Baijian International, and is a national AAAAA-level logistics enterprise integrating equipment operation and logistics services. CIMC Logistics focuses on the channel network layout of major domestic seaports, the Yangtze River ports, the railway center stations and major international routes, and builds a comprehensive development model combining containers, cargos, and stations with the stations as the cornerstone, equipment as supporters and cargo control as the core, by relying on our superior resources such as container operation, own station and customs declaration, barges and vehicles. Through conducting equipment leasing and sales business, station operation business, freight service business, and ecological support services such as shipping agency, customs declaration, barges, and fleets, we are committed to becoming the leader of China's multimodal transport featuring "equipment + services".



06 Airport Facilities, Fire Safety and Automated Logistics Equipment

CIMC-TianDa Holdings Company Limited (the "CIMC-TianDa", 0445.HK), a subsidiary of the Group, is mainly engaged in research and development, manufacture and sales of boarding bridges for airport passengers, boarding bridges for port passengers, aircraft air conditioners, baggage handling systems for airport passengers, aircraft guidance systems, monitoring systems, special vehicles at airport stations (airport shuttle buses, aircraft catering vehicles, container/pallet loaders, etc.), fire and rescue equipment (conventional fire engines, special fire trucks, firefighting equipment, fire stations, etc.), air cargo handling systems, automated warehousing and logistics systems, and other series of products. The products of CIMC-TianDa have covered more than 300 civil aviation airports in nearly 80 countries and regions of five continents around the world.



07 Heavy Trucks

C&C Trucks Co., Ltd., a subsidiary of the Group, is a large-scale heavy-duty truck enterprise integrating R&D, production, sales, service and spare parts production. It has five domestic first-class production lines for the process of punching, welding, painting, resin and assembly. All of our main production equipment and testing and experimental equipment reach advanced standard in the country, with our products being positioned to independently developed and premium heavy-duty truck products in the domestic market. Our main heavy-duty truck products include fuel version and natural gas version, including tractor unit, mixer truck, dump truck, truck and special vehicles.



08 Unit Load Business

CIMC is deeply engaged in the field of unitized logistics carriers, with 20+ years of experience in the industry. In 2020, CIMC integrated a few high-quality enterprises which are mainly engaged in the logistics carriers business, to establish the Unit Load Business segment, which mainly includes three major business lines, namely R&D and manufacturing, leasing operation and multimodal transportation, and focuses on providing professional comprehensive solutions on R&D and manufacturing, leasing operation and packaging of unitized logistics carriers for the automotive, liquid chemical, rubber and other industries. It has several member companies, four manufacturing bases, and several professional service units, with service outlets all over the country. While striving to improve the stock market share, CIMC Carrier is actively expanding into new markets. So far it has successfully developed reusable packaging products for new energy power batteries and developed rubber boxes with its own intellectual property rights, which have been highly regarded by customers.



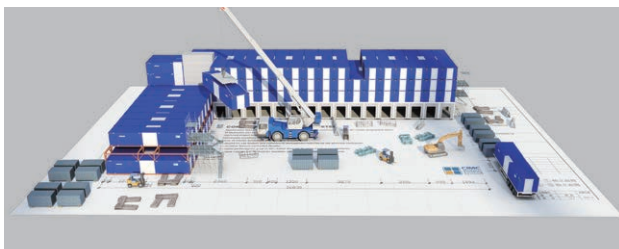
09 Finance and Asset Management

The Group is devoted to establishing a financial services system which matches the Group's strategic role as a global leading manufacturer, to enhance the efficiency and effectiveness of the Group's capital utilization with a full range of financial services, providing global customers with innovative financial solutions with competitive advantages. The main operating entities consist of CIMC Financial Leasing Company and CIMC Finance Company.



10 Industry City Development

Shenzhen CIMC Skyspace Real Estate Development Co., Ltd. (the "CIMC Skyspace Real Estate"), a subsidiary of the Group, implements the development strategy of "Integration of Industry and City, Balanced Structure of Asset-light and Asset-heavy Business" with the mission of "Revitalizing the City through Industry, Revitalizing the State through Industry and City", and is committed to becoming a national leader of industrial park and operation experts and creating sustainable value for society. CIMC Skyspace Real Estate is committed to promoting the agglomeration and upgrading of urban industries. Focusing on industries such as smart manufacturing, next-generation information technology, new energy, life and health, military-civilian integration and smart logistics, the company provides investment, construction, investment introduction, operation, comprehensive supporting and other services covering the entire life cycle of the industrial park. The company creates a standardized service system such as urban complexes, industrial parks and incubators, with our businesses across Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Delta.



11 Others-Modular Building Business

CIMC Modular Building Investment Company Limited (the "CIMC Modular"), a subsidiary of the Group, integrates professional resources on a global scale to provide industry-leading EPC turnkey services for global customers. Through the process of factory-based prefabrication of steel structure modules, standardized ocean liner transportation and on-site stacking operations, modular buildings can significantly shorten the on-site construction period compared with traditional buildings, reduce pollution and protect the surrounding environment of the building, and are favored by customers around the world. CIMC Modular has currently been well received by the hotel, student apartments and rental apartment markets. At present, it has successfully delivered more than 45,000 suites of apartments with a total construction area of more than 1 million square meters.



Table of Key Performance Indicators

In 2020, the Group's revenue amounted to RMB94.159 billion (2019: RMB85.815 billion), representing a year-on-year increase of 9.7%.

Table of Financial Performance Indicators

Indicators	Units	2020	2019
Operating revenue	RMB thousand	94,159,083	85,815,341
Operating cost	RMB thousand	80,714,871	73,355,605
Operating profit	RMB thousand	7,439,627	5,838,747
Total assets	RMB thousand	146,211,511	172,107,521
Net assets	RMB thousand	53,853,844	55,037,978
Net profit	RMB thousand	6,011,740	2,510,113

Table of Environmental Key Performance Indicators

Indicators	Units	2020 ²	2019	2020/2019 Change	2020 data Intensity (per RMB100 million operating revenue)
Total amount of sewage discharged	thousand cubic meters	3,473.72	3,885.66	89.4%	3.69
Total gas emissions: VOCs	tonnes	365.89 ⁴	1,609.05	22.7%	0.39
Total greenhouse gas emissions	tonnes of carbon dioxide equivalent ("CO ₂ e")	887,296.41	902,402.05	98.3%	942.93
Direct greenhouse gas emissions	tonnes of CO ₂ e	180,957.98	150,133.57	120.5%	192.30
Indirect greenhouse gas emissions	tonnes of CO ₂ e	706,338.02	752,268.48	93.9%	750.62
Total amount of hazardous waste generated	tonnes	26,839.02	31,301.89	85.7%	28.52
Total amount of nonhazardous waste generated	tonnes	211,473.14	224,883.92	94.0%	224.73
Total energy consumption	tonnes of standard coal	212,906.77	200,533.79	106.2%	226.26
Electricity consumption	MWh	961,845.57	962,138.60 ⁵	100.0%	1,022.15
Gas consumption	thousand cubic meters	51,548.89	48,950.63	105.3%	54.78
Oil consumption ³	kiloliter	21,703.96	15,827.48	137.1%	23.06
Gasoline consumption	kiloliter	1,354.61	—	—	1.44
Diesel consumption	kiloliter	20,349.35	—	—	21.63
Total water consumption	thousand cubic meters	6,198.11	6,995.85	88.6%	6.59

2 The data statistical and accounting method in 2020 is roughly the same as that in 2019, with the difference that the Group has basically achieved full coverage of domestic manufacturing enterprises, so the total emissions of the Group include the sum of the actual total emissions of the three separately listed segments (domestic and overseas), plus the estimated total emissions of the remaining segments (domestic). Among them, the estimated total emissions of the segments are calculated by the proportion of the revenue of the actual total emissions of the enterprises included in the statistics to the segment to which they belong.

3 From 2020, oil consumption is subdivided into "gasoline consumption and diesel consumption".

4 Starting from early 2020, the Group adopts the latest national system and standards related to the management of wastegas emissions and relies on national emission permits to account for and summarize VOCs emissions. The material balance method was used to summarize VOCs emissions in 2019 and prior years, thus the difference is significant.

5 2019 data is restated due to differences in calculation methods.

Table of Social Key Performance Indicators (The data disclosed by the Group derives from the aggregated data of the following subordinated segments)

Aspect	Serial numbers of ESG Guide	Specified KPI	Content index in this Report
B1 Employment	B1.1	Total workforce (person):	Employees Overview
		– Total workforce by employment (person)	
		– Total workforce by gender (person)	
		– Total workforce by geographical region (person)	
		– Total workforce by age group (person)	
		– Percentage of female management staff (%)	
	B1.2	Total numbers of employee turnover (person), total employee turnover rate (%)	The statistical process is being improved, and will be disclosed in the next year
		– Employee turnover rate by gender (%)	
		– Employee turnover rate by age group (%)	
B2 Health and Safety	B2.1	Number of work-related fatalities, rate of work-related fatalities (per 1,000 person), rate of work-related fatalities (per 1,000,000 work hours) (only includes contract employees)	The statistical process is being improved, and will be disclosed in the next year
		– Employee turnover rate by geographical region (%)	
		– Employee turnover rate by geographical region (%)	
	B2.2	Lost days due to work injury (day)	The statistical process is being improved, and will be disclosed in the next year
B3 Development and Training	B3.1	Training coverage rate (%)	Employee development training
		– By gender	
		– By employee category (such as senior management, middle management, etc.)	
		– By employee category	
	B3.2	Total training hours (hour)	Employee development training
		– The average training hours completed per employee (hour)	
		– By gender	
		– Number of internal trainer (person)	
B4 Labor Standards	B4.1	Monetary value of significant fines (0.2 million) for non-compliance with laws and regulations	The statistical process is being improved, and will be disclosed in the next year
B5 Supply Chain Management	B5.1	Total suppliers, geographical distribution of suppliers	Supply Chain System
		Number of suppliers that have passed quality management system certification	
		Number of suppliers that have passed occupational health and safety management system certification	
		Number of suppliers that have passed environmental management system certification	
		Number of suppliers that have signed the Sunshine Cooperation Agreement(or Commitment)	
		Number of suppliers that have performed appraisal	
	B5.3	Number of new suppliers added during the year	Supply Chain System
		Number of new suppliers that have performed appraisal covering environmental and social issues during the year	
		Number of existing suppliers that have performed reassessment during the year	

Aspect	Serial numbers of ESG Guide	Specified KPI	Content index in this Report
B6 Product Responsibility	B5.4	Number of existing supplies that have performed reassessment covering environmental and social issues during the year	Supply chain system
		Number of suppliers whose cooperation was terminated during the year	
		Number of suppliers whose cooperation were terminated due to environmental and social issues during the year	
		Number of suppliers that have been trained due to environmental and social issues during the year	
		Purchase amount and proportion on the electronic platform	
	B6.1	Proportion of purchase amount from strategic cooperative suppliers	The statistical process is being improved, and will be disclosed in the next year
		Percentage of product recall	
		– Estimated number of product recalls and loss	
	B6.2	– Product recall ratio = number of product recalls/number of all products sold	The statistical process is being improved, and will be disclosed in the next year
		Number of customer complaints	
		Customer satisfaction rate	
	B6.3	Number of intellectual property rights	Intellectual property management
		– Number of patent applications during the year (item)	
		– Number of invention patent applications during the year (item)	
		– Aggregate number of authorized patents (item)	
		– Number of authorized patents during the year (item)	
B7 Anti-corruption	B6.5	– Aggregate number of trademark applications (item)	Customer privacy protection
		– Aggregate number of trademark registrations (item)	
		– Aggregate number of Chinese patent awards (item)	
		Number of complaints received for leaking information on consumers	
		Incidents on Information security	
	B7.1	Total numbers of legal cases regarding corrupt practices	Integrity management philosophy
		Numbers of concluded legal cases and outcome of the cases	
		Number and processing rate of effective whistle-blowing	
	B7.2	Awards granted in relation to integrity	The statistical process is being improved, and will be disclosed in the next year
		Number and participants on anti-corruption training	
B8 Community Investment	B7.3	Anti-corruption training coverage on directors and supervisors	Integrity management philosophy
		Number of public welfare activities	
		Donation amount (RMB ten thousands)	
	B8.1	Volunteer Service (hours)	The epidemic is cruel but the enterprise is kind
		Volunteer Service (participants)	



Strengthening Responsibility Management

Highly attentive to the sustainable development, CIMC management and those charged with governance have established the green development plan and action plan and strengthened the corporate social responsibility management. We have incessantly refined the governance and management mechanisms, actively echoed the No.16 sustainable development goal set by the United Nations and handled the sustainable development risk and captured business opportunities coming together with risks.



Actions:

- Continuous improvement of ESG governance and management mechanism;
- Promote “reporting for management” and strengthen ESG training and dissemination;
- Improve communication mechanisms, initiate exchanges with professional institutions, and strengthen information disclosure and media interaction;
- Promote special management of major risks and check risk control points during the special period;
- Explore digital risk control and build a risk control information platform;
- Attach importance to integrity publicity and further implement accountability system

Achievements:

- Adhere to the concept of governing the enterprises by law, honesty and integrity to carry out all business activities;
- Overall ESG awareness of the Group was enhanced;
- Wider range of stakeholder communication;
- Awarded “Outstanding Responsible Enterprise of 2019” in China by Southern Weekend;
- Awarded as one of the top 100 sustainable enterprises in China (tied for sixth);
- Received the “Best Information Disclosure Award” from China Excellence IR

Efforts:

- Strengthen the ESG leadership role of the Group's Board of Directors and its subsidiaries to promote the establishment of sustainable development strategic goals and organize the implementation;
- Integrate and advance the substantive issues that are the focus of the stakeholders into the strategic themes of the Group's operations management;
- Developing and implementing functional improvement action plans in response to the new ESG guidelines of the Hong Kong Stock Exchange;
- Integrate CSR & ESG reports into CIMC's 5S management system and comprehensive risk management to continuously improve ESG management

Corporate Governance and Interactive Communication

Capital structure

In 2020, the major shareholders of the Group have changed. Shenzhen Capital Holdings and its exclusively-owned subsidiaries have become the largest shareholder of the Group with 29.74% of the shares, and China COSCO Shipping Corporation Limited still holds a small proportion, about 4.69% of the total share capital, of the shares in CIMC.

Until December 31, 2020, the Group has recorded the total share capital of 3,595,013,590 shares, including 1,535,121,660 A shares and 2,059,891,930 H shares. Shenzhen Capital Holdings and China Merchants Group are two majority shareholders of the Group. The equity architecture chart of the Group in 2020 can be checked in the 2020 Annual Report. The share transfer is the most significant change in the share capital structure since the Group's IPO in 1994 and marked a milestone in the Group's development which has a far-reaching impact on the Group's future. The Group will maintain its governance structure based on mixed ownership and continue to operate its businesses on a market-oriented basis. The new shareholder will facilitate the Group's development in Shenzhen and make breakthrough in development based on domestic economic cycle while expanding the international economic cycle.

Strictly in accordance with the requirements of the Rules of General Meeting of Shareholders of Listed Companies issued by China Securities Regulatory Commission, the Group has established the Procedural Rules of the General Meeting of Shareholders of China International Marine Containers (Group) Co., Ltd., specifying that the General Meeting of Shareholders is the supreme authority of the Group, and ensuring all shareholders, particularly small and medium shareholders enjoy the equal status and fully exercise their powers. When holding the General Meeting of Shareholders, the Group will usually arrange the directors and management members to communicate with the small and medium shareholders present at the meeting on the site. The Group maintains a balanced equity structure, the decision-making mechanism of the Board of Directors is subject to reasonable balance of power and can effectively assure a clear boundary between the right of operation and the ownership at the Group.

The implementing rules of the Nomination Committee of the Group stipulate the policy that the members of the Board of Directors should be diversified, that is, the candidates for the Board of Directors will be based on a series of diversified terms, including without limitation to gender, age, cultural and educational background, professional expertise, skill and

knowledge etc.. On this basis, the candidates will be decided based on their comprehensive values for the business and development of the Company, values created for the Board of Directors and objective conditions that can assure the diversification of the members of the Board of Directors of the Company. The Board of Directors thinks that the current practices of the Company satisfy the diversification requirements defined by the Listing Rules of Hong Kong Exchanges and Clearing Limited for the members of the Board of Directors.

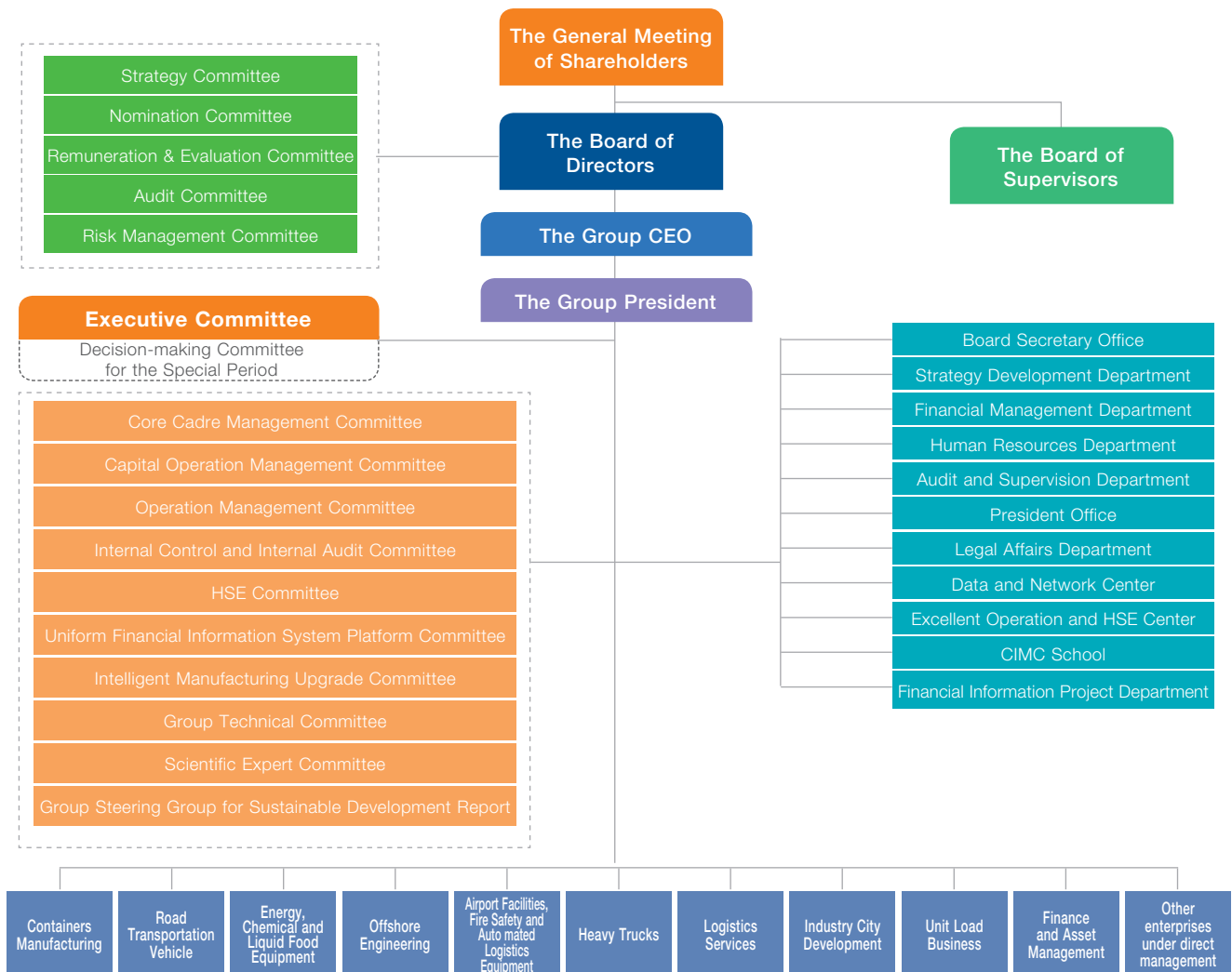
Of the current directors, four non-executive directors have extensive and rich business and management experience, and three independent non-executive directors take pride in profound academic/professional qualifications and rich industrial experience in shipping, financial, legal, management and other fields. In particular, the independent non-executive director Mr. He Jiale has appropriate accounting and financial management expertise, the independent non-executive director Mr. Pan Zhengqi has appropriate shipping management expertise and the independent non-executive director Ms. LUI FUNG MEI YEE, MABEL has appropriate legal affair management expertise. The professional expertise and rich experience of the current directors help the Board of Directors strictly review and control the management procedures, and ensure the interests of all shareholders, including small and medium shareholders.

In 2020, in accordance with the Company Law of the People's Republic of China, the Group has revised the regulations pertaining to the governance level of the Group, including the Articles of Association of China International Marine Containers (Group) Co., Ltd., the Procedural Rules of the General Meeting of Shareholders of CIMC, the Procedural Rules of the Board of Directors of CIMC, the Procedural Rules of the Board of Supervisors of CIMC and the Working Rules of the Chief Executive Officer (CEO) and President of CIMC after the changes in the Chairman, the CEO, the President and the majority shareholders of the Group. At the same time, the Group has revised the Manual on Division of Major Functions (Businesses) of CIMC (Headquarters) based on the responsibility-right changes following the changes in the CEO and the President.

In 2021, we will continue to refine the policy framework of the Group, gradually identify the missing elements of the core policy framework, promote further refinement of the policy framework, start with problem regulations and policies and continuously improve the functionality of the policy framework.

Holding of the General Meeting of Shareholders in 2020

Session of the General Meeting of Shareholders	Represented shares	Proportion of attending investors
Annual General Meeting of Shareholders in 2019	876,173,762	24.43%
First Extraordinary General Meeting of Shareholders in 2020	1,778,425,570	49.49%
First General Meeting of Shareholders of A-share Class in 2020	540,892,558	35.44%
First General Meeting of Shareholders of H-share Class in 2020	335,281,550	16.28%



Remarks: The Decision-making Committee for the Special Period temporarily replaces the Group Executive Committee to serve as the supreme decision-making body of the Group, which will be subject to further adjustment based on actual situation.

Organizational structure of CIMC in 2020

Control in special times demonstrates corporate ductility/tenacity

After the outbreak of the COVID-19 epidemic, the Group quickly established a decision-making committee to promote the implementation of various control measures and daily decisions in the special times. Through the implementation of special times controls, the development goals set at the beginning of the Year were basically achieved, and a good overall financial performance and operating indicators of the Group in 2020 were achieved. The Group also safely weathered the crisis brought about by the epidemic and smoothly entered the normalized phase of epidemic prevention, showing excellent control results. The experience in the following terms represents the resilience of operation and management.

Firstly, the Group's management and the heads of organizations at all levels have the strong crisis awareness and the execution power, which are the fundamental prerequisites for the success of control in special times.

Secondly, organizational guarantee and control mechanism are in place in time. the Special Times Decision-making Committee and a "battle command" capable of rapid response and decision-making were established. At the same time, in terms of control mechanism, through strong red line control, major projects breakthrough, key enterprises

control, major risk points (projects) control, timely and accurate information and data, strict regular meeting system and reporting system, etc., effective supports were ensured to achieve the control objectives in the special times. It is a successful exploration and innovation in management mechanism.

Thirdly, in the face of the crisis, all the employees of the Group worked together, worked hard, effectively implemented the control requirements raised by the Group in the special times, and made outstanding contributions to the safety of the Group and the sustainable high-quality development of the Group.

Fourthly, history once again proves the truth of "coexistence of crisis and opportunity". Through the establishment of decision-making mechanisms and strict implementation of control strategies and measures in the special times, the Group's management system is significantly optimized and improved, and the organizational body becomes healthier. In this process, the cognition and ability of a large number of cadres and employees are improved, and talents grow through experience and toughening, which has provided organizational guarantee and talent echelon building for the future development of the Group.

Information Disclosure

The Group follows related laws, regulations, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Guideline on Governance of Listed Companies*, the *Listing Rules of Shenzhen Stock Exchange*, the *Listing Rules of Hong Kong Exchanges and Clearing Limited*, and the *Articles of Association* and strictly performs the information disclosure obligation as a listed company. In 2020, the Office of the Secretary of the Board of Supervisors has revised the *Articles of Association*, the *Procedural Rules of the General Meeting of Shareholders*, the *Procedural Rules of the Board of Directors*, the *Procedural Rules of the Board of Supervisors*, the *Implementation Rules of the Nomination Committee*, the *Implementation Rules of the Strategic Committee*. The office, responsible for the information disclosure of the Group, observes the concept of authenticity, accuracy, integrity, timeliness and compliance and discloses corporate announcements, circulars and documents on designated media. In 2020, the Group has convened related members of the Secretary Office of the Board of Directors in the Group to accept related training to improve their professional ability, built an information disclosure system and forged an information disclosure and exchange platform at the Group level.

In 2020, the Company has completed the disclosure of regular reports and extraordinary announcements, particularly material or unexpected events to the concern of the shareholders and investors, in accordance with the requirements of the information disclosure laws and regulations for A shares and H shares to ensure the investors can understand the true status of the Company in a timely, fair, accurate and integral manner.

Investor Relations

In 2020, CIMC has as usual paid attention to and dedicated itself to improving investor relations management. We strictly observe related laws and regulations, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China* and the *Investor Relations Management Manual of Listed Company* as well as *Internal policy documents*, including the *Articles of Association* and the *Investor Relations Management Policy of CIMC*. We follow the principle of "Full compliance of information disclosure, equal opportunity for investors, honesty and credibility and interactive communication". To protect the interests of small and medium investors, the Group takes effective and convenient measures to strengthen all-round effective communication with the shareholders and investors, avoids selective disclosure and ensures the right of the small and medium shareholders to obtain the Company information in a fair and open manner in implementing daily work and material affairs.



- 162 announcements on A shares
- 175 English announcements on H shares
- 175 Chinese announcements on H shares



17
researches and visits to
factories



9
participations in
strategy meetings
of securities firms

Case

First collective visit of investors to CIMC after announcement of the semiannual results of 2020

On August 29, 2020, more than 20 private fund investors and small and medium-sized individual investors from Shenzhen and Guangzhou visited the headquarters of the Group for a collective research activity organized by CIMC and Alpworks (阿尔法工场), an influential communications institution and community organization in China's secondary securities market. All participants of this activity had communication and discussion on the semiannual results of CIMC which just announced.



Sustainable Development Management

Sustainable Development Strategy and Goal Management

CIMC has a sense of innovation, spirit of pragmatism and hard work, conceptualization of the market, international vision and sound system design stemming from the early stages of reformation in Shekou. Against the backdrop of an ever-changing global landscape, CIMC has adhered to the manufacturing trade, operated in a down-to-earth manner, and used its international vision and standards to blaze a path to becoming a strong industrial enterprise.

In an effort to keep up with the times, CIMC understands that the society as a whole has reached a consensus on the necessity for fulfilling corporate social responsibilities in accordance with changes in internal and external environments, with sustainable development becoming a global trend. To this end, we expend great effort to fully identify the risks and challenges faced in the process of achieving sustainable development.

External macro-environment is undergoing important and far-reaching changes	Amidst the impacts of the global pandemic, more consideration is being given to the resilience of enterprises	Transformation and upgrading in response to global climate change
<input type="checkbox"/> Paying global attention to and pursuit of sustainable development	<input type="checkbox"/> Companies are adhering to more sustainable development strategies and taking pragmatic action	<input type="checkbox"/> Climate change has become a focus of global attention, and the actions taken by companies in responding to climate change will be critical
<input type="checkbox"/> Ever-increasing policy requirements in China	<input type="checkbox"/> Corporate social responsibility issues and accountability models have changed against the backdrop of COVID-19	<input type="checkbox"/> China's 14th Five-Year Plan and carbon neutrality goals bring both challenges and opportunities
<input type="checkbox"/> Increasingly strict market regulation	<input type="checkbox"/> Corporate non-financial risks are more valued by investors, and awareness of ESG investment among global investors has increased against the backdrop of COVID-19	<input type="checkbox"/> In order to achieve high-quality growth, it is imperative to upgrade the traditional manufacturing industry
<input type="checkbox"/> Increasing attention on capital markets	<input type="checkbox"/> At present, the warning against the lack of corporate social responsibility ringing out worldwide still exists, and the whole of society is having unprecedented discussions on and concerns about the "entrepreneurial spirit"	<input type="checkbox"/> HSE (health, safety and environment) is an important issue for company development
<input type="checkbox"/> More demanding stakeholders	<input type="checkbox"/> "People-oriented" principles have a more profound and specific connotation	

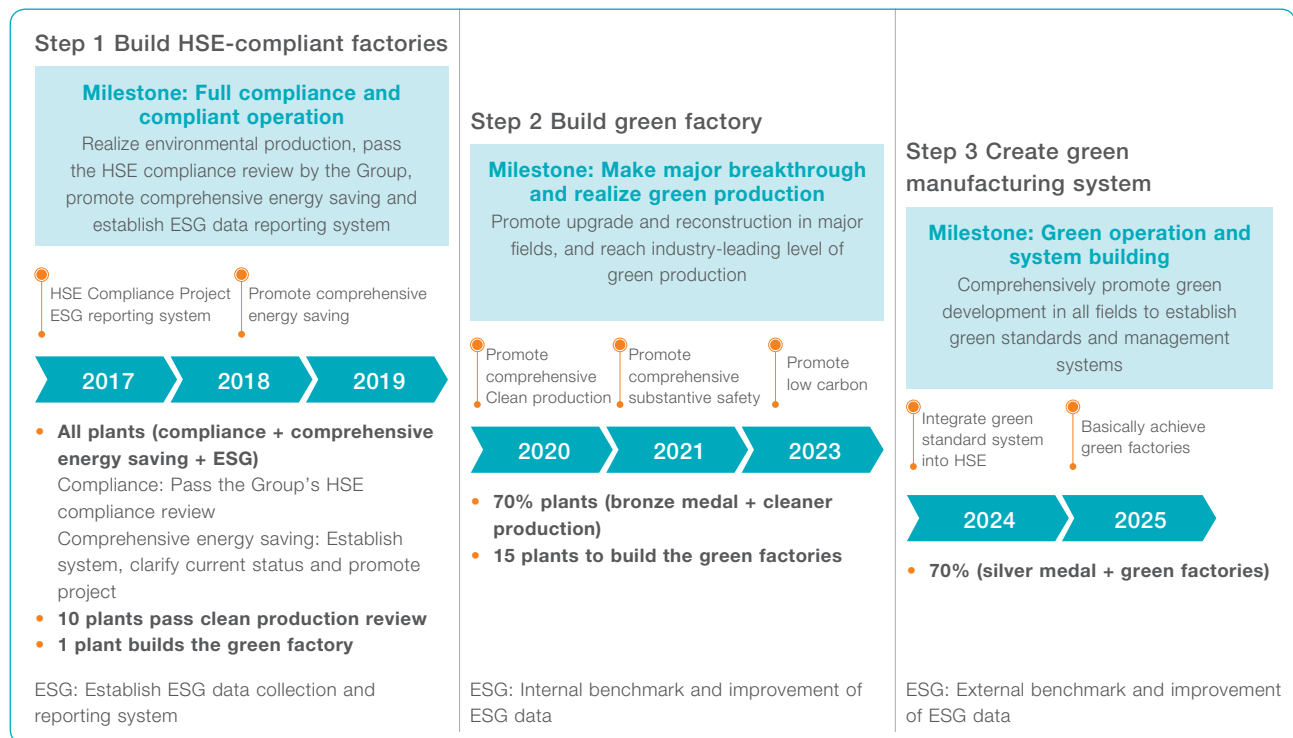
CIMC's sustainable development management focuses on the core functions and mission, and lays the foundation for providing high-quality and safe products and services to society through operating processes rooted in science. We take "quality growth" as our working principle, and highly regard our sustainable development strategy as a sub-strategy of CIMC's larger development strategy of building out sustainable development capabilities.

Formulation of our sustainable development strategy: We abide by the three-pronged bottom line of economy, society and environment, and strive to operate in a scientific, transparent, ethical and compliant manner. With this in mind as our positioning and goals, we give full consideration to the risks and challenges of sustainable development when formulating our development strategy, and integrate sustainable development into our strategic vision of "manufacturing + services + finance" and fundamental strategic measures. Going forward, we plan to redefine CIMC's sustainable development strategy by fully incorporating factors such as addressing climate change, achieving "carbon neutrality," and "fostering a new development paradigm with domestic circulation as the mainstay and domestic and international circulations reinforcing each other."

Implementation of our sustainable development strategy: CIMC realizes ESG improvement measures through the implementation of group strategy themes. Through the sound operation of our 5S system, we have put in place policies and plans, budgets, assessments, management reports and regular reviews which effectively guarantee the fulfillment of our strategic measures. At the same time, we have continued to implement the strategies of “consolidating and optimizing the ESG reporting system” and “incorporating ESG into comprehensive risk management.”

Results of our sustainable development strategy: In 2020, the Group fully demonstrated CIMC’s resilience in terms of operational development and combating the pandemic, reflecting the exceptional work ethic and selfless dedication of our staff. The implementation of our sustainable development strategy is one of the important pillars of building a “resilient organization.”

Responding to and deepening improvements on important issues have remained a top priority of ours. In 2020, we continued to implement the ESG & HSE strategy with “improving the ESG KPI system and driving green development” as the core element, and organically integrated the construction of the ESG KPI system with the HSE development plan to serve as an important component of the Group’s sustainable development strategy and goals. Adhering to the *CIMC Group Green Development Plan*, we have pledged to invest in environmental-friendly operations, organize environmental inspections on a routine basis, promote green demonstration projects, establish an analysis and improvement system for Class A ESG KPI data, improve the “essential environmental friendliness”, and carry out “reduction of emissions, energy consumption and hazards” to promote the all-around improvement of HSE KPIs. At present, CIMC has built eight national and provincial “green” factories and three national and provincial “green” supply chain management demonstration enterprises, and many subsidiaries have passed the cleaner production review of the Ministry of Ecology and Environment. The goals of the first phase has been essentially achieved. Going forward, we will staunchly promote our green development strategy and deepen the implementation of CIMC’s green development plan.



“Three-step” green development strategy of CIMC

CIMC Green Development Goals Indicators

Segment	Objective of management and control	Percentage decreased from 2016		
		2019 Goal	2023 Goal	2025 Goal
Minimization of pollutant emissions	Reduction of sewage discharged per RMB10,000 in output value	10%	20%	30%
	Reduction of VOC emissions per RMB10,000 in output value	30%	40%	50%
	Reduction of non-hazardous waste amount per RMB10,000 in output value	10%	15%	20%
	Reduction of hazardous waste amount per RMB10,000 in output value	15%	25%	30%
Safe and healthy	Number of work-related deaths	0	0	0
	Number of working days lost due to work-related injuries	10%	20%	30%
	Number of new occupational diseases	0	0	0
Minimization of carbon emissions	Reduction of total energy consumption per RMB10,000 in output value(tonnes of coal)	15%	25%	30%
	Reduction of greenhouse gases per RMB10,000 in output value (tonnes of CO ₂ e)	18%	30%	40%
	Increase in green energy usage	10%	13%	15%
Minimization of resource consumption	Reduction of total water consumption per RMB10,000 in output value	15%	20%	25%
	Reduction of packaging material usage per RMB 10,000 in output value	10%	15%	20%

Case

Minimize pollution: Promote green production and precise pollution treatment and minimize pollutant emission



Implement green production in an all-round manner, establish the new environmental management system, realize pollutant reduction in the entire process and for all factors to create a new development space for the Group.

Indicator	2019 Goal	2023 Goal	2025 Goal
VOC emission reduction per RMB10,000 output value	30%	40%	50%
Reduction of hazardous waste per RMB10,000 output value	15%	25%	30%
Sewage emission reduction per RMB10,000 output value	10%	20%	30%

Stage 1 Comprehensive compliance

Management compliance

- Refine environmental approval and licensing regarding construction project
- Implement pollutant emission licensing system in all-round manner
- Establish environmental acceptance and completion system at group level

Stage 2 Emission reduction

Compliant emission

- Effective collection and compliant emission of welding fume and VOCs
- Compliant collection and disposal of paint residue and paint bucket
- Compliant emission of surface treatment wastewater and coating wastewater
- Zero complaint on noise

Green production and pollutant minimization

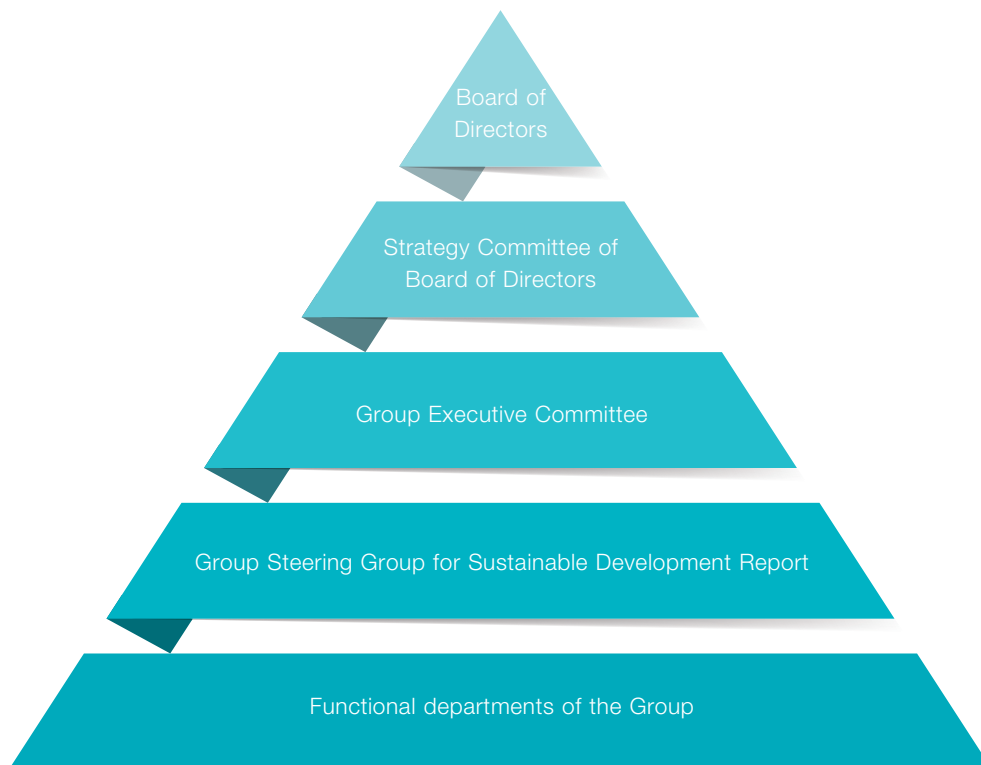
- Promote green materials in all-round manner
- Promote green upgrade of basic manufacturing process
- Recycle pollutants after treatment

Corporate social responsibility management

ESG governance architecture

At CIMC Group, the Board of Directors is the supreme authority that oversees and decides ESG affairs. It assumes the full responsibility for the ESG strategy and reporting of the Group and supervises related ESG affairs that may affect its business or operation, shareholders and other stakeholders. As the committee assuming the primary responsibility, the Strategy Committee of the Board of Directors takes on the work to study the sustainable development strategy, supervise the formulation and implementation of the ESG policy and conduct the identification, assessment and management of important ESG issues. It also assumes the responsibility to determine ESG management objectives, identify and manage ESG-related issues and risks, approve and publish reports, and assist the Board of Directors to perform this function. The Group Executive Committee (the “Decision-making Committee for the Special Period” was set up to cope with the epidemic in 2020) shall periodically submit the ESG report to the Strategy Committee of the Board of Directors, review ESG affairs, approve ESG improvement suggestions, supervise the implementation of these suggestions and ensure the resources earmarked for the ESG field. The Group

Executive Committee supervises the Group Steering Group for Sustainable Development Report, which, as the ESG & CSR reporting management department, shall submit regular report (annual report and special report on extraordinary issue) to the Group Executive Committee. The report includes the establishment and refinement of the ESG reporting system, the implementation of the medium and long-term ESG strategic planning, management guideline, objective and strategic suggestion. The group also defines the process of assessing, screening and managing important agendas, identifies ESG-related risks and opportunities and provides suggestions. It is responsible for the implementation status, target progress and improvement suggestion in relation to the ESG strategy, recommends the ESG budget and also discloses the information in the ESG report. At the same time, the functional departments assume the responsibility to improve the ESG performance in various fields and participate in the preparation of the ESG report and stakeholder survey.



ESG operation mechanism of CIMC Group

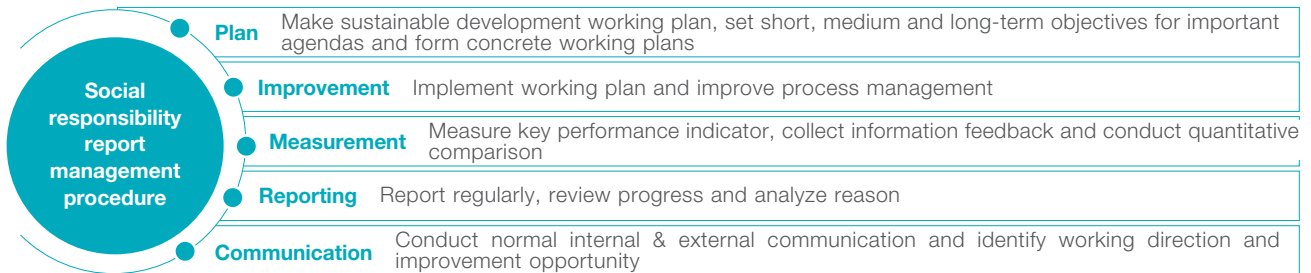
List of social responsibility management functions of the Group in 2020

Social responsibility project	Responsible institution													
	Board of Directors	Operation team	Board Office	Strategy Development Department	Financial Management Department	Audit and Supervision Department	Legal Affairs Department	Human Resources Department	President's Office	Excellent Operation and HSE Center	Data & Network Center	CIMC School	Industry	Member Enterprise
Corporate governance & interactive communication		●	●		○	●	○	○	○	●			●	●
Sustainable development management	●	●	●	●	○	○	○	○	○	●		○	●	●
Stakeholder communication		○	●	○				○	○	●			○	○
Integrity and Compliance		○			●	●	●	○	○	○	●		●	●
Creation of Green Brand through Green Development		○								●			●	●
Shouldering Responsibility and Mission of Low-Carbon Operation		○		○						●	○		●	●
Ecological Protection and Emission Reduction		○				○				●	○		●	●
Cherishing Resources and Protection of the Ecology		○								●	○		●	●
Leading Innovation and Value Growth		○		○						●	●		●	●
Creation of Brand Power with High Quality		○								●			●	●
Sharing Experience for Common Development		○								●			●	●
Strategic Cooperation for Joint Establishment of Future		○		●						●			●	●
People-oriented Common Cause		○				○		●	○	●		●	●	●
Immediately taking actions to combat COVID-19		○						●		○			●	●
Caring for the People's Livelihood		○						○	●	○			●	●
Future Prospect		○		●				○	○	●	○	○	●	●

● means “be responsible” or “major participation”; ● means being responsible for specific part thereof; ○ means “participation” or “support”

We will continue to carry out the working guideline of “reporting promotes management” and see the ESG & CSR report as an important tool to improve the management level. The Group has carried out relevant social responsibility management policies of CIMC Group and further propelled the fusion between the ESG management and the 5S management system of CIMC Group in the direction to march from “reporting to management”. We have promoted the integration of ESG management into functional management and joined the force to realize substantive ESG improvement in various aspects.

At the same time, we have quickly responded to the new ESG guideline of Hong Kong Stock Exchange. First, the Group Steering Group for Sustainable Development Report has organized several theme events and completed the interpretation and communication to the Board of Directors of the Group and different segments as well as related functional departments of the Headquarters; Second, we have extended the ESG indicator system from type A to types “A+B”, developed type B indicator system and broken down these indicators to related functional departments for statistics and management of these type B indicators; Third, we have implemented the benchmark management mechanism and promoted the Group and segments to make and implement the action plan to improve the ESG work and eliminate the gap over the new guideline of Hong Kong Stock Exchange.



Every year, the Group makes clear annually working plan and working budget and carries out the work steadily. In 2020, the Group focused the ESG work on “improving reporting quality and lifting governance level”. In 2021, the Group will do the work mainly in four aspects, including “improve the ESG by implementing strategic themes of the Group”, “taking three actions to improve reporting quality”, “watching type B indicator results and promoting the improvement of staff work” and “conducting climate change and carbon neutralization study”.

Meeting calendar of the Group Steering Group for Sustainable Development Report in 2020



1. Continuously reinforce the ESG governance mechanism of the Board of Directors

2. Improve the ESG & CSR reporting management system of the Group under hierarchical management system

3. Improve data quality and integrity, and extend ESG indicators from type A to type B (type B indicators are listed in the previous data sheet section)

Major ESG work of the Group in 2020

4. Continuously conduct stakeholder in depth scientifically identify important agendas

5. Improve report preparation quality and strengthen external communication

6. Identify the gap over new guideline of Hong Kong Exchanges and Clearing Limited, and promote Improve ESG work of the Group and segments

Performance and rating of social responsibility

CIMC Group has adhered to the implementation of existing social responsibility management procedures, gradually established the management system, supervision and evaluation mechanism in relation to social responsibility and sustainable development and promoted and supervised the enterprises in the performance of social responsibility with the performance evaluation mechanism. These measures have made a good effect in practice.

- Define social responsibility as an important indicator of the evaluation system. We have set the key performance indicator to guide and promote enterprises to perform social responsibility. Reasonably set indicators and implement policies by type. For example, the performance contract between the Group and the segment stipulates the evaluation plan for HSE indicators. At the same time, different segments and enterprises have also established respective HSE evaluation mechanism, made evaluation plans addressing accidents and negative events at different levels in detail and pegged the organization and personal award/penalty.

- Highlight actual effect and stress science and operability. The Group has observed the principle of compliance with actual situation, the principle of system and comprehensiveness, the principle of extensive participation and the principle of qualitative-quantitative combination, explored the good operating mechanism to integrate the corporate social responsibility into performance evaluation and caused it to make a substantive effect.

We will adhere to continuous improvement, gradually establish and refine corporate social responsibility indicators (covering ESG type A environmental indicators and type B social indicators) as well as statistical and evaluation systems, establish and refine incentive and constraint mechanisms and substantively improve the sustainable development capacity of the enterprise.

External exchange and communication

CIMC Group pays much attention to the communication with stakeholders from different circles, and deeply understands a good external mechanism plays a key role to hear the external voice and present a true CIMC. For one thing, CIMC has established and continuously refined normal external exchange channels, including: prepare the annual sustainable development report, hold the press release on the sustainable development report, open the sustainable development column on the official website of the Group, set the special sustainable development column in the communication package of the Group and push sustainable development highlights and results of the Group on the WeChat official account of the Group. These channels have enabled stakeholders from different circles to fully understand CIMC's efforts and fruits in the field of sustainable development. For another, to promote the continuous improvement of ESG working quality, we have reinforced the exchange and interaction with many influential organizations in the field of sustainable development, including external professional consultancies, external benchmark companies, universities, famous media and famous associations to further broaden our view, improve professional knowledge and learn excellent practices.

At the same time, CIMC has actively attended external sustainable development summits, participated in theme events of industry associations, shared CIMC's sustainable development practices with external excellent enterprises and joined hands with them to promote sustainable development across the society.



CIMC was invited to participate in 2020 China 500 Enterprises' Summit and deliver a keynote speech, which was broadcast live and online, and commended by different stakeholders



CIMC attended the Twelfth Annual Responsibility Conference organized by Southern Weekend and attended the round-table conference to share our sustainable development practices



Joined China ESG Leaders Association (34 members)

Stakeholder Communication

Stakeholder communication mechanism

CIMC anchors its sustainable healthy growth on long-term support and trust from stakeholders. We have actively forged good internal and external communication platforms, and paid attention to establishing smooth and transparent communication mechanisms with stakeholders. We hear the voices of stakeholders and integrate them into our corporate

decisions. This year, we have established close contacts with stakeholders through diversified channels, and taken the initiative to understand and actively echo their expectations and needs.

Stakeholder	Communication method	Their expectation	CIMC's response and effect
Employees	<ul style="list-style-type: none"> Online exchange mechanism Staff Conference Employee training Employee activities The Company's internal publications and Intranet Employee satisfaction survey ESG survey questionnaire 	<ul style="list-style-type: none"> Employee's rights and interests Salary and fringe benefits Occupational development Occupational Health & Safety 	<ul style="list-style-type: none"> Quickly refine online communication platform Labor contracts signed in accordance with laws and support the role played by the Trade Union Review and refine salary and fringe benefit system Organize various trainings and promote professional construction Strengthen occupational safety management and improve production and office environment Conduct employee satisfaction survey
Government and supervisory authorities	<ul style="list-style-type: none"> Regular information reporting Supervision and check Written reports (annual report, CSR & ESG reports, etc.) mailed by the Group ESG survey questionnaire 	<ul style="list-style-type: none"> Compliant operation Tax payment according to law Promote local development Create employment 	<ul style="list-style-type: none"> Comply with laws and regulations Strengthen HSE management and reduce safety and environmental risks Help impoverished households get employed
Investment institutions/ shareholders	<ul style="list-style-type: none"> General Meeting of Shareholders Corporate website and announcements Investors' meetings Strategy meetings with securities companies Plant visits Written reports (annual report, CSR & ESG reports, etc.) mailed by the Group ESG survey questionnaire 	<ul style="list-style-type: none"> Operating performance Corporate governance Shareholders' equity Information disclosure 	<ul style="list-style-type: none"> Adhere to high-quality growth and create values for shareholders Timely and accurate disclosure of information to ensure transparency Organize visits, surveys and other investor activities

Stakeholder	Communication method	Their expectation	CIMC's response and effect
Suppliers/ contractors/ service providers	<ul style="list-style-type: none"> Review and assessment meetings Suppliers' portal website Regular communication and exchange ESG survey questionnaire 	<ul style="list-style-type: none"> Long-term stable cooperation Honesty and integrity Mutual benefit and win-win 	<ul style="list-style-type: none"> Implement sunshine procurement Sign long-term strategic cooperation agreements Attend supplier exchange meetings
Customers	<ul style="list-style-type: none"> Online exchange and communication Customer service centers and hotlines Customer visits Customer satisfaction surveys ESG survey questionnaire 	<ul style="list-style-type: none"> Brand influence Product quality and safety Service level Customer opinion 	<ul style="list-style-type: none"> Respond to customer demand online Refine quality management and assure product quality Sign after-sales service agreements Conduct customer satisfaction surveys periodically
Research institutions	<ul style="list-style-type: none"> The Company's website and social media The Company's announcements Visit the Group Surveys ESG survey questionnaire 	<ul style="list-style-type: none"> Operating performance Information disclosure 	<ul style="list-style-type: none"> Organize strategy meetings with securities companies and open day events Timely and accurate disclosure of information to ensure transparency
Industry associations	<ul style="list-style-type: none"> Industry forums and exchange meetings Visit the Group Surveys ESG survey questionnaire 	<ul style="list-style-type: none"> Observe industry regulations Promote industry development Promote industrial reform 	<ul style="list-style-type: none"> Attend industry exchange meetings Hold exhibitions Establish industrial standards
Media	<ul style="list-style-type: none"> Media opening day Interviews and special reports ESG survey questionnaire 	<ul style="list-style-type: none"> Information disclosure Media interaction Social contribution 	<ul style="list-style-type: none"> Organize media opening events Distribute promotional materials and invite media to visit
Local community	<ul style="list-style-type: none"> The Company's website and social media Organize philanthropic events ESG survey questionnaire 	<ul style="list-style-type: none"> Community influence Support community development 	<ul style="list-style-type: none"> Respond to targeted poverty alleviation Participate in philanthropic causes Fully support the combat against the epidemic

Substantive Agenda Identification and Management

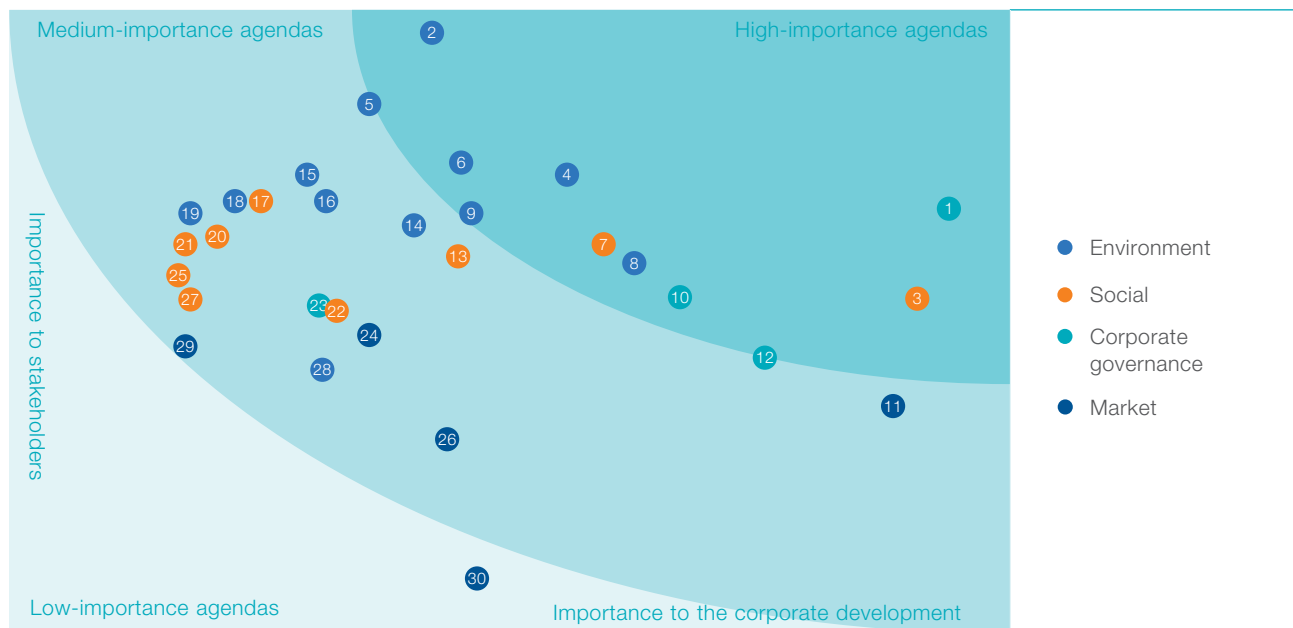
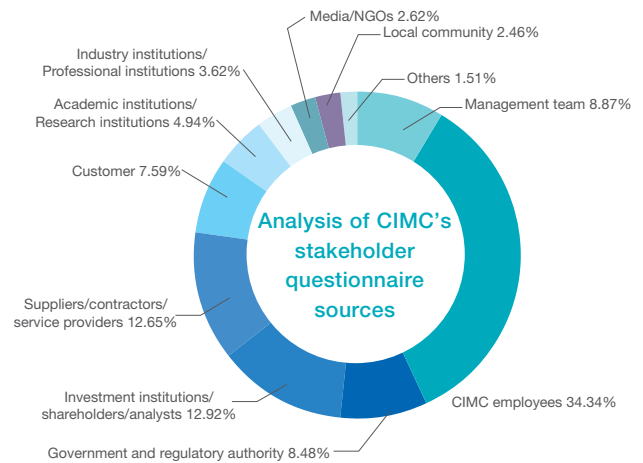
This year, we have identified a total of 30 agendas, including 3 corporate governance agendas, 12 environmental agendas, 9 social agendas and 6 market agendas, in consideration of the guide of the macroeconomic policy of the state, major concern of the capital market, related standard for the sustainable development report and benchmark analysis of excellent peers, after further refining the ESG agenda library in 2019. As usual, we have consigned an independent third-party institution and collected different stakeholders' scores for the importance of these ESG agendas as well as their opinions and suggestions regarding the sustainable development of the Group through the interview with the senior executives of the Group, online survey questionnaire and interview with external stakeholders.

Finally, we have identified a total of 10 high-importance agendas, 18 medium-importance agendas and 2 low-importance agendas.

We have organized a total of 40 interviews with insiders at all levels and covered the Group, segments, General Managers of the enterprises and excellent employee representatives.

We have collected 7,839 questionnaires, a rise of 251% year on year, which cover 9 types of stakeholders and 11 business segments.

The external interview covered all types of stakeholders for the first time and in particular, the number of investment institutions interviewed has substantially risen.



Importance Matrix of ESG Agendas of CIMC in 2020

Description of relevant importance assessment results in this chapter of this Report

Agenda Ranking	Extent of Importance	Agenda	Scope	Ranking Change Compared to 2019	Major Concern of External Stakeholder
1	High importance	Compliant operation and risk control	Corporate governance	↑ 1	
2		Research and development of clean and environment-friendly production technology	Environment	↑ 21	√
3		Employee safety and health	Social	↑ 4	
4		Waste management	Environment	↓ 1	
5		Promote circular and green economy	Environment	New agenda	√
6		Energy saving and consumption reduction	Environment	↑ 6	√
7		Employee remuneration and fringe benefits	Social	↑ 8	
8		Atmospheric pollutant emission management	Environment	↓ 7	
9		Green supply chain	Environment	↑ 15	
10		Integrity management philosophy	Corporate governance	↓ 2	
11	Medium importance	Technical innovation and intelligent operation	Market	↓ 5	
12		Establish and implement sustainable development strategy	Corporate governance	↓ 8	
13		Organize community-level philanthropic events and reduce impact of operation on community	Social	↑ 24	
14		Climate change and greenhouse gas emission	Environment	↑ 15	
15		Strengthen environmental awareness and brand promotion	Environment	↑ 5	√
16		Noise management	Environment	↓ 2	√
17		Local operation	Social	↑ 13	√
18		Ecological environment and biodiversity conservation	Environment	↑ 1	√
19		Consumption of water resources and water saving	Environment	↓ 3	
20		Respond to labor shortage	Social	↑ 8	√
21		Promote people's welfares and perform corporate social responsibility	Social	New agenda	
22		Employee training and team building	Social	↑ 5	
23		Create economic benefits	Market	↑ 9	
24		Trade and shipping	Market	↑ 9	
25		Employee diversification and protection of rights and interests	Social	↓ 14	
26		Customer service enhancement	Market	↓ 13	
27		Employee communication and appeal mechanism	Social	↑ 8	
28		Sewage treatment	Environment	↓ 23	
29	Low importance	Customer privacy protection	Market	↓ 12	
30		Product quality and safety	Market	↓ 21	

Based on the analysis results of substantive agendas, this Report will disclose the high-importance agendas in detail to echo internal and external major concerns.

Based on major concerns of internal stakeholders at different levels, we have broken down material agendas to different responsible entities for management and improvement. The rankings of the following agendas have evidently risen this year:

Research and development of clean and environment-friendly production technology

The attention of all stakeholders to this agenda has evidently risen. As the entire society is paying rising attention to environmental protection, it will be vitally important to develop clean technologies and seize the opportunity from clean and environment-friendly technologies.

Organize community-level philanthropic events and reduce impact of operation on community

Stakeholders are setting higher and higher requirement to practice the corporate social responsibility by conducting philanthropic activities.

Climate change and greenhouse gas emission

The strategic roadmaps of the state for carbon neutralization and climate change has affected the attention of more stakeholders to CIMC's related response strategies.

Major suggestions and expectations of external stakeholders for CIMC include:



Integrity and Compliance

Compliance and Risk Control

In 2020, the Group has done a series of major risk control work with a focus on reinforcing special risk control governance and exploring digital risk control under the annual risk control strategy, in a move to deliver the risk control vision of “building a risk control system that features active risk control, pragmatism and efficiency and boosts the Group to become a global enterprise that leads in sustainable and healthy development”:

Implement risk control check during the special period

- The Group has quickly echoed the operational risk control requirements of the Group for the special period, implemented the key risk point check mechanism, carried forward risk compliance, income increase and cost reduction through various audit and spot check and effectively assured the landing of risk control measures during the special period.

Continue to build the risk control environment of “knowing red line and keeping bottom line”

- The Group has initiated the group-level quarterly risk control seminar this year and implemented the “Principal Project”.
- Based on the risk control information platform, the Group has periodically pushed the *Risk Control Board*, the *Risk Control Information Bulletin* and the *Overseas Risk Control Information Highlights* to establish a risk communication, self-check and rectification mechanism that is “horizontal to edge and vertical to bottom”.
- The Group has continuously developed a series of risk control guides, supporting cases and learning courseware, established the key position personnel library, implemented the certificate-based position mechanism and rotating actual operation mechanism and improved the risk control awareness of core team members and key position personnel.
- The Group has periodically circulated major internal audit and internal control findings within the Group, implemented accountability landing and reinforced corporate governance according to laws.
- The Group has defined the effectiveness assessment indicators for the risk control system to strengthen the operational effectiveness of the risk control systems of the organizations at different levels and enhance the overall compliance of the Group.

Explore digital risk control model and enhance risk control upgrade

- The Group has focused on the fields with “high risk, high value, high frequency and big data”, identified risk points with high value, easy breakthrough, horizontal scalability and digital solution, defined business scenarios and explored digital risk control models.
- In 2020, the Group attempted to develop three procurement models which achieved initial results. These models include the model of high price over low price, the model of price differences between different enterprises in the same period and the analysis mode of special procurement channel.

Implement special material risk governance

- The Group has assisted the functional departments of the segments and headquarters to implement 15 special risk governance campaigns (such as related transaction control, engineering information, compliant procurement, special EPC and special receivables), in an attempt to explore risk governance tools and methodologies and cultivate composite risk control elites. In particular, the related transaction control has covered the entire flow to address pain spots in business and migrated the flow from offline to online. With the OA flow, the Group has realized the traceability and controllability of related transaction.

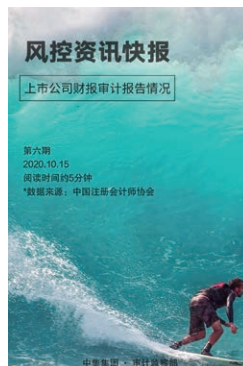
Case

CIMC Fighting Together to Tide over the Difficulties

In April 2020, CIMC convened a publicity conference to further strengthen operational risk control amidst the tough times, where measures proposed by the Group to control operational risks were highlighted as the uppermost priority in terms of “operational activities, investment activities, on-hand cash and debt safety”, including management principles and specific measures. In addition to such management principles and requirements abovementioned, this conference also proposed targeted management principles for the seven segments, namely Offshore engineering, Industry city development, leasing, Heavy truck, Containers, Finance Company and CIMC Capital. The Group will push forward the implementation of operational risk control measures at all levels by formulating concrete practice guidelines and requirements through special work groups and related mechanisms. Separate action plans should be made for each segment to establish a communication mechanism for the tough times.



Next step, the Group will mainly carry forward the risk control models for key operating activities and explore the control method featuring ex-ante warning, concurrent control and ex-post analysis that drive the targeted audit. At the same time, the Group will refine the control mechanism featuring three lines of defense, build the dynamic risk control system based on horizontal, vertical and collaborative prevention and continuously promote the actual implementation of risk control at the Group.



Risk control promotion materials



Risk control guides, supporting cases and learning course materials

Integrity management philosophy

CIMC always holds fast to the operating concept of corporate governance according to law, honesty and credibility, firmly opposes commercial bribery and strictly observes the requirements of laws and regulations combating bribery, blackmail, fraud and money laundering. We continuously combat corruption and advocate clean practice in accordance with the *CIMC Code of Conducts for Staff*, the *CIMC Supervision System Regarding Cadres and Sensitive Position Personnel*, the *CIMC Accountability Procedure for Responsibility Event* and other policies.

We are devoted to continuously refining the internal control, audit and supervision system to safeguard and assure legitimate rights and interests of investors, employees, customers and suppliers and establishing an operating environment with fair play. In 2020, we continued to take many steps to combat commercial bribery:

In 2020, there were no lawsuits involving corruption against the Group or its employees.

Strengthen system construction and consolidate the foundation of honesty

- The Group revised and issued the *Code of Conduct for CIMC Employees*, further improving the rewards, punishments and code of conduct for employees and conveying the corporate philosophy of combating corruption and building a clean enterprise to all employees.
- The Group has formulated and issued the *Measures of CIMC Disciplinary Inspection and Supervision Agency on Handling Reports* and the *Procedures for Handling Report Clues* according to actual conditions, providing a unified standard and work basis.

Implement the accountability system and enhance the compliance awareness of cadres

- CIMC further implemented the accountability system, regularly collected and circulated the number and types of liability incidents of employees at all levels hitting the Group's accountability system, fully mobilized the consciousness and enthusiasm of leading cadres to perform their duties in compliance with regulations.

Continue to promote the integrity publicity and focus on education first, prevention in advance, internal and external integration, and a two-pronged approach

- Organize cadres and employees in sensitive positions to sign a statement of honest practicing, push new developments of anti-fraud work to all employees and send warm reminders of honest practicing before major festivals. Moreover, publicize and implement the State's regulatory posture and inform typical fraud cases.
- The Group continues to promote the certification mechanism for employees before working according to the "red line" rule for core talents and organizes directors and supervisors at all levels to conduct special learning and certification activities. A total of 277 directors and supervisors have passed certification.
- To prevent and resist all kinds of commercial frauds and acts that violate fair competition, promote the signing of sunshine procurement agreements with suppliers, punish partners who seek business cooperation opportunities through bribery, bid-rigging, and illegal bidding.

Broaden reporting channels and strictly investigate reported matters

- The Group established a number of normalized monitoring and complaint reporting channels to accept anonymous and real-name reports, including “CIMC Monitoring” WeChat official account, email and telephone. The channels are managed by dedicated personnel to ensure that all effective reports are followed up and handled. Also, in addition to strictly keeping all complaints and reports confidential, the Group clearly stipulated “preventing confidential information from being leaked and complainants from being retaliated”.
- The Group allows “zero tolerance” to corrupt conducts. The audit and supervision results are used as an important basis for the evaluation and appointment of cadres.

Continue to promote the development of China Enterprise Anti-fraud Alliance and gather social forces to oppose commercial bribery

- As one of the main sponsors of China Enterprise Anti-fraud Alliance, CIMC actively participates in the construction of the alliance’s anti-fraud management system, and strengthens sharing and co-construction with other alliance members.
- In March 2020, CIMC was invited to participate in the live broadcast of charity courses to share risk control expertise.
- CIMC actively participated in the “International Anti-Corruption Day” theme activity initiated by the alliance and united 100 member enterprises to jointly issue an initiative of doing business honestly to the society.

Reinforce anti-monopoly, prevent capital expansion in disorder and maintain fair play

- Establish anti-monopoly response mechanism. It organizes the legal and regulatory training and communication against monopoly within the Group and organizes uniform anti-monopoly review.
- Systematically improving and strengthening the legal awareness of anti-monopoly law within the Group.
- Studying and following up the anti-monopoly trend and law enforcement dynamics of the State and governments.
- In any industry association activities and the exchange with competitors sponsored or participated by the Group, avoid public discussions or agreements on markets and product prices, and signing no monopoly agreements.
- Reasonable and proportionate exercise of intellectual property rights over advantageous industries and products.

Case

“Red, Yellow and Blue” Guidance System Issued in the Energy and Chemical Segment

In 2020, the Energy and Chemical Sector revised and issued the *Red Prohibition, Yellow Early Warning and Blue Guidance System for Sales Contracts of CIMC ENRIC Holdings*. In order to prevent fraud and corruption, member enterprises in the sector also formulated a red line guide, clarifying the bottom line principles that business lines and functional departments should abide by. Moreover, the system of requiring suppliers in the fields of production materials and non-production procurement to complete signing of the *Letter of Commitment on Sunshine Cooperation* in the first quarter of every year. By far, 99% member enterprises and suppliers in the energy and chemical sector have signed.

In terms of the performance of economic contracts, CIMC has fully and appropriately completed the contract obligations in accordance with the laws and regulations of the country and the principle of specific performance. When performing contracts, all subordinate enterprises abide by the basic principles of civil law such as equality, fairness, honesty and credibility, and follow the specific principles of contract performance such as the proper performance and the cooperative performance. At the same time, all subordinate enterprises have formulated relevant contract performance management systems in order to regulate contract performance and effectively manage contracts. In the daily management of enterprises, internal supervision and assessment are carried out on contract performance, and strong supervision is implemented. For example, companies under CIMC Raffles Offshore Ltd. have undertaken about 120 various order contracts in the past ten years, basically achieving contract performance rate of 100%.

Fair Trade

CIMC is a leading import and export trade enterprise in the traditional manufacturing industry. As the competent department responsible for foreign trade compliance, CIMC’s legal department actively responds to cases involving foreign trade conflicts. While protecting the Group’s own interests, the legal department also provides a model for other Shenzhen enterprises in maintaining fair trade order of import and export and industrial safety.

The Shenzhen Fair Trade Promotion Agency decided to launch the Shenzhen Fair Trade Development Support Plan

in 2021, and approved CIMC in December 2020 to set up a fair trade workstation.

In the future, the Group will more actively respond to, prevent, and coordinate trade conflicts arising from import and export trade, better use trade remedy measures to protect its own interests, and provide support for the establishment and improvement of the Group’s internal compliance system. On the other hand, the Group will continue to actively participate in and support the fair trade related events in Shenzhen and the industry.



Tackling Climate Change

CIMC has earnestly implemented the green development strategy, pushed forward green and low-carbon transition, formulated green development plan, developed green products, accelerated the elimination of equipment with high energy consumption and high pollution, actively studied and introduced clean production technology and processes, vigorously developed and promoted environment-friendly products and services, and actively aligned itself with the UN's Sustainable Development Goals No. 6, No. 7, No. 12 and No. 13, to make positive contributions to tackling global climate change, promoting low-carbon development and building ecological civilization.



Actions:

- Upgrade and transform environmental protection facilities, reduce, detoxify and recycle hazardous waste, and reduce "three wastes" and noise emissions;
- Implement comprehensive energy conservation and greenhouse gas emission reduction plans to reduce greenhouse gas emissions and cope with global climate change;
- Adopt advanced clean production technology to promote the development of green manufacturing, green products, green finance and green building, so as to offer more green choices for the public

Achievements:

- The Group's total greenhouse gas emissions decreased for three consecutive years, and the amount of hazardous waste generated decreased for three consecutive years;
- The Group has 8 national, provincial green factories, and 3 national, provincial demonstration enterprises for green supply chain management;
- 18 enterprises have obtained clean production certification, and 58 enterprises have obtained ISO14001 environmental management system certification

Efforts:

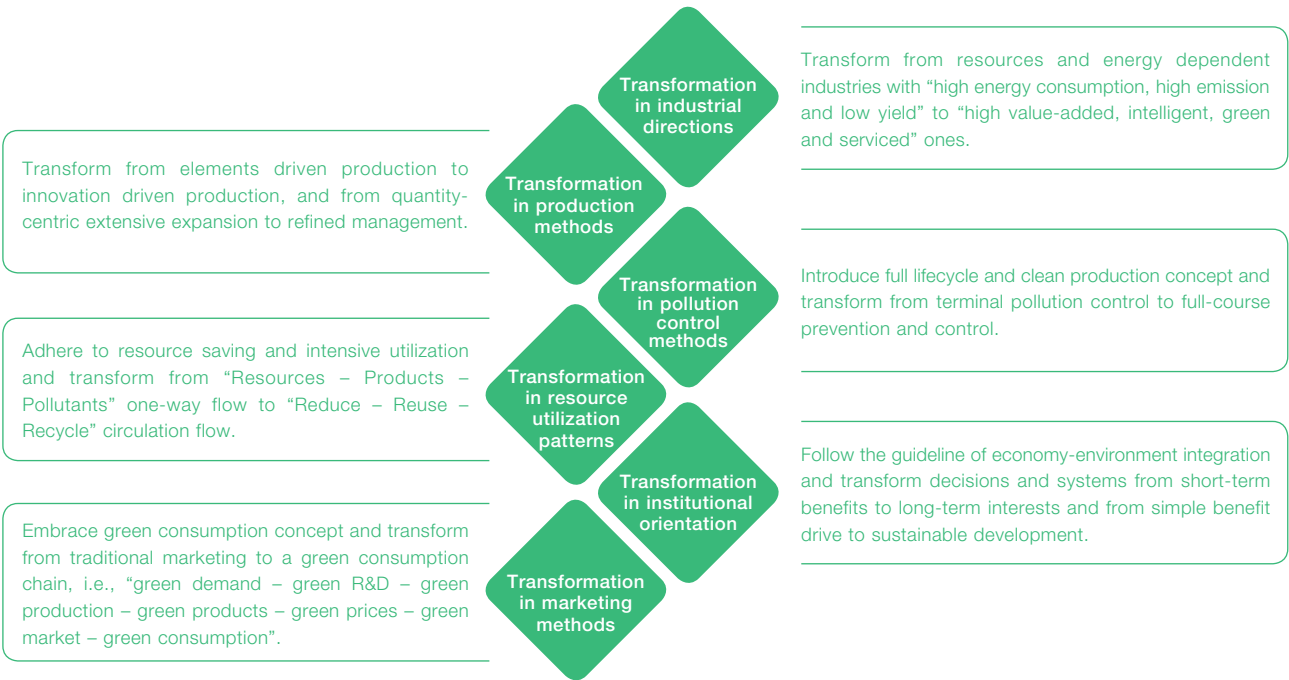
- Improve the environmental management system and achieve the goal of emission reduction under the Green Development Plan of CIMC;
- Promote energy conservation and emission reduction in the entire life cycle from product design, production and manufacturing, packaging to logistics;
- Carry out R&D, production and promotion of more green products and services to help the upstream and downstream to reduce carbon footprint and pollutant emissions;
- Draw on industry best practices to deepen the discussion, identification, assessment and management of climate change risks and opportunities;
- Vigorously develop equipment and services of clean energy and renewable energy, and follow the general trend of energy structure adjustment

Creation of Green Brand through Green Development

Green development plan

Environmental protection is the basis of sustainable development, and protecting the environment is in essence to protect productivity. The Group constantly implements the principle of green development, executes the “CIMC Green Development Plan”, continuously improves the environmental protection management system, actively develops green

products, accelerates the elimination of outdated processes and equipment, introduces advanced technologies for energy conservation and environmental protection, continuously improves energy utilization efficiency, reduces resource consumption, decreases pollutant emissions, and promotes green transformation and development:



Green manufacturing

Internally, we strengthened the emissions management, accelerated the construction of green factories, and promoted environmental management system, and externally, we were committed to making CIMC’s contribution to energy conservation and emission reduction for the whole society through research and development, design, production and sales of green products.

Management of key pollutant discharge enterprises

As of December 31, 2020, the Group had 42 key pollutant discharge enterprises. CIMC has attached great importance to the management of key pollutant discharge enterprises and included it as one of the “three core environmental protection tasks” for two consecutive years of 2019 and 2020. At the level of the Group and business segment, the list of key pollutant discharge enterprises was updated continuously, the tracking and supervision were strengthened by launching quarterly discharge information reporting system and establishing billboards management, and enterprises were empowered by organizing sessions and sharing best practices in environmental management. Each key pollutant discharge enterprise fulfilled its principal responsibility and

focused on the central theme of “self-investigation and self-improvement” and “strengthening process management to ensure compliance”, and not only established accounts and made risk assessment and management, but also promoted substantive improvements, such as upgrading wastewater system and establishing online monitoring systems for waste gas and wastewater.

In respect of information disclosure, the Group discloses the information of its key pollutant discharge subsidiaries every year in the Group’s semi-annual financial reports and annual financial reports as required, while all 42 key pollutant discharge enterprises fulfill their responsibility for environmental protection information disclosure in multiple ways, such as the information platform of local environmental protection authorities, their official websites, their WeChat official accounts, and their display boards at the entrance.

The Group has supported and promoted the construction of “green factories” for key pollutant discharge enterprises. As at the end of 2020, 6 of the 42 key pollutant discharge enterprises have been recognized as “green factories” at national and provincial levels respectively.

Construction of green factories

Based on the business characteristics of each segment, CIMC actively explores the development opportunities brought by green and clean technologies, integrates the concepts of green, low-carbon and recycling into the design, research, development, production and promotion of its own products and services, and assists customers and upstream and downstream partners in reducing carbon footprint and pollutant emissions so as to contribute to the efforts of China and overseas operations to address climate change and achieve the commitments about energy conservation and emissions reduction.

As of the end of 2020, the Group has 5 national green factories, 3 provincial green factories, 3 national green supply chain management demonstration enterprises, more than 18 enterprises passing clean production certification. At present, we are comprehensively promoting intelligent manufacturing and green manufacturing, and actively adopting advanced clean production processes and technologies. Driven by a series of important measures, CIMC will set up more green factories in the future and make contributions to the green development commitments of the country.

Company name	Title	Key pollutant discharge enterprise
Huajun Vehicle	National Green Factory Provincial Green Supply Chain Management Demonstration Enterprise in Henan	✓
Dongguan CIMC Vehicle	National Green Factory	✓
Jingmen Hongtu	National Green Factory	
CIMC-SHAC (Xi'an)	National Green Factory	✓
Shijiazhuang Enric	National Green Factory	✓
Enric (Bengbu) Compressor	Provincial Green Factory in Anhui	
CIMC Ruijiang	Provincial Green Factory in Anhui National Green Supply Chain Management Demonstration Enterprise	✓
Tianjin CIMC	Green Factory in Tianjin National Green Supply Chain Management Demonstration Enterprise	✓

Environmental management system

In strict compliance with the relevant local laws and regulations, such as the Environmental Protection Law of People's Republic of China and the Law of the People's Republic of China on Environmental Impact Assessment, and based on HSE policy and target management scheme, the Group stipulates requirements and regulations on environmental protection management. All enterprises under the Group abide by all applicable local laws and regulations and relevant requirements in all respects. Full-time environmental management personnel are in place for all production segments and subordinate enterprises. The Group makes efforts to meet all requirements on environmental protection and constantly enhance the environmental protection management ability. There was no environmental non-compliance which greatly influences the Group throughout the Year.

The Group's business segments and enterprises are gradually improving the ecological and environmental protection management system by reference to the ISO14001 environmental management system and based on their own practical experiences. The Group performed its principal responsibility for environmental protection and ensured compliance in the business operation to achieve a constantly improved performance in environmental protection.

The Group adopts tiered management for its business segments. The headquarters of the Group and the manufacturing segment establish HSE Committee, responsible for overall planning and coordination for HSE works, and include the goals of energy conservation and



58 enterprises have
obtained ISO14001
environmental management
system certification

A total of RMB252
million was invested in
environmental protection

environmental protection management and action plans appropriate to the nature of its business in the HSE annual policy, and urge enterprises to improve continuously the level of environmental protection management through publicity and education, counseling support, supervision, inspection and other measures. Pollutant discharge management has been included in the environmental protection performance assessment of subordinate enterprises in some segments, and linked to the salary, performance and promotion of their management.

The Group actively promotes the application of advanced energy conservation and eco-environmental protection technologies and continuously increases capital investment in energy conservation and environmental protection. Through the innovation and application of new technologies and processes, we strengthen the management of energy conservation and pollutant treatment and discharge management to guarantee the implementation of energy conservation and environmental protection objectives, and mitigate the impact on the ecological environment.

Green products and services

Green products

CIMC continued to deepen its green environmental protection business to enhance the environmental protection benefits and market competitiveness of its products and services. Meanwhile, the Group also continued to promote cooperation with well-known enterprises at home and abroad. For example, CIMC Sanctum, a subsidiary of the Group, entered into strategic cooperation with automotive manufacturers, such as Foton Daimler and Dongfeng Liuzhou Motor, to promote energy-efficient and environmentally friendly LNG vehicle-mounted cylinders with high economy and high reliability and help the domestic heavy truck industry use gas instead of oil to save energy and reduce emissions. See the following table for related products and the environmental protection performance of the Group:

Green products	Model	Environmental protection characteristics	Environmental protection performance
Environment friendly container	Standard dry container with water-based paint	Be able to reduce VOCs emissions by about 70%	In 2020, standard dry containers produced with water-based paint accounted for over 74% of the total production of the container segment.
LNG, CNG and LPG products	Double-layer LNG fuel tank for seagoing vessel project LNG truck, CNG truck, LPG truck	For LNG-fueled vessel, almost all sulfide can be removed from the exhaust gas, and more than 80% nitrogen oxides emissions and 20%-25% carbon dioxides emissions can be reduced effectively.	CIMC Sanctum delivered accumulatively more than 50 tanks for a few globally well-known shipyards. In November 2020, it delivered double-layer LNG fuel tank for seagoing vessel with a capacity of 685 m ³ , the largest of its kind in China. In 2020, CIMC Enric produced 1,198 LNG trucks, 330 CNG trucks and 728 LPG trucks. Currently, our market share for LNG and CNG trucks is over 60% respectively, and our market share for LPG trucks is over 71%.
New energy electric truck	Electric airport catering truck Electric ferry bus Pure electric trucks and hybrid trucks	Replacing gasoline and diesel with new energies; Equipped with energy-saving, electric drive system, low energy consumption intelligent refrigeration system, food-grade full-aluminum injection pressurized foam aluminum skin body with higher thermal insulation, active safety protection system, and efficient emergency system.	It delivered 1 electric airport catering truck and 21 electric ferry buses in 2020. 329 tonnes of carbon dioxide equivalent can be reduced every year. In 2020, C&C Trucks sold 64 new energy trucks, including 56 pure electric trucks and 8 hybrid trucks.
Lightweight products	Liquefied gas storage and transportation equipment, aluminum alloy flammable liquid tank semi-trailer, lightweight concrete mixer truck, lightweight dump truck, lightweight reefer truck, lightweight bulk truck, lightweight 45-foot gooseneck chassis trailer, ultra-lightweight North American 40-foot container chassis trailer, lightweight North American 20-foot container chassis trailer, lightweight North American reefer semi-trailer, lifting dry bulk tank semi-trailer, lightweight stainless steel tank and aluminum tank for ash semi-trailer.	Through the optimization of materials and the application of new materials, the use of lightweight materials such as high-strength wear-resistant boards and low-alloy high-strength wear-resistant steels and the application of frame structure bearing structure design and process optimization, weight of a single unit was reduced by 300KG to 1,300KG. For the above models, the use of raw materials, fuel consumption and exhaust emissions are reduced.	In 2020, more than 20,000 lightweight vehicles were sold by the vehicle segment and C&C Trucks.
Intelligent environment-friendly products	Intelligent environment-friendly bulk truck	With up-to-date steel plate of strong impact resistance and wear resistance, it is 30% lighter than the previous model; With U-shape upper part, the whole truck presents a structure of streamline body, easy to wash; With multiple sealing covers, it can effectively prevent "throwing, littering and leaking" of the bulk truck during transportation; With 360° intelligent monitoring device and vehicle-mounted intelligent system, the truck can be easily monitored and supervised by the government.	18,788 vehicles were delivered in 2020.



Green products	Model	Environmental protection characteristics	Environmental protection performance
Bamboo-wood composite floor board	New-type bamboo-wood composite floor board for containers	The use of 5-year-old moso bamboo in place of hardwood will reduce the cutting of and dependence upon tropical rainforest and surface painting is not necessary, the VOCs emissions are also reduced.	In 2020, the Group produced about 230,000 m ³ bamboo-wood composite floor board, of which the proportion of consumption of bamboos was about 60% with a total consumption of 138,000 m ³ , reducing the deforestation by 1,955 hectares and VOCs emissions by about 356,500kg. Meanwhile, the 23 million pieces of bamboo consumed will sequester about 487,600 tonnes of carbon in 5 years.
Other environment-friendly products	Marine desulfurization tower	Let waste gas from the marine vessel, such as engine fume and boiler off-gas, contact with seawater to transfer the pollutants in the waste gas to the liquid, and then separate the up-to-standard gas from the polluted seawater, so as to purify the air.	28 sets were delivered in 2020.
	Total solution package of "replacing oil with gas" for fishing vessel	With gas supply system, ECU control system of double-fuel and single-fuel engine and gas and power system equipment for "replacing oil with gas". After treatment, the water quality meets or exceeds the standard stipulated in the Table 2 of the Pollution Control Standard for Domestic Waste Landfill (GB 16889-2008).	In 2020, CIMC Enric delivered 13 marine tanks, and reduction of 1,300 tonnes of carbon emissions every year can be expected.
	Container-type landfill leachate treatment equipment		The company has now 24 sets of landfill leachate treatment equipment, including 11 sets with a daily wastewater treatment capacity of 140 tonnes and 13 sets with a daily wastewater treatment capacity of 280 tonnes.

Green logistics

CIMC Transportation, a subsidiary of the Group, is an important member of the Unit load business segment, and its recyclable transport packaging process overturns the traditional transport packaging process of "finished goods – storage and transportation – distributor – end-user", which can only track the status of the goods leaving the factory and received by the end-user. The new process is a visualized system covering the entire process of logistics, i.e. "raw material manufacturer – semi-finished goods processor – finished goods manufacturer – storage and transportation – distributor – distributor/user – raw material manufacturer". It greatly reduces the consumption of packaging materials in the course of transportation of large equipment, and improves the reuse ratio of packaging materials.

Case

In 2020, CIMC Transportation used 50,000 sets of recyclable unitized logistics carriers, and 15,000 new pass boxes of intelligent pallet in total, which reduced the destruction of over **3,000** mu eucalyptus forest and effectively reduced the waste of resources and waste disposal costs to achieve recycling and green development.

Specific measures taken include:

Reusable packaging replaces traditional wooden boxes, plastic barrels, iron drums etc., being strong and durable and recyclable for multiple times;

Unitized design, safe and reliable stacking and handling;

Relying on the nationwide network of CIMC, leasing, return, maintenance and cleaning can be realized at each point across China to achieve resource sharing.

Green finance

The finance segment of the Group has been practicing the concept of “green finance”. CIMC Financial Leasing Company continuously promotes the green development of clean energy equipment and new-type logistics equipment through the optimization and adjustment of financial leasing business in accordance with national policies, such as the *Guidelines for Establishing the Green Financial System*. It also provides financial support for key green financial projects, innovation, transformation and upgrading of green industries

01

Quickly follow up blue sky protection campaign and actively promote development of clean energy equipment

Providing financial lease solutions for the full range of energy, chemical and food equipment and supporting products in the upstream and downstream sectors.

02

Strictly enforce the latest environmental protection standards and actively promote development of transport equipment in conformity of new emissions standards

In 2020, additional RMB1.105 billion was invested in the vehicle leasing business to provide customers with vehicle products meeting the national emissions standards, and actively promoted lightweight mixer trucks to replace vehicles up to China's stage III emission standard.

and construction of regional green ecological environment. In 2020, CIMC Financial Leasing Company strengthened dual-drive approach of industry-finance coordination and independent development, and focused on domestic railway container and seed container, and attempted to expand new industries and new markets, such as firefighting and new energy vehicles and provided supports in the following aspects.

03

Respond to the call of Shenzhen Government to actively promote the upgrading of logistics equipment

Since the introduction of the *Implementation Plan for the Promotion and Use of Pure Electric Dump Trucks* by Shenzhen Municipal Government, CIMC Financial Leasing Company has provided customers with professional financial leasing solutions for new energy logistics equipment through an innovative financing model, and successfully helped customers quickly complete the projects of 250 electric dump trucks.

04

Actively promote the development of high-efficiency emerging industries, such as automatic garages and automated stereoscopic warehouses

Expanding the financial leasing business for stereoscopic warehouses and garages, which not only helps customers save a lot of land resources for customers, but also save a lot of time and cost in terms of construction period and efficiency.

Green modular building

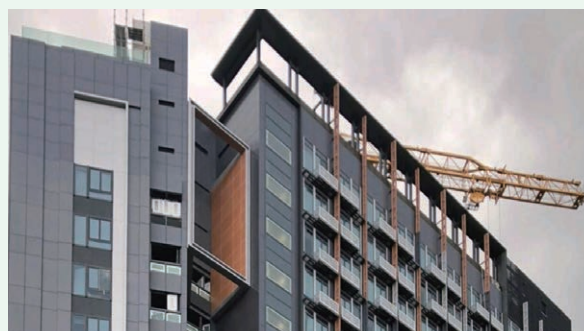
Building industrialization is the development trend of China's construction industry for industrial transformation and upgrading in the future, and modular integrated house is an important part of building industrialization, and is also a kind of the end products. The modular building system of the Group is a new type of building with steel structure as the main body, combined with heat preservation, water, electricity, heating, ventilation, interior fine decoration and intelligent system. It transfers more than 90% of the workload in traditional buildings to the factory environment for

completion while ensuring the stability of quality and safety to the greatest extent, shortening the construction period by 50% and reducing construction waste by more than 50%. Over the past ten years, CIMC Modular has developed into a world-renowned service provider for modular building system solution. In Britain, the United States, Australia, New Zealand, Japan and so on, CIMC has successfully delivered over 30,000 suites with a total floor area of over 1 million square meters and exported the “Made in China” worldwide.

Case

Completion of the first permanent high-rise modular building project in Hong Kong

InnoCell Project developed by Hong Kong Science Park is one of the pioneering projects using the modular building system (called Modular Integrated Construction (MiC) in Hong Kong) in Hong Kong. Located at the southeast entrance of Hong Kong Science Park in Tai Po, New Territories, Hong Kong, this project has a building area of 15,300 m² and 18 floors, able to provide 418 accommodation units (at least 500 beds) for this park and enterprises settled here. This project was certified by Hong Kong Green Building Council (HKGBC) as a BEAM Plus Platinum Project, the highest rating for green buildings in Hong Kong.



Comprehensive utilization of solid waste resources

Based on its social responsibility and commitment to environmental protection, CIMC has cultivated an innovative environmental protection enterprise mainly engaging in comprehensive utilization of solid waste resources, i.e. CIMC Lvjian Environmental Protection Technology Co., Ltd. The company and its subsidiary CIMC Green Building Environment-friendly New Materials (Lianyungang) Co., Ltd. have created its own core technology and solution through industry-university-institute cooperation in utilization of solid wastes and tailings, and has built advanced and automatic production lines to produce new-type environment-friendly inorganic building decoration materials with the characteristics of light weight and high strength, fireproofing, thermal insulation, being non-toxic

corrosion resistant, energy saving and noise-canceling. It has introduced globally advanced production technology and equipment, and invested in the development of inorganic artificial stone project and thermal insulating decorative sintered integrated panel project. After put into operation, it is expected to consume 2,500 tonnes of granite solid waste per year and reduce the pressure on the society in solid waste disposal.

CIMC Green Building was awarded many honorary titles, such as “Technology-based Small and Medium-sized Enterprise” and “Partner of National Research Institute for Industry-University-Research Cooperation in Comprehensive Utilization of Solid Waste” by government departments and industry associations.

Case

Successful implementation of gold tailing comprehensive utilization project in Linglong Town, Zhaoyuan City, Shandong Province

As an innovative enterprise of CIMC, Shandong CIMC Environmental Protection Technology Company, relying on the policy support from the Central Government and local governments and focusing on comprehensive utilization of solid wastes, has made breakthroughs in key technologies, such as recovery of valuable metals from tailings and production of environment-friendly building materials from tailings. During the 14th Five-Year Plan period, it will prioritize the implementation of high-end fiber cement board, artificial sandstone, deep-sea fish reef, active mineral powder, special mortar and other projects to build a local industrial demonstration zone of circular economy featuring comprehensive utilization of gold tailings in Zhaoyuan. These projects will truly recycle gold tailings, “turn waste into treasure”, support the sustainable development of the local gold industry, and blaze a new trail for balancing environmental protection and economic development.



Shouldering Responsibility and Mission of Low-Carbon Operation

Human activities are exacerbating climate changes and causing irreversible damage to global resources and ecosystems. In response to global climate change and the call of the Paris Agreement, the Group has comprehensively promoted energy conservation, emission reduction and low-carbon development.

Inclusion of “tackling climate change” in the Group’s risk control system

The Group recognizes that “tackling climate change” is a sustainable development risk that we, as a large conglomerate, should be concerned about and attach importance to, and has taken a number of risk management measurements:

- Integrating ESG risk control into the Group’s risk control system;
- Explicitly including the issue of “tackling climate change” and identifying it in depth;
- Working with professional organizations on the risks and opportunities of carbon neutrality.

In addition, at the seminar of *Interpretation of the Central Economic Work Conference and Impact and Enlightenment for CIMC Development* held by the Group in January 2021, a special lecture was given on the work of carbon peaking and carbon neutrality, and the preliminary work direction was clarified, including:

- Seizing the opportunities associated with the development of natural gas;
- Seizing the opportunities in the hydrogen energy industry chain;
- Seizing the opportunities of prefabricated building development;
- Seizing the opportunities of green building development;
- Seizing the opportunities of green transportation and multimodal transport.

Contribution to the development of national hydrogen energy

With the energy and chemical segment based on clean energy, the Group has been engaged in hydrogen energy storage and transportation business for more than ten years, covering pressurized gaseous hydrogen storage equipment, pressurized hydrogen truck and hydrogen refueling station equipment. It is currently one of the major providers of key equipment for hydrogen energy storage and transportation in China, and is also the only enterprise in China engaging in

production and manufacturing of all hydrogen refueling station equipment, including those for hydrogen transportation, hydrogen storage and hydrogen refueling, contributing to the rapid development of national hydrogen energy. At present, CIMC Enric has completed the layout of production bases and R&D centers for hydrogen energy equipment in Langfang and Shijiazhuang in Hebei, Nantong and Zhangjiagang in Jiangsu.

Early 2020

The “70MPa Vehicle-mounted Type IV Hydrogen Storage Cylinder” applied by Nantong Energy was finally selected to the list of “2019 Jiangsu high-end Equipment R&D Catch-up Projects”.

July 2020

The “Hebei Shijiazhuang Hydrogen Energy Equipment Manufacturing Industry Demonstration Base” was officially launched in Shijiazhuang CIMC Enric Gas Equipment Co., Ltd.

End of 2020

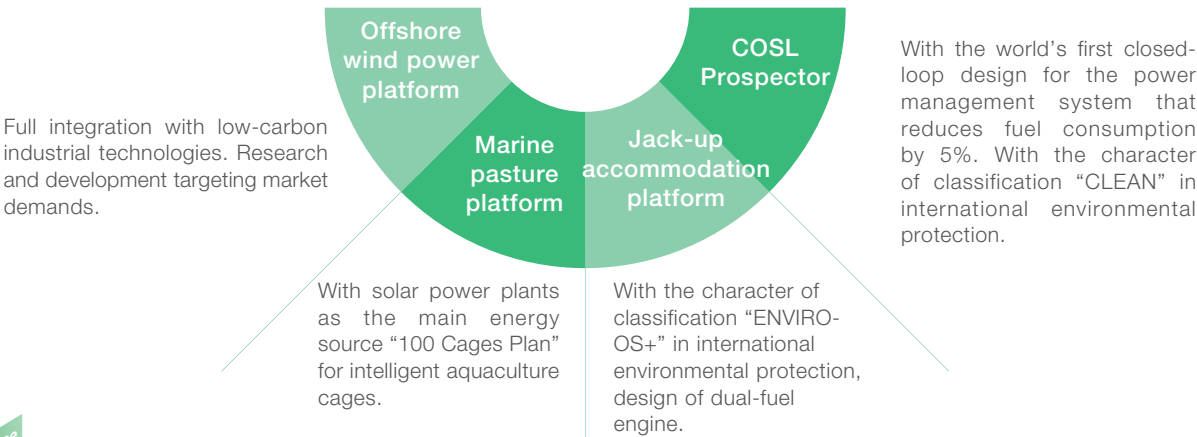
CIMC Sanctum, a subsidiary in the energy and chemical segment, jointly undertook the project of “Key Equipment and Safety Research on Liquid Hydrogen Production, Storage, Transportation and Refilling (Application Demonstration)” under the national key R&D program “Key Special Projects on Renewable Energy and Hydrogen Energy Technology” with nine other companies.

March 2021

Enric reached a joint venture agreement with HEXAGON COMPOSITE ASA, a Norwegian listed company, and reached a cooperation intention to introduce type IV cylinder technology and products to Chinese market through a joint venture. This agreement lays an important foundation for CIMC Enric to devote to the hydrogen energy, and will be an important milestone for the inception of China’s hydrogen energy industry.

Low-carbon products

In recent years, the Group has increasingly focused on the research, development, production and promotion of low-carbon products to help the Group itself and its customers tackle climate change. The Group continues to launch new-type low-carbon products in multiple business segments by combining the characteristics of respective products with clean technologies:



Case

In a move to carry out the “Beautiful China” strategy and the “green development strategy for the Yangtze River Economic Belt”, CIMC ENRIC, as the EPC contractor, has participated in the work of China Yangtze Shipping Group to upgrade the first clean energy vessel “New Yangtze 26007”, which has realized a seamless conversion between the diesel system and the electric drive system with the PTI gear box. The vessel highlights safety, high efficiency, energy saving and environmental performance: It reduces the fuel consumption by 10% compared to traditional drive vessels and cuts down the price and cost by 25-30% year on year. Compared to traditional fuel vessels, it slashes pollutant emissions - it reduces nitric oxide emissions by 90% and sulfur oxide and PM2.5 emissions to almost zero. It has become a typical demo vessel implementing the “Gasified Yangtze” strategy and building a green Yangtze. CIMC has actively explored the application of LNG clean energy in inland river shipping, which is of vital importance to construct and conserve the ecosystem along the river. It is a miniature that CIMC has continuously contributed its force to winning the blue sky, green water and clean land campaign in China in its own business.



The picture displays the virgin voyage ceremony for the “New Yangtze 26007”, the first inland vessel with fuel-gas-electric hybrid drive

Greenhouse gas emission management

The greenhouse gas emissions in the production and operation of CIMC mainly sourced from the direct greenhouse gas emissions caused by the combustion of natural gas, gasoline and diesel, as well as the indirect greenhouse gas emissions caused by the purchased power. In 2020, CIMC totally emitted 887,296.41 tonnes of CO₂e greenhouse gases with the emission intensity of 942.93 tonnes CO₂e/RMB100 million operating revenue, and its emissions were 1.7% lower than in 2019; among them, the direct emissions of greenhouse gases was 180,957.98 tonnes CO₂e and the indirect emission of greenhouse gases was 706,338.02 tonnes CO₂e.

The Group has a number of manufacturing factories and workshops in China and abroad, and the roof space of some of the factory buildings can provide a carrier for photovoltaic power generation projects. Since 2014, a few subsidiaries of Group have been engaged in rooftop photovoltaic power generation projects. In 2020, The total power generation capacity of all the Group's photovoltaic power generation projects was 11,800,196 kWh, equivalent to a reduction in consumption of 4,720.07 tonnes of standard coal and emissions of 11,764.85 tonnes of carbon dioxide.

Based on the sources of greenhouse gases, the Group takes corresponding measures to reduce emissions. Measures to reduce purchased power consumption mainly include: establishing energy consumption management indicators, introducing energy-saving equipment, carrying out technological renovations, and constructing clean energy power stations (for details please refer to the sections



The Group has maintained a continuous reduction of total greenhouse gas emissions for three consecutive years by some

10% from 2018

“Shouldering Responsibility and Mission of Low-Carbon Operation” and “Cherishing Resources and Protection of the Ecology” in the Report).

CIMC believes that afforestation and carbon increase is an effective and sustainable approach to reduce emissions. To this end, we are actively exploring and will further establish an integrated carbon sink management system, and strengthen technical support and publicity.



Ecological Protection and Emission Reduction

CIMC encourages enterprises to apply environmentally friendly raw materials and clean production technologies, or improve the efficiency of pollutant control through upgrading and transforming pollution control facilities, so as to continue to reduce pollutant emissions.

As a large-sized production enterprise, CIMC attaches great importance to and strictly abides by the laws, regulations and standards of environmental protection and pollution control in the places where it operates, including but not limited to the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste, Law of the People's Republic of China on the Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution, Measures for the Administration of Duplicate Vouchers for Transfer of Hazardous Wastes, Action Plan for Prevention and Control of Water Pollution, Integrated Emission Standard of Air Pollutants (GB 16297-1996), Standard for Pollution Control on Hazardous Waste Storage

(GB18597-2001 (Revision 2013)), Ambient Noise Pollution and Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348-2008), etc. All business segments and their subordinate enterprises, based on actual operating conditions, formulate various management systems for environmental protection and resource conservation, environmental protection facilities operation, hazardous wastes, environmental factor identification, evaluation and control procedures, etc., and develop emergency plans for environmental incidents, including: emergency fire secondary environmental incidents, and environmental incidents caused by emergency hazardous chemical leakage, emergency hazardous waste leakage, emergency excessive discharge of exhaust gas, emergency production wastewater leakage and dripping, etc. Some segments involving overseas operations prepare bilingual regulations in both Chinese and English. For example, the Offshore Segment formulates Chinese-English bilingual Environmental Protection Management Procedures, Exhaust Gas Treatment Management Regulations, Wastewater Management Regulations, Hazardous Waste Management Regulations and so on.

Air pollutant emission and management

The main air pollutants emitted by CIMC in its production and operations include: volatile organic compounds (VOCs) and particulate matters, with low emissions of nitrogen oxides and sulfur oxides. VOCs are mainly produced in painting, painting make-up and other processes, and particulate matters are mainly produced in sanding, sandblasting, cutting, welding and other processes.

According to the air pollutant emission management system established by all business segments and their subordinate enterprises of CIMC, requirements for and responsibilities of the relevant departments and management personnel are clarified in terms of air pollutant monitoring, operation and maintenance management of air pollutant treatment facilities, and control over source of air pollutant emissions. Subordinate enterprises regularly invite professional organizations to conduct inspections on air pollutant emissions in accordance with pollution permit management and regulatory requirements of the place the subordinate enterprises operate, and regularly maintain and inspect air pollutant control facilities and equipment to ensure that the concentration and total amount of air pollutants are in line with the standards of the state and the place the subordinate enterprises operate. Some subordinate enterprises have installed online detection systems at the discharge outlets of



In 2020, CIMC emitted 365.89 tonnes of VOCs with an emission intensity of 0.39 tonnes/RMB100 million operating revenue

VOCs to monitor the discharge in real time so as to ensure that the VOCs discharge meets the standard stably. The headquarters of CIMC and headquarters of the segment to which CIMC is subordinate also regularly track the pollutant emissions of all key pollutant emission companies through the data reporting system and inspections at all levels.

CIMC adopted a combination of source control and terminal treatment, and actively developed and introduced clean production technology and efficient waste gas treatment technology. CIMC encouraged enterprises to reduce air pollutant emissions, strive to achieve ultra-low emissions that are better than emission standards, and reduce the impact on the atmospheric environment. In 2020, the main measures to reduce air pollutant emissions carried out by various business segments and subordinate enterprises include:

Business segment	Improvement measures
Container Segment	<ul style="list-style-type: none">Effectively reduced VOCs emissions through water paint renovation projects.
Vehicle Segment	<ul style="list-style-type: none">Effectively reduced VOCs and particulate matter emissions through the upgrading of painting production lines, the upgrading of treatment facilities for the end of painting exhaust gas, and the improvement of centralized treatment of welding fume.
Energy and Chemical Segment	<ul style="list-style-type: none">Replaced the air sprayer with a high-pressure airless sprayer to reduce fugitive emissions of volatile organic compounds.CIMC Safeway Technologies Co., Ltd. upgraded a powder coating process, achieving VOCs emission reduction.
Airport Segment	<ul style="list-style-type: none">Upgraded waste gas treatment facilities by adopting “wet paint mist filtration + activated carbon adsorption concentration + catalytic combustion desorption”, achieving VOCs reduction of about 3 tonnes/year.
Offshore Segment	<ul style="list-style-type: none">Paint with Low VOCs were used to replace the original paint.

Case

VOCs treatment and waste reduction in Qingdao Reefer Container Base have achieved remarkable results

In the production process of cold boxes, Qingdao Reefer Container adopted the hot melt adhesive direct foaming process, utilized hot melt adhesive automatic atomization spraying equipment, improved regional hot melt adhesive automatic atomization spraying equipment, and developed bottom to top spraying hot melt adhesive solutions. The hot melt adhesive material used passed the EU’s most stringent REACH human health certification, which improved the spraying environment, and reduced the production of VOCs and hazardous waste by more than 98%.

Case

Upgrading of the coating line

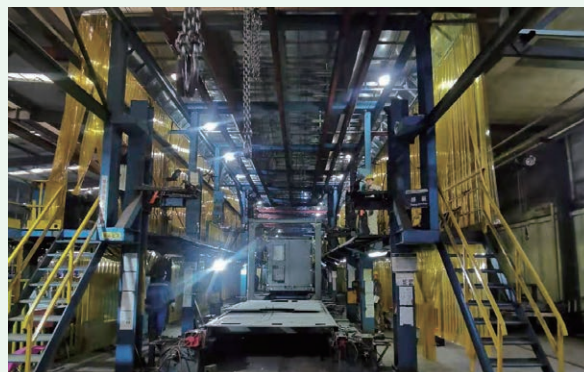
This year, Luoyang Lingyu and Yangzhou Tonghua Tank Truck Plant both upgraded their coating lines by adopting the coating process of “silane pretreatment + powder spraying”. Compared with traditional oil paint spraying, the powder spraying process helps realize the source control of volatile organic compounds, for in the curing step, the sprayed powder is in a molten state when heated to about 200°C, and a very small amount of organic waste gas will be generated. The average emission concentration of the organic waste gas produced by curing after treatment is about 5 mg/m³, which is far below the emission limit of 50 mg/m³, reducing emissions of several tonnes of volatile organic compounds every year.



Case

Yangzhou Tonglee welding fume treatment

Yangzhou Tonglee General Assembly Line No. 2 is newly equipped with a filter cartridge and dedusting system to treat welding fumes, using a dust collection hood on the top to collect fumes. The whole welding production line uses light yellow transparent arc curtain to form a relatively closed space, and the main system uses dedusting fan with high temperature resistance and low noise. The welding fume within the area is filtered by the cartridge box and then discharged. The the commissioned test finds that the concentration of particulate matter at the discharge port is <5mg/m³, which meets the Comprehensive Emission Standard for Air Pollutants (GB16297-1996).



In recent years, in response to frequent hazy and dust weather, national and local governments have continuously increased their efforts to control heavy pollution. In order to achieve the coordinated development of heavy pollution weather and the orderly production and continuous operation of the enterprise, the production-oriented enterprises subordinate to CIMC have formulated the Implementation Plan for Emergency Response to Heavy Pollution Weather one after another. The enterprises set up an emergency team, with the general manager as the team leader, and the leaders of the administrative department, production department and equipment management department as the emergency team members. In accordance with the requirements of the Technical Guidelines for the Development of Emergency Emission Reduction Measures for Key Industries in Heavy Pollution Weather (2020 Revision), the enterprises have formulated yellow, orange and red alert response measures for heavy air pollution days according to their respective industries and performance classifications.

Case

Emergency management of heavy pollution weather

With the continuous strengthening of the country's efforts to control heavy pollution weather, each production-oriented segment of CIMC requires all subordinate production enterprises to begin formulating emergency emission lists based on the emissions of production lines, and work out emergency emission reduction plans for heavy pollution weather, which are reviewed and updated annually and implemented following the heavy pollution weather alert.

Waste management

All business segments and their subordinate enterprises of CIMC have established strict and comprehensive control procedures for solid waste discharge, hazardous waste management regulations and other management measures to clarify the requirements for waste storage, transportation, and disposal.

The harmless wastes generated in the production and operation of CIMC mainly include waste metal, waste wood and domestic garbage. Household waste is uniformly responsible, regularly treated and transported by local environmental sanitation departments. Other harmless wastes are mostly reused in the factory or handed over to suppliers and professional recycling units for recycling.

The hazardous wastes generated in the production and operation of CIMC mainly include waste paint slag, waste paint bucket, waste engine oil, waste chemical reagent, waste activated carbon, filter cotton, waste oily rag and sludge from sewage treatment station. CIMC has established special storage warehouses for classified storage of hazardous wastes in accordance with relevant standards, and the hazardous wastes shall be uniformly handed over to qualified units for compliant disposal. CIMC regularly reviews the qualifications and treatment capabilities of the units.

In order to reduce the risk and harm of hazardous waste leakage, CIMC strengthens the supervision on the treatment of hazardous waste of various subordinate enterprises, and carries out special actions, including: regularly follow up the production, inventory and disposal of hazardous wastes



In 2020, CIMC emitted 26,839.02 tonnes of hazardous waste with an emission intensity of 28.52 tonnes/RMB100 million operating revenue, and its total emissions were 14.3% lower than in 2019

In 2020, CIMC emitted 211,473.14 tonnes of harmless wastes with an emission intensity of 224.73 tonnes/RMB100 million operating revenue, and its total emissions were 6% lower than in 2019

of various subordinate enterprises, and facilitate them to formulate improvement measures by analyzing the types, sources and production of wastes; require the enterprises to establish emergency plans and accountability mechanisms for hazardous waste accidents, and to establish a red line for hazardous waste inventory.

CIMC takes “less new materials, more recycled materials and no waste” as its objective and actively explores and promotes the recycling of waste resources to reduce waste generation and discharge. According to the business and product characteristics, all business segments and their subordinate enterprises actively explore the methods of hazardous waste reduction, innocuity and recycling, and continue to promote research on relevant projects.

Case

CIMC held a video interpretation training meeting on the new Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste

The newly revised Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste came into effect on 1 September 2020. CIMC attached great importance to the newly revised Law. The HSE Committee of CIMC quickly deployed special work, and organized segments and enterprises to study and read intensively the newly revised Law. On May 26, the Secretariat of CIMC’s HSE Committee specially organized a video interpretation training meeting for the newly revised Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste, inviting authoritative external environmental protection experts to focus on the new requirements of the newly revised Law, key corporate responsibilities, environmental enforcement and past typical illegal cases of hazardous waste. The relevant leaders and colleagues from 119 units of the entire Group (84 participants by online and telephone conference, 35 participants by video conference) participated in the online meeting.



Sewage management

All business segments and their subordinate enterprises formulate sewage discharge management systems, monitor the operation and maintenance of sewage treatment facilities, and actively promote smart wastewater treatment equipment and online monitoring technology for water quality to ensure that the concentration and total amount of pollutant discharge meet national or local standards.

Sewage discharged by CIMC during production and operation mainly includes industrial waste water, such as waste water from cutting waste steel in pretreatment workshop, oily waste water generated during component machining, terminal outfitting and ship trial, washing waste water generated during ship trial, and domestic sewage generated from office and living areas. In 2020, the Group totally discharged 3.47372 million m³ sewage with the discharge intensity of 3,690 m³/RMB100 million operating revenue. Total sewage discharge in this year was 10.6% lower than 2019.

In order to reduce sewage discharge, the Group encourages subordinate enterprises to carry out sewage recycling or reuse after treatment; introduce new sewage treatment equipment, optimize sewage treatment processes, and gradually explore the adoption of intelligent and digital sewage treatment systems. In 2020, the main measures implemented by the Group to reduce sewage discharge and results achieved include:

Business segment

Vehicle Segment

Improvement measures

Shanqi Vehicle is equipped with integrated treatment facilities for household sewage. After the sewage treatment reaches the standard, all the sewage will be used for plant greening, and no sewage will be discharged.

Case

CIMC Sanctum Fully Recycles Acid Pickling Wastewater

When CIMC Sanctum produces low-temperature storage tanks, a metal tank body will be transported to the acid pickling area for surface treatment, which will turn out acid pickling wastewater and acid fog, after the previous process is completed. CIMC Sanctum has initiated a special upgrade project and determined the improvement path to reduce the consumption of acid pickling solution and add the water treatment process and acid fog collection: Combine the introduction of ultrafiltration and deployment of two-stage reverse osmosis-based wastewater recycling system – MVR evaporation treatment system – salt removal with centrifuge – condensing post-treatment process, and recycle 100% of the condensed water after treatment. The acid pickling workshop has added the mobile acid pickling room and the acid fog spray tower to collect the acid fog, which can meet the emission standard after treatment. This upgrade project can save about 1,050 tonnes of water and 45MWh of power every year.



Add mobile acid pickling room



Post-treatment equipment



Acid fog spray tower

Noise management

Noise pollutant sources at the Group mainly include lifting, cutting, grinding, air compressor operation, power generator operation (while the site is not accessible to power supply) and civil work in the production process, and also include motor vehicle operation, operation of fans and water pumps

at the sewage treatment station, and other processes. To address the noise from different sources, the affiliates of the Group have taken different control measures:

To cope with the vibration from equipment operation, they will choose the equipment with low noise and low vibration in procurement and install dampers on the equipment. They choose box-type centrifugal air compressors, deploy silencers on the air inlet and apply damping and sound-absorbing materials on gas storage cylinders.

As to the equipment that generates noise, they will set separate sound insulating chambers and take the measure to fully enclose some workshops.

To address other scattered noise sources, they will add soft lining boards to key locations that produce noise and use flexible joints to connect water pipes.

Case

Tianjin CIMC Combats Noise

Tianjin CIMC has installed a noise reduction barrier in the sand machine workplace of the thick plate line, fabricated a structural framework and installed a 50mm mineral wool plate to form an acoustic barrier, which has alleviated the noise damage to the employees of the workplace and reduced the noise value by 20dB.

At the feed opening of the thick plate line, it has installed a pneumatic receiving device, which has eliminated the noise that is produced when the flat plate directly knocks on the baffle, reduced the noise value produced during stacking and reduced the transient maximum noise value by 15dB.



Noise reduction barrier for sand machine of thick plate line

Case

Nantong Food Organizes An Event to Promote the "Love Ear Day" Theme

From March 2 to March 6, the affiliate Nantong Food organized a one-week event in promotion of the "Love Ear Day" theme. This promotion and educational event took multiple forms, including online training, distribution of promotional manual and questionnaire survey with award. Moreover, the company mobilized all employees to contribute reasonable suggestions on "noise reduction".



"Love Ear Day" Event

Cherishing Resources and Protection of the Ecology

In an active echo to the call of the state to build a resource-saving enterprise, the Group has identified resource saving as an important element in the corporate development, dedicated itself to promoting the low-carbon, circular and intensive production mode and sought to maximize the resource utilization. In business operation, we strictly observe related laws and regulations in the places of business, including the Water Law of the People's Republic of China, Energy Law of the People's Republic of China and Energy Conservation Law of the People's Republic of China. Moreover, guided by the CIMC Green Development Plan, we have kept applying advanced energy-saving and environment-friendly technologies and equipment and taken a series of technical upgrade measures, including energy efficiency enhancement and clean production, in traditional manufacturing sectors.

Energy saving and consumption reduction

The Group has integrated resource and energy consumption into the management system, encouraged its affiliates to prioritize the use of environment-friendly materials, renewable resources, clean energy and energy-saving equipment. At the same time, we have inspired enterprises to continuously identify the space for energy saving improvement and build resource-saving and environment-friendly enterprises by taking multifaceted measures, including phasing out of the old, introduction of the new, enhancement of energy efficiency, process improvement, tap of potential for benefit increase, consumption reduction and scientific energy use.

In 2020, the Group recorded a comprehensive energy consumption value of 212,906.77 tonnes of standard coal, a comprehensive energy consumption intensity of 226.26 tonnes of standard coal/RMB100 million operating revenue and a total consumption reduction of 6.2% from the previous year. In detail, the Group consumed 961,845.57MWh of electric power, 51.54889 million cubic meters of natural gas and 21.70396 million liters of fuel.

The Group has exerted the demonstrative effect of excellent energy saving enterprises and widely shared excellent energy saving improvement cases. Various segments have actively implemented major energy saving campaigns such as utilization of residual heat from air compressor, oil-to-power change and oil-to-gas change in a move to reduce resource consumption and practice the concept of low carbon development.

Business segment	Improvement Action
Vehicle Segment	All new plants have introduced the photoconductive lighting system, which stands in a position to provide natural lighting for 8-10 hours, basically replace electric lighting in the daytime and adopts the LED lighting in the nighttime. The overall lighting system has made an obvious energy saving effect.
Airport Segment	The enterprises have phased in the energy-saving crucible, which is expected to save about 20,000 cubic meters of natural gas every year.
Energy and Chemical Segment	It has introduced the contract energy mode, realized energy saving replacement and residual heat recovery from the air compressor for heating purpose and achieved the heating supply to the production building and the staff's canteen as well as hot water supply to the staff's bathroom. It has implemented an energy-saving management mechanism for the heating boiler and reduced the gas consumption by 3,000 cubic meters/day in the heating period.

Case

Establish Digital Energy Management System

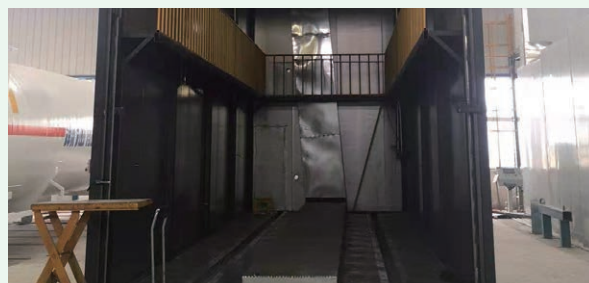
By introducing digital energy management, Ningbo CIMC has employed digital technologies to comb and upgrade power meters and power lines of its plant and connected power meters, water meters, natural gas meters, air compressors and other equipment to the IoT platform. The platform has enabled real-time monitoring over energy consumption data of production lines, workshops and shifts.

With the platform data combined with lean management, it has identified abnormal energy consumption in the production process, established improvement measures and eliminated the abnormalities. Throughout 2020, Ningbo CIMC reduced the energy consumption per container by 8.7% year on year.

Case

Energy Saving Project of Vacuum Extraction System

Nantong Energy has transformed the vacuum extraction heating process by building a two-storey vacuum extraction drying room. It stacks two devices up and down so that they can simultaneously enter the drying room. The drying room uses the mineral wool with high volume weight and adopts thermal insulation treatment for the floor. These measures have made an evident thermal insulation effect. It has reduced the natural gas consumption per product by some 500 cubic meters.

**Water Resources Management**

The Group has deeply acknowledged the concept that it is the common responsibility of the entire society to conserve water resources. The Group consumes water resources in production process, daily office activity of employee and living activities such as catering and bathing, landscaping and fire extinction. The segments and affiliates under the flag of the Group have strictly observed laws and regulations of the state and local regions pertaining to water resources management and established respective water resources management procedure to assure compliant use of water

as well as reasonable development, utilization, recycling and conservation of water resources. In 2020, the Group recorded a comprehensive water consumption value of 6.19811 million cubic meters, a comprehensive water consumption intensity of 6,590 cubic meters/RMB100 million operating revenue and a total consumption reduction of 11.4% from the previous year. In the Year, the Group found no material risks related to the shortage of water resources in seeking applicable water sources.

Case

Recycle Test Water from Fire Trucks

At Shenyang Jietong, a fire truck must work once with water in the ex-delivery commissioning to test pressure parameters of the water system, which will consume 8-10 tonnes of water once. In 2020, the company developed a test water recycling device, which can recycle 75% of the test water once. Given an annual output of 150 trucks/year, it can save 900 tonnes of water every year.

**Biodiversity Conservation**

The Group has paid much attention to the interactive relationships between the enterprises and the ecological environments in the place of business and developed management measures based on local situations to alleviate the impact on the surrounding environment. The Group forbids the implementation of production activities within the control scope of the ecological red line, assesses the site

and environmental impact of a new project and implements scientific construction. For example, CIMC Modular has energetically promoted modular building systems to alleviate the environmental impact in architectural construction and use. For example, CIMC Raffles is dedicated to becoming a world-class integrated marine service provider and pursuing a sustainable marine dream.

Case

Intelligent Fishery, Intelligent Offshore Engineering

CIMC Raffles has set up a number of research and development centers and fully taken into consideration the factor of marine creature conservation in product research, development and design. Moreover, it has fused the marine wind farm and marine farm and developed innovative marine wind power equipment. It has researched, developed and built in depth marine farm platforms and intelligent net cage products.

Green office program

The Group inspires employees to practice the code of ecological environment conduct for citizens and energetically advocates green office. The Group has practiced the green and low carbon concept by strengthening the energy saving and environmental promotion communication, pasting energy saving and power saving slogans, purchasing equipment with energy benefit, advocating green mobility and implementing paperless office and remote office.

Promote Paperless Office

The Group has gradually carried forward paperless office scenarios, including online approval, online attendance check, online briefing, online mobility and online learning, based on the internal OA system and the CIMC iWork Application. For example, "CIMC Mobile I WORK" system, as at the end of 2020, 17,000 incumbent employees have used these functions from opening date to now, there was 4.77 million pieces of usage logs, and the approval center has cumulatively reviewed over 836,000 bills.

Promote Remote Office

The Group advocates the green and environment-friendly remote office concept and has promoted the Umeet, an online video conferencing service that makes region and time no longer a barrier to communication between employees and collaboration with customers and suppliers and increases the working efficiency. In the full year, the system has attracted a total of 91,794 attendees. In March 2020 alone, the Group held a total of 1,700 online video meetings that involved a total time length of more than 1.15 million minutes, far exceeded the number and total length of video meetings in 2019 and greatly reduced the energy consumption caused by frequent business travels.

Environmental Protection Training, Communication and Education

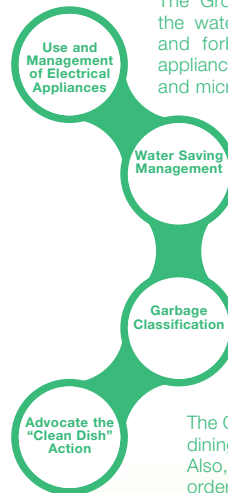
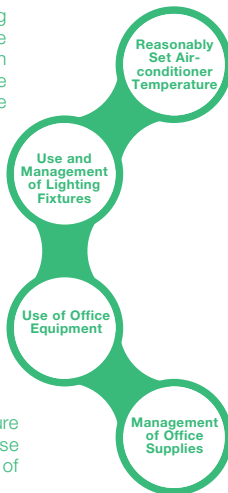
The Group has enhanced the environmental protection awareness, sense of responsibility and sense of mission among all employees by organizing environmental protection communication and education activities that feature fresh content, multiple form, rich connotation, extensive involvement by employees and attention to actual effect.

In the office, conference room and other working areas, the air-conditioner is set at a temperature of no lower than 26 centigrade degrees in summer and no higher than 20 centigrade degrees in winter and not started when there are no employees.

The Group has gradually introduced energy-saving lights to offices, conference rooms, corridors, passages and other places and used natural lighting whenever possible. Moreover, the light will turn off to avoid always-on lights when people are away.

Office equipment, such as computers, printers and copying machines, will be turned off in time out of work to reduce the power consumption during the standby time.

The Group has refined the management procedure for procurement, saving, requisition and use of office supplies and encouraged the use of recyclable office supplies.



The Group selects energy-saving products for the water boiling furnace in the office building and forbids the use of high-power electrical appliances such as electrical pot, electrical heater and microwave oven.

The Group uses water-saving ware, strengthens management and forbids running water.

The Group has prepared sound classification facilities and equipment and strengthened communication and guidance.

The Group adheres to reasonable diet, civilized dining and grain saving and opposes waste. Also, the Group advocates reasonable food order on demand and reasonable match.





Improving Global Logistics

Upholding the core value of “enterprising and innovative spirit”, CIMC Group understands that its survival and development depends on technological innovations. We actively responded to “Sustainable Development Goal No.9, No.12 and No.17” proposed by the United Nations, continued to develop and improve the scientific and technological innovation system, stepped up patent R&D and commercialization of research findings, ramped up intellectual property protection and management, and sought to create long-term driving force for the sustainable development of enterprises and industries through innovation.



Actions:

- Continuously conduct cooperation and exchange among industry, academy, research and industrial chain, strengthen external technical cooperation, start the work to build an open scientific and technical innovation platform of CIMC;
- Accelerate intelligent manufacturing transformation and upgrade, explore the fusion between information technology and industrialization, and promote results of pilot projects;
- Participate in establishing standards and specifications, participate in and lead industrial exchanges and commercialization of results and propel the transformation and upgrade of global logistic and energy sectors;
- Strengthen strategic cooperation with suppliers and join hands to promote the performance of social responsibilities along the value chain

Achievements:

- CIMC Group Technical Center is a national corporate technical center, and the Group owns a total of 30 national hi-tech enterprises and 6 postdoctoral scientific research workstations and has cumulatively won 4,486 patents;
- 4 enterprises have won the “National Demo Enterprise of Intellectual Property Rights” title conferred by the State Intellectual Property Office, and 2 enterprises have won the National Advantaged Enterprise of Intellectual Property Rights” title;
- Start building digital plants based on the Longteng Project and the Lighthouse Plant;
- CIMC has contributed its due values in the global combat against the COVID-19 epidemic with its advanced logistic equipment and service

Efforts:

- We adhere to the strategic direction of intelligent manufacturing upgrade, vigorously advance new industrialization by combining comprehensive roadmap and pilot promotion, and realize the manufacturing transformation and upgrade;
- Adhere to the champion product strategy, reinforce the guide with scientific and technical innovation and boost global logistics with more products and services with enhanced quality;
- Strengthen industrial exchange, commercialization of innovation results, continuously enhance the logistic transport capacity, efficiency and facilitation;
- Promote enterprises to implement green supply chain certification and collaborates with suppliers to develop more technologies and products benefiting the society and industry

Leading Innovation and Value Growth

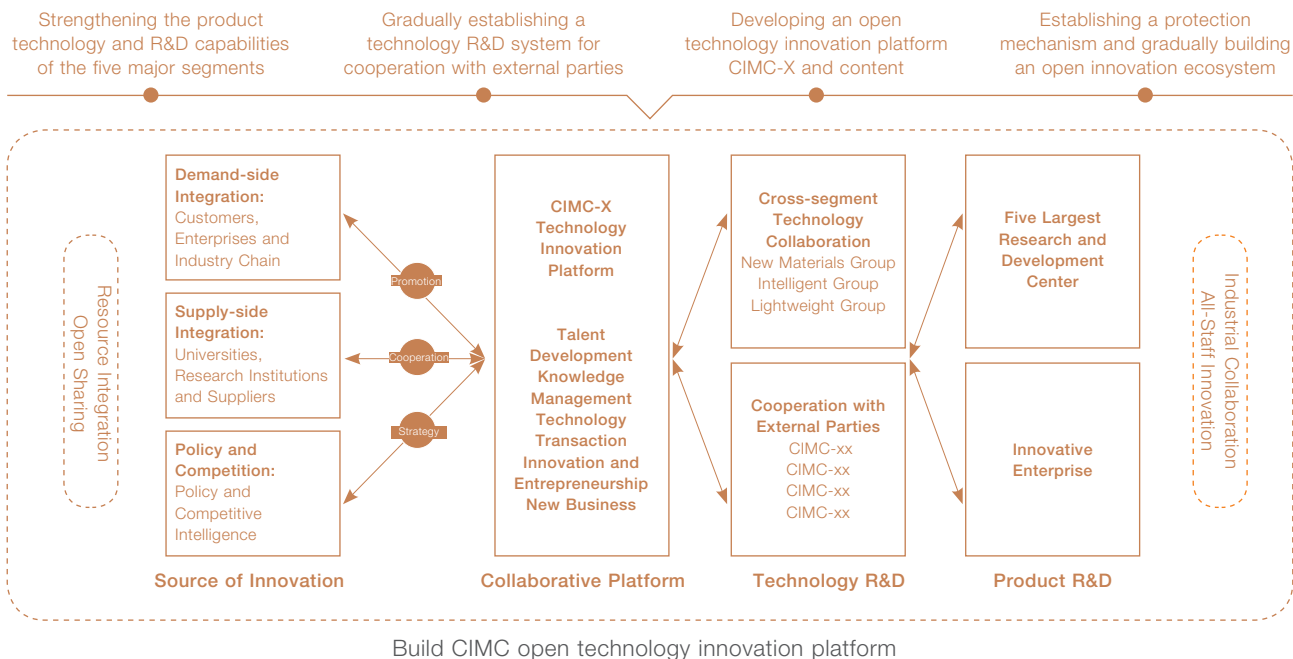
Product diversification and innovation

In the process of strategic upgrading and business transformation in recent years, we have established a “technology-driven” technological innovation mechanism focusing on “innovation-driven value growth”, and continued to step up R&D operations related to new products, new technologies, and new processes and equipment, and introduced and incubated major technology projects that dovetail with our business development directions. We established an R&D system that integrates the “Research Institute” with the “Technology Center” based on CIMC Group’s structural business planning, to continuously promote technological and product innovation.

In 2020, CIMC Group rolled out the strategic plan for 2021-2023, with technological innovation and product planning

prioritized in functional-level planning, seeking to enhance our operational capacity and profitability and deliver high-quality growth through strategic measures such as product reorganization, technological innovation and integration of IT applications with industrialization. To this end, the Group has organized a series of science and technology innovation activities.

CIMC Group devised a fully integrated scientific and technological innovation ecosystem, as well as a “unified and three-layer synergistic” technological innovation management system and a swift and collaborative innovation mechanism, and plans to set up an open innovation platform of “comprehensive sharing with one network coverage”.



On the basis of the existing partnerships established by CIMC Group with higher education institutions and research institutes and industrial chain technology partnerships, we stepped up international cooperation, and established a joint research and development platform with top-tier Chinese universities and strategic partners, with research projects launched on new material applications, intelligent product development, etc. Six group-level collaborative R&D platforms have been established. In the face of the COVID-19 outbreak, CIMC Group managed to maintain continuous output of production capacity through technological R&D and manufacturing upgrades. We made due contributions to the Chinese economy in terms of stabilizing foreign trade, economic growth and the global industrial chain, leveraging its unrivaled container production capacity.



Despite the pandemic in 2020, we continued to push forward the training program for leading talents in technological innovation, and inaugurated the T2 leading talent development program after the successful completion of the T1 phase. The first intensive training session of the T2 Program was conducted on September 26, with the aim of facilitating the development of flagship products.



T2 leading talent development program

Furthermore, we hosted “Online Technology Festival – Innovation Forum” and invited five well-known experts from universities and entrepreneurs to share their insights on the new technologies and new theories related to new materials, the industrial Internet, intelligent product development, and innovation strategies. The guests also put forward suggestions with regard to the applications of the new technologies and theories among CIMC manufacturing affiliates and business transformation, assisting in the implementation of the strategy of “ramping up technological innovations, and promoting product upgrades”.



2020 CIMC Group Online Technology Festival – Innovation Forum



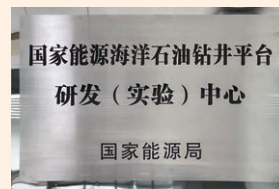
As a State-level Technology Center for Enterprises, the CIMC Technology Center is home to the Offshore Construction R&D National Engineering Laboratory and the National Energy Offshore Oil Drilling Platform Research and Development (Experiment) Center



State-level Technology Center for Enterprises



Offshore Construction R&D National Engineering Laboratory



National Energy Offshore Oil Drilling Platform Research and Development (Experiment) Center



Yantai CIMC Raffles post-doctoral Programme



30 subsidiaries recognized as high-tech enterprises in China



Our boarding bridges and freight semi-trailers are officially recognized by MIIT as “Champion Products”



As of December 31, 2020, the Group's total investment in research and development was RMB1.641 billion



6 post-doctoral research stations

Case

High-end semi-submersible accommodation platform “OOS Tiradentes” (CR 600) won the 2020 China Excellent Industrial Design Award

OOS Tiradentes (CR 600), a high-end semi-submersible accommodation platform developed independently by Yantai CIMC Raffles with 100% proprietary intellectual property right, won the 2020 China Excellent Industrial Design Award (award of merit) in November 2020. The platform is widely noted for three major breakthroughs: closed-loop power system design in the dynamic stationing operation mode, automatic target platform tracking, and compliance with environmental protection regulations. It is equipped with the DP3 DP2 dynamic positioning system, allowing it to use the closed-loop power system to reduce fuel consumption by 9% and carbon dioxide emissions by 11% in the DP2 dynamic stationing mode. The platform is equipped with a state-of-the-art retractable trestle, which, coupled with a unique multi-target sensor system design, makes CR 600 the first semi-submersible platform in China capable of automatically tracking the target platform in gale force (scale 8) winds, securely connecting accommodation platforms. The award granted to the platform attests to our commitment to promoting the overall development of industrial design capabilities, which is an important measure to shift the focus of industry development from expansion toward competitiveness.



Case

“Bluewhale II” successfully completed the second round of trial combustible ice mining

In 2020, the ultra-deepwater semi-submersible double-derrick drilling platform “Bluewhale II” constructed by the Group successfully completed the second round of combustible ice test production, and broke the world record for total test production volume and average daily gas production, resulting in a remarkable leap from exploratory testing to experimental trial production, thus making China the first country in the world to use horizontal well drilling and production technology to test natural gas hydrates in the sea.

Case

CIMC Container unveiled an innovative business integrating “manufacturing + service + finance”

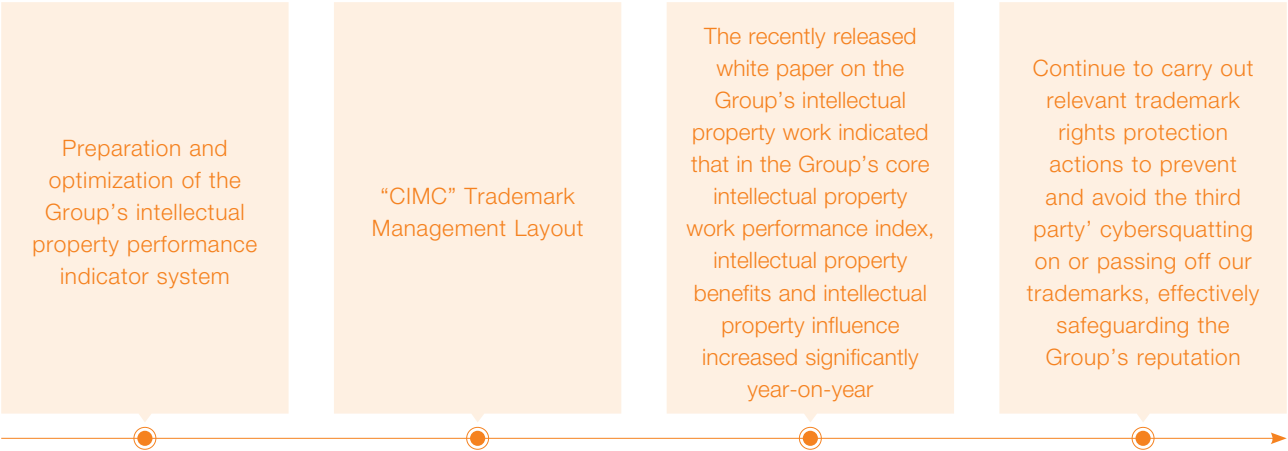
As a global container giant, CIMC Group is committed to promoting the development of container products oriented toward “safety, eco-friendliness, artificial intelligence capacity and environmental protection”, leveraging its exceptional technology and innovation capabilities. In recent years, while focusing on the core business, we have rolled out an innovative business integrating “manufacturing + service + finance”, which has continued to facilitate the transformation and high-quality growth of CIMC Container. Our extensive business lines cover a wide variety of segments ranging from robot applications, intelligent equipment, logistics accessories, integrated equipment and aerospace to military products, with services provided covering product development, manufacturing and sales operations. Furthermore, we vigorously scaled up core innovative businesses revolving around cold chain, small and medium logistics equipment, new materials (collaborative operations) to provide customers with integrated “manufacturing + service + finance” services.

Intellectual Property Management

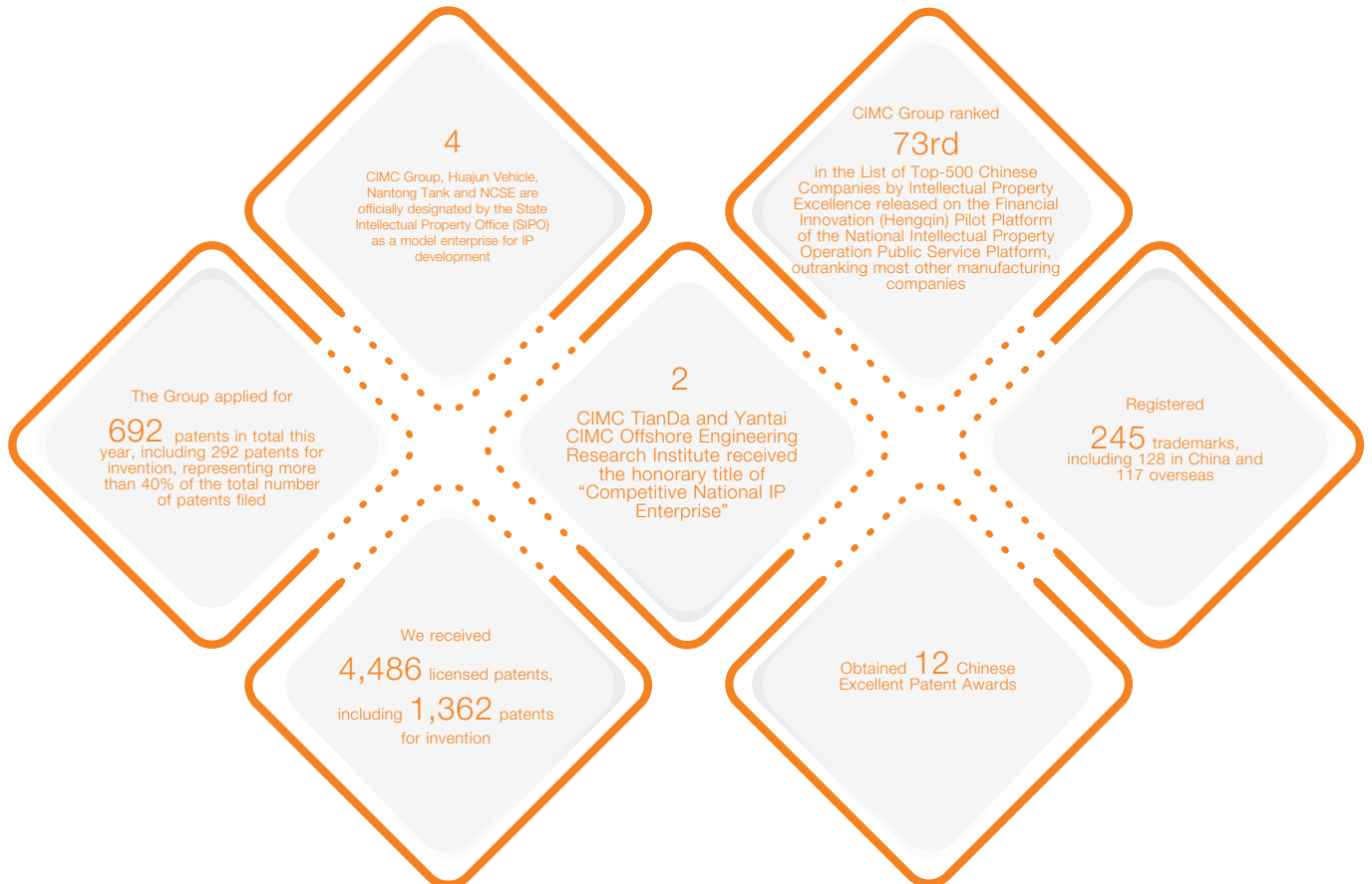
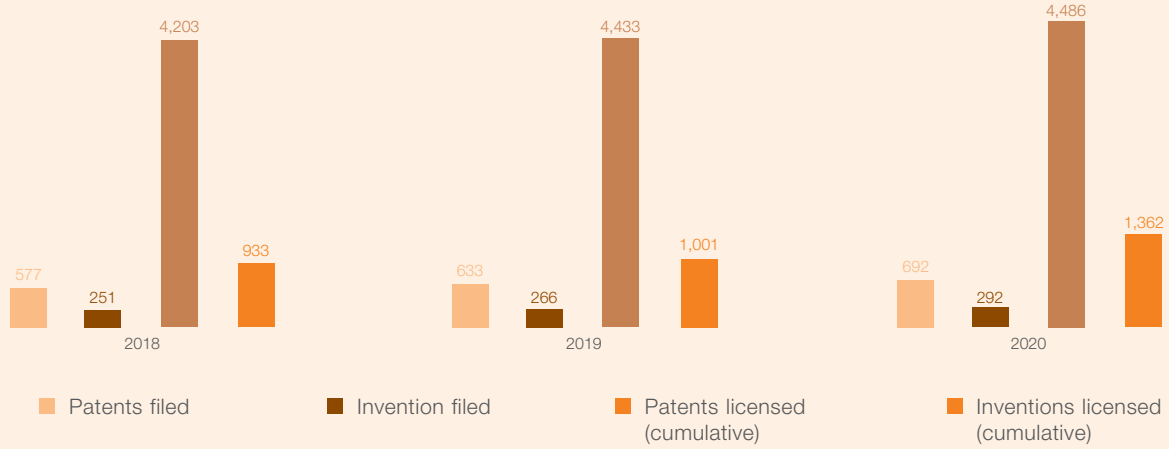
The Group respects and values the management and maintenance of intellectual property (IP), conducts all-round management over the creation, protection, application, management and risk prevention and control of intellectual property through strictly abiding *the Patent Law of the People’s Republic of China*, the *Trademark Law of the People’s Republic of China*, the *Copyright Law of the People’s Republic of China* and the *Law of the People’s Republic of China Against Unfair Competition* and other IP-related laws and regulations during production and business operations, and effective implementation of the intellectual property management system documents; and amended the *Measures of CIMC Group on Patent Management*, which stipulates CIMC Group’s various departments and subsidiaries should report major patent-related events, e.g. patent infringement and protection, involving technology, patent or business operations to the Group’s Legal Affairs Department, such that macro-level resolutions can be developed from the vantage point of CIMC Group and from the long-term perspective, with assistance and support provided by relevant departments where necessary. Before a new product, new material, new technique or new process is designed, developed or launched on the market by a unit within the Group, and a patent search and analysis must be performed regarding the proposed improvement in the existing technique with a search report generated, which should be assessed and archived as a project initiation review material, to avoid the risk of patent infringement. A comprehensive patent information analysis must be conducted on CIMC Group’s flagship products or champion products at least once every three years. The foregoing management systems

and procedures have been effectively enforced and implemented in the routine management of enterprises within the Group. Our subsidiaries have successively handled major IP-related cases, e.g. APC3.0 patent protection case and the Chongqing-Xinjiang-Europe railway box patent infringement case, greatly supporting business development of our affiliates.

In 2020, the Group focused on the intellectual property work policy of “building a high-quality patent bank and giving full play to the value of intellectual property rights” to continue to promote the management and maintenance of intellectual property, and make efforts for the Group’s strategic development and market operations. While mastering the intellectual property rights of key technologies in various fields, some segments have successively carried out a number of rights protection actions in accordance with international rules, e.g. handling of the Chongqing-Xinjiang-Europe patent case and the UNI45 patent nullification case, playing a positive role in guiding the industry to respect intellectual property rights, improve the standard of patent protection and utilization, and promote the healthy development of the industry. Some companies have implemented effective work mechanisms such as patent radar early warning by conducting patent technology information retrieval, analysis, tracking and comparison, to avoid infringement of patent protection risks and improve R&D efficiency. In addition, we prepare and release patent information briefings in respect of the Group’s key competitors and their industry sectors from time to time to master and understand the trend of patent technology development of the industry.



Patents filed or licensed



New Industrialization

We proactively support social and national development strategies by preparing action plans that dovetail with China's development conditions based on the actual situation at CIMC Group. Leveraging the trend of new Industrialization development, we have carried out new industrialization work in an all-round way through comprehensive deployment and pilot promotion to gradually realize the transformation and upgrading of the manufacturing industry. We continued to improve the CIMC Intelligent Manufacturing Action Plan (the "Action Plan") adhering to the strategic orientation toward intelligent manufacturing, and carried out top-down planning of overall business upgrade and development within the Group, mapping out the campaign of innovation-driven growth with a global vision.

Achievements in new Industrialization-related businesses

Vehicles



- After the completion of the construction of the lighthouse factories in 2020, CIMC Vehicles sought to set up a high-end manufacturing informatization and digital management system, and established and implemented an intelligent management system covering various operations ranging from product development and design to intelligent manufacturing, supply chain and customer services; gradually implemented information and digital management systems for the entire life cycles of trailers and special vehicles starting from product design, raw materials and parts procurement, manufacturing, inventory management, customer management and market demand management all the way through to after-sales service. CIMC Vehicles has essentially set up an intelligent trailer manufacturing process framework and the relevant process digitization framework, and will connect different systems to tap into the potential of high-end manufacturing in terms of intelligent management.

Airport



- The boarding bridge business, a sub-segment of the airport business, secured a substantial volume of orders at the Philippine Airport in early 2020, as domestic sales continued to grow steadily, amid rapid increases in profits. The fire and rescue vehicle business has become the largest fire truck producer in China, and subsequently made considerable headway with business integration. Furthermore, we deepened our partnership with Mercedes-Benz Daimler Trucks on fire safety businesses. The automated logistics business provides food operators with unprecedented low-temperature automated multi-purpose cold storage facilities.

Energy and chemical



- The standard tank plant at Nantong Tank, a sub-segment of the energy and chemical business, has undergone through production line upgrade and transformation, and developed a number of high-standard production equipment representing major technological breakthroughs. They mainly include tank production and welding automation intelligent systems and equipment, production line logistics systems and equipment, and special machine for plant operation process automation.

Modular construction



- As the Group continued to promote innovative business development, the modular construction business successfully applied modular steel structure construction in areas with a relatively high seismic intensity scale and high-rise hotels in the United States for the first time. In the domestic market, it successfully delivered the first modular construction international school project, five prefabricated high-tech schools, and the first modular passenger service center project in Jiangxi; launched "Hong Kong Penny's Bay Isolation House 3A Project" to help combat the pandemic in Hong Kong.

Offshore engineering



- CIMC Raffles' "Bluewhale II" contributed to the second phase trial mining of combustible ice in China, setting two world records. We continued to broaden applications of marine engineering equipment, and launched the 400MW Offshore booster station project, marking CIMC Group's formal entry into the wind power market; signed the agreement on the "Mirage" project, the world's first cultural tourism super-complex of its kind; kicked off production of the first batch of aquaculture cages of the "100 Cages Program"; successfully delivered a large number of important products in 2020 including the world's largest deep-water salmon farming vessels, large intelligent recreational fishery cages, China's first 5G-enabled marine ranch platform and seafood breeding cage, and the largest multi-purpose roll-on/roll-off ship in Asia.

Logistics and others



- Established in March, the unit load business segment has a complete business structure, and is expected to become a fast-growing strategic emerging business unit within the Group. The cold chain business delivered remarkable performance, and succeeded in introducing external strategic investment to fund operations aimed at addressing the issue of "first-and last-mile delivery" in the cold chain logistics industry.

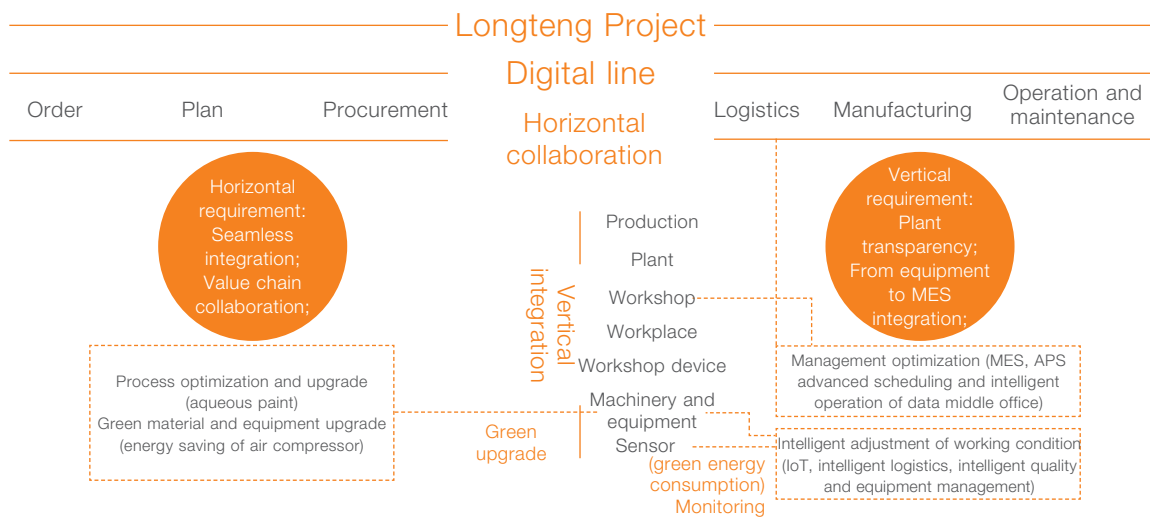
Case

Digital plants relying on the Longteng Project

In response to the government's call for digital transformation and upgrading of the traditional manufacturing industry, CIMC Container plans to roll out digital plants over the next three years, taking the Longteng Project as the starting point, LEAN management as the central priority, MES as the basis, and intelligent manufacturing and AI as the main theme, thereby revitalizing the traditional manufacturing industry with the AI technology. In 2020, based on the findings of factory surveys, we carried out moderately visionary planning of digital container plants. The planned projects mainly

cover monitoring of (Longteng Project) key production-line equipment and predictive maintenance, minimum manpower warehousing and logistics – smart AGV applications, applications of intelligent quality inspection in production lines, and data center-based intelligent data mining. Furthermore, through “Longteng Project” green plant construction, we increased investment in environmental protection technology R&D, greatly improved the working environment of the Group's employees, and enhanced the harmonious coexistence between the Group and the local communities where it operates.

Action plan for construction project of digital container plant - serving absolute capacity increase
(The value chain integrates horizontal factors and fuses vertical factors)



Case

**[New era of intelligent manufacturing]
Inauguration of Zhumadian Huajun, CIMC IT
application model company**

On September 14, the initiation ceremony of Zhumadian Huajun, the IT application model company designated by CIMC Group, was held in the conference room of the Huajun Lighthouse Plant. Some senior managers of the Group attended the event via videoconferencing, and leaders of the Group's data network center and Huajun Vehicle attended in-person. Focusing on the Group's overall informatization plan (dubbed “Digital CIMC”) for the next three years, we made preparations for the creation of a global CIMC Lighthouse Plant in the next few years, while building on the model company at the same time. Huajun Vehicle is committed to creating the blueprint for informatization that meets the requirements of high-end manufacturing, focusing on LEAN management, innovation and digitization, digitalize the entire industrial value chain, and recently launched a digital blanking integration project.



Creation of Brand Power with High Quality

Product Quality and Safety

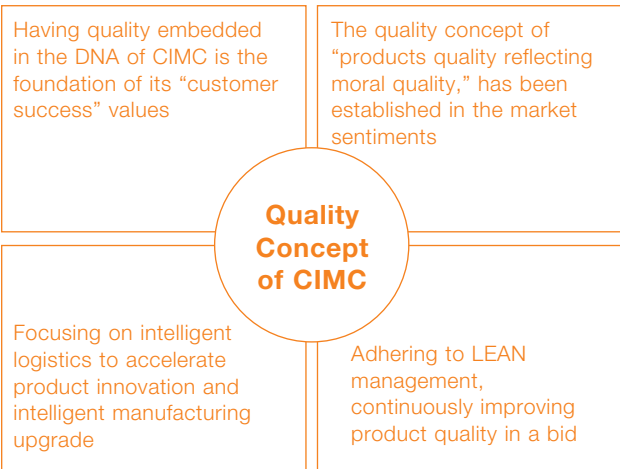
CIMC's products are highly diversified and angled at the global markets. Committed to "providing high-quality and reliable equipment and services for the logistics and energy industries" as our mission, we always regard the health and safety standards of our products as the top priority for responsible product development, and seek to provide clients with secure, high-quality and highly efficient products and services, following the principle of "continuous and constant improvement". CIMC Group owes its success to its effective quality management system, as well as to the enterprising spirit of its employees and their relentless pursuit of excellence.

Product quality is the foundation of CIMC. We strive to achieve organized, standardized, methodical and step-by-step implementation of applied quality management methods, and continuously optimized application procedures, promoted LEAN ONE application, improved product quality through process planning, and built on high-quality LEAN manufacturing capabilities. In the past five years, creating quality within the process of high-quality manufacturing has been one of the main application methods. There are 15,000 employees of 20 companies have received training on applications.

With the support and guidance provided by the Group, each segment and company set out quality management policies and targets covering all levels (company, department and team), and enforced relevant management systems such as change point management, non-conforming product management, quality information collection and standardization of reoccurrence prevention practices based on the actual situation to standardise their respective quality management systems, and set up teams of quality specialists for the major business segments.

The LEAN ONE model covered more 60 companies in 2020, of which 40 registered an annual operating revenue over RMB300 million. A total of RMB348 million in improved revenue was earned across the research topics.

The Group inspires and encourages the subsidiaries to actively bid for quality awards issued by governments at different levels. So far, more than 10 subsidiaries have won the quality awards conferred by local governments. In 2020, 4 new subsidiaries won the awards.



Case

The container segment kicked off the "Excellent Quality, Made by CIMC" campaign

In 2020, in a bid to build on competitive advantages related to product quality and effectively control quality risks, the container segment launched the "Excellent Quality, Made by CIMC" campaign. Its management department worked with the technical department, the purchasing department, the enterprise quality department and the CIMC Group Excellence-oriented Operating Center to set up a joint operation improvement group. A red-line warning policy has been introduced for container quality management to optimize and improve the entire process from material procurement to delivery, tackle major issues, and achieve the full-year quality improvement targets.

Case

Xinhui CIMC won the Jiangmen Mayor Quality Award

Xinhui CIMC is one of the winners of the Jiangmen Municipal Government Quality Award this year. Under the dual-engine strategy of technological innovation and effective management, the company has established itself as the world's largest supplier of 53-foot North American inland containers and folding containers through continuous improvement of CIMC ONE management model and consistent sales expansion, and as a mainstream supplier of "containers +" products.



During product and service promotions, the Group pays due attention to the authenticity of the publicity materials, and strictly prohibits false or misleading publicity. Product promotion materials adopted by the Group include brochures, promo videos and on-site displays. We rigorously prohibit the use of words like “most”, “top-level”, “first-rate”, etc. in the publicity materials, and ensure that the products are displayed objectively and fairly. The promo videos usually feature product line managers who have a thorough understanding of the products. The video copy is adopted only after confirmation by multiple professional engineers.

With a view to ensuring effective customer protection, each segment and company in the Group has formulated a product recall management system based on the nature of their respective products and services, investigates into problematic products in a timely manner, and eliminates product defects transparently and rigorously so as to minimize the negative effects on clients and losses caused to them. Further, we have also established a marketing and promotion management system to match products and clients' needs to ensure that accurate brand information is disseminated externally.

This year, the Group complied with relevant laws and regulations on product safety and health, advertising, etc. We have not received any complaints of regulation violations, nor has there been any product recalls caused by health or safety considerations.

To cope with potential risks of products, projects or services, the affiliates of the Group have made respective risk management plans based on product attributes. For example, CIMC Raffles, an affiliate of the Group has established the Project Risk Management Standard, whereby it will define the risk control flow and matrix at the execution stage of every project to effectively identify the project risk, assess its impact, control or reduce the loss derived from various risks and reinforce the risk capacity. The project manager periodically organizes the risk matrix meeting to conduct effective planning, control, identification, definition, classification and monitoring with respect to the project risk, and formulates the risk control measure and response plan. Further, all employees will jointly discuss responsive measures to stave off the risk and work out the directional guide. Besides, the company will determine the responsibilities and obligations of the responsible department and responsible persons, and record these elements in the risk matrix list for track and management. The company shares material risk with customers or reminds them in the form of meeting and official letter.



50+ companies within the Group passed ISO9000 certification



The LEAN ONE models covered **60+** companies, of which 40 companies registered operating revenue of more than RMB300 million



RMB348 million in improved revenue was earned across the LEAN ONE model research topics



13+ subsidiaries of the Group won quality awards granted by local governments (4 new subsidiaries included in 2020, namely Huajun Vehicle, Xinhui CIMC, Jingmen Hongtu and TAS)

Customer Service and Satisfaction

CIMC Group is committed to creating maximum value for its customers, and insisting on providing customers with the best solution from their perspectives, to constantly improve the customer service support system and feedback system. Each segment and its subordinate enterprises strictly abide by the Consumer Protection Law of the People's Republic of China and other the relevant laws and regulations in which it operated, practiced the core value of “helping clients fulfilling their ambitions with honesty”, and communicated with customers in a timely manner. We invited clients to visit our plants on a regular basis, conducted regular customer satisfaction surveys to get a clear understanding of their actual needs, identified deficiencies in all aspects of products and services and implemented improvements, striving to provide clients with a full range of services before, during and after the sales process. Some segments conducted national visit service activities, customer training and other methods to enhance customer satisfaction. We also attached great importance to customer complaint management, established various channels to handle customer complaints, implemented customer complaint management methods and strengthened tracking and rectification. We solicit clients' feedback and suggestions for every single order fulfilled, and responded to their feedback and suggestions, so as to continuously improve the quality of products and services.

Case

C&C Trucks provided 24h customer service during the epidemic, and honored its customer compensation deadline commitments

C&C Trucks conducted customer satisfaction surveys on clients on a quarterly basis, covering client satisfaction during and after the sales stage, and performance and quality-based satisfaction. Four phases of customer satisfaction surveys were conducted in 2020, and 1,515 customers were surveyed. C&C Trucks remained committed to resolving maintenance-related queries (except for certain items of maintenance) within 24 hours – clients will be compensated if the 24-hour time limit is breached. It continued to hold morning meetings to coordinate market issue settlement efforts. Arrangements were made at the meetings to tackle issues such as maintenance services provided exceeding the 24-hour time limit and emerging issues, with the compensation policy enforced. In particular, during the COVID-19 outbreak, C&C Trucks' 400 customer service agents worked around all day long despite the difficulties and challenges, and organized a "joint epidemic prevention and control" campaign: epidemic relief vehicles offered services for free, and technical staff guide customers in self-rescue operations – relevant operations involved 4,003 vehicles during the epidemic, maintaining normal service operations.

Case

CIMC Sanctum won the Shell Global Quality Award

CIMC Sanctum won the Shell Global Quality Award for the fourth quarter of 2019 in May 2020. Since the delivery of Shell's first "emission-free and unmanned" refueling station products in August 2017, Sanctum has successively shipped more than 20 sets of products to regions across Europe. It earned unanimously recognition among Shell clients and European users for meticulous pre-shipping inspection during the production process, and the meticulous commissioning before on-site operation. Sanctum is widely recognized for its exceptionally high product quality requirements, and its service philosophy prioritizing customer needs.



Case

CIMC Modular released data on LEAN improvements achieved in the second quarter of 2020

In 2020, CIMC Modular pushed ahead with the "LEAN improvement" and "creative craftsmanship" campaigns, and achieved impressive results, in line with the Group's strategies and focusing on "reducing costs and improving efficiency, and qualitative growth" as the main themes. It held the LEAN improvement information release conference for the second quarter, and elaborated on both the "achievements of creative craftsmanship" and "developments made in LEAN improvement". A total of 45 creative proposals were received during the "Creative Work Achievement Release" event in the second quarter, and 35 proposals were adopted, of which six were selected and presented at the conference.



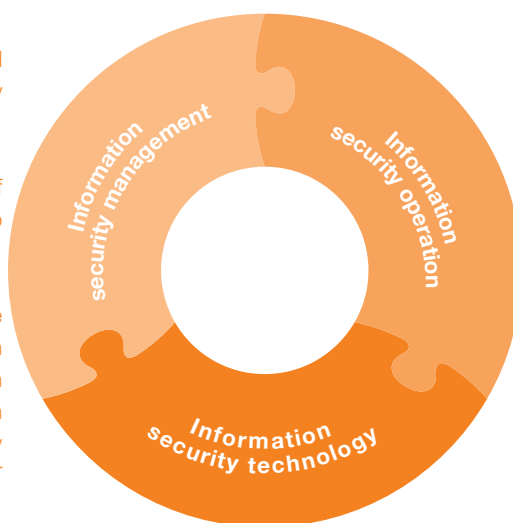
Customer Privacy Protection

CIMC Group attaches great importance to the protection of customer information and privacy, and carried out all-round information security promotion revolving around national laws and regulations on information security, taking the latest global trends in information security into account, against the backdrop of integration of IT application with industrialization; and set up a complete and effective information security management system, which serves as

the fundamental guarantee for the business development of the Group.

During the reporting period, the Group achieved business information security targets, and no serious information security events have occurred. Neither did it receive any complaints on customer information leakage from any official organizations.

- Established a standardized information system to simplify management and reduce risks.
- Updated and released 19 sets of supporting administrative systems to further standardise IT applications.
- Employees' awareness of the importance of information security has been improved on a comprehensive scale, through continuous information security promotions and training and IT exams.

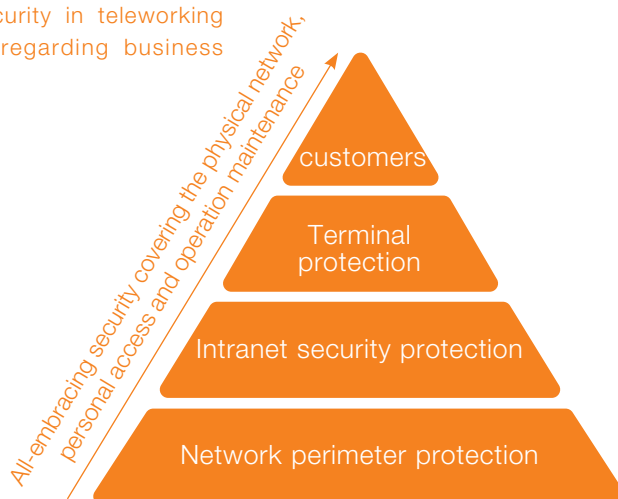


- Spotted and fixed potential risks in a timely manner through internal audits, regular vulnerability scanning, penetration testing, emergency drills and other methods, enhancing the response capacity to information security risks.

- The hierarchical information security protection system has been further improved – in particular, during the epidemic, efforts were made to enhance teleworking security management, seeking to ensuring information security in teleworking activities and regarding business systems.

Our overall information security capabilities have been enhanced on a comprehensive scale. During the reporting period, CIMC Group actively carried out network security protection assessment in accordance with relevant provisions of *the Cybersecurity Law of the People's Republic of China*, and three important application systems passed the security certification with high scores achieved.

Each segment and its subsidiaries continued to ensure that customer privacy is under rigorous protection through measures such as encrypted management of device files, adoption of hierarchical information authorization, signing of *confidentiality agreements* and protection provisions, relevant training and education.



Hierarchical information security protection system

Sharing Experience for Common Development

As a leading player in multiple industries, CIMC Group has been actively involved in the formulation of industry standards and regulations, actively promoted the commercialization of research findings and the healthy and sustainable development of the industries to which its business segments belong. As of the end of 2020, the Group had participated in the formulation of approximately 170 sets of international, national and industry standards for containers, special vehicles, energy and chemical equipment, and airport equipment, and had officially released more than 70 sets of national or industry standards; The Group and its subsidiaries have joined in 57 associations, and served as a director general, director, president and vice president in 45 associations, making positive contributions to the development of the associations and the industries alike.

Containers



- We effectively implemented the container industry healthy and sustainable development initiative in terms of security, environmental protection, health, quality and production capacity, in compliance with the *Action Proposal for Promoting the Healthy and Sustainable Development of China's Container Industry* issued by the China Container Industry Association.
- We presided over the formulation/revision of seven sets of ISO, etc. related international, national industry standards for the container segment in 2020.
- In 2020, CIMC Cold Cloud was invited to participate in the compilation of the "Technical Guidelines for the Road Transportation of COVID-19 Vaccine Products" jointly issued by four national authorities – Ministry of Transport, National Health Commission, General Administration of Customs, and National Medical Products Administration; and was officially designated as one of the first key contact enterprises for road transportation of COVID-19 vaccine supplies by the Ministry of Transport.

Vehicles



- CIMC Vehicles carried out three iterative upgrades to the mixing tank and mixing blade modules. As a result, the range of transportation concrete slump (applicable range: 120~240) was broadened; the speed of material input and output accelerated; and concrete products became more suitable for long-haul transportation, outperforming most competition brands.
- CIMC Vehicles and the China Association of Automobile Industry Special Vehicle Branch convened a meeting of 20 leading trailer companies, known as "Second G20 Trailer Conference", which aims to jointly promote the healthy development of the industry through business operations conducted in compliance with regulations, resource sharing, effective self-discipline, and collaborative growth.

Offshore engineering



- CIMC Raffles and the Shandong branch of CGN New Energy entered into an offshore wind power strategic cooperation agreement to carry out in-depth cooperation on the offshore wind power business to provide green power facilitating the transformation of the energy structure and the shift toward new growth drivers.
- Erection of the world's first 100,000-tonne semi-submersible production and storage platform S005 Lingshui 17-2, built by CIMC Raffles for Offshore Oil Engineering Qingdao Co., Ltd., was successfully completed.

Case

CIMC Container played a major role in the compilation of multiple sets of container standards

CIMC Container is a formal member of several international organizations such as the Container Owners Association (COA) and the Institute of International Container Lessors (IICL), and serves as the deputy secretary-general of the National Financial Standardization Technical Committee. It has many chartered specialists from the ISO/TC104 Working Group, and currently acts as the convenor of the ISO/TC104/SC2/WG6 Platform and Platform-based Container Working Groups.

In recent years, CIMC Container has presided over and participated in the compilation and revision of a number of

container product-related ISO international, national and industry standards, and advanced corporate standards. Standards formulation and amendment projects over which it presided over, or in which it participated in 2020, include: ISO 1161 series 1 corner and intermediate fittings – specifications, national standards "Part 1 General Freight Containers of Series 1 Container Technical Requirements and Test Methods" and "General Container Technical Conditions and Test Methods for Air, Land and Water Transportation (Intermodal Transport)"; industry standards "Series 1 Container Door Locking Devices"; and seven sets of corporate standards (which have already been released).

Unit Load Business

- Coil shipping and parcel services: The independently developed special coiled steel container set a new benchmark for logistics equipment in the steel industry. CIMC took the lead in promoting “containerisation” for the transportation of steel products, and achieved seamless “door-to-door” delivery of steel products. In particular, we provided 35-tonne open-top railway containers, effectively making rail transportation of coiled steel most cost-effective and easier to operate with reduced cargo losses.

Airport

- Developed intelligent boarding bridges, accelerated the development and rollout of fully automatic airport collection solutions, and planned the iterative upgrade of product series.
- In view of the strong domestic demand for fully automatic airport collection services, TianDa developed technical standards for the Civil Aviation Administration of China, and collected evidence.
- Stepped up the integration of smart bridges + VDGS + SCADA + peripheral equipment, and GSE products to create platform equipment interconnection solutions, and broadened product coverage; and supported the development of service business.

C&C Trucks

- In 2020, C&C Trucks participated in the compilation of the compulsory national compulsory standard “Gas Vehicle Gas System Installation Requirements” and the component industry standard “Technical Specifications for Special LNG Vehicle Installations”.

Modular construction

- Technical Specifications for Box-Module Steel Structure Integrated Buildings*, co-edited by China Architecture Design & Research Group and CIMC Modular for China Association for Engineering Construction Standardization, came into effect on April 1, 2020.

Strategic Cooperation for Joint Establishment of Future

Supply Chain System

The Group has established the “CIMC Group Procurement Management System” to manage the environmental and social risk policies of the supply chain, and requires all lower-level corporate procurement management departments to actively cooperate with CIMC in implementing supplier environmental and social risk management and control, and participate in the construction and development of the Group’s green supply chain management. The procurement management department of an affiliate shall classify suppliers based on the impact of their materials on the affiliate. If a supplier delivers a major impact, the affiliate shall evaluate the supplier as to the performance of environmental and social responsibilities and gradually extend the evaluation of social responsibility performance to cover all suppliers. As analyzed by the special ESG & HSE department of the Group, when judging whether a supplier poses a material environmental and social risk to CIMC Group, the Strategy Development Department of the Group will publish a risk circular within the Group and even suggest cancelling the supplier’s qualification, depending on the situation.

The Group has established and continuously improved its supply chain management system focusing on three areas. The segments and their subsidiaries have formulated and implemented relevant bidding, procurement, and supplier management systems based on the Group’s internal policies, seeking to clarify the responsibilities of internal procurement staff, and avoiding potential risks. In the meantime, they have strengthened communications and cooperation with suppliers to improve the efficiency of supply chain operations by organizing regular procurement management meetings, introducing online bidding systems, upgrading procurement management platforms, assisting suppliers in making improvements, and conducting visits and exchanges with suppliers.

With a view to promoting local economic development in the places where we operate, the segments and their subsidiaries adopted policies in favor of local suppliers, while ensuring compliance with the supplier management policy, in view of the fact that it is relatively easier to keep track of production progress and manage processes and product quality with local suppliers.

**Layered institutional
system design
guarantees fair
competition**

**Uniform supplier
admission standards
reflect fair
competition**

**Multiple procurement
methods promote
fair competition**

Case

Online Management Platform for CIMC Container's Procurement Business

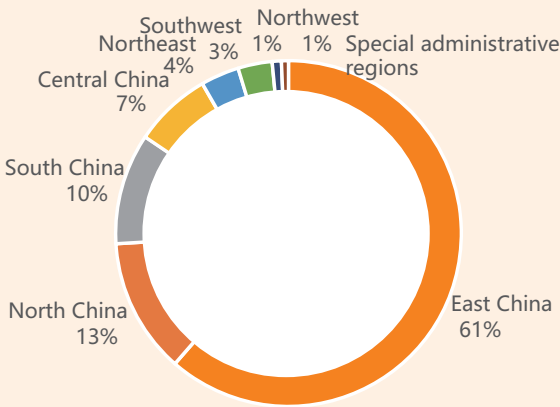
In 2020, the container segment started working on the launch of the EPS platform for engineering and service businesses. During the first stage, the existing EPS platform is employed as the vehicle to make external business information related to suppliers, e.g. engineering and service supplier management and procurement pricing, open and transparent. In the second stage, full-process management of project cycles will be achieved, focusing on online management of internal investment projects.



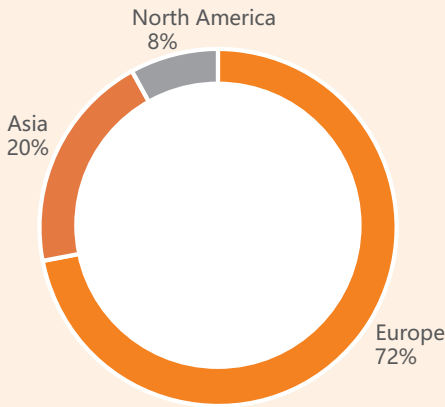
The container segment's EPS platform

The Group has 1,085 suppliers in total, including 1,060 domestic suppliers, accounting for 98% of the total; and 25 foreign vendors, accounting for 2%. These suppliers cover all the key production materials required for the Containers, Vehicles, Enric, Offshore, Heavy trucks, Unit Load Business, TianDa and the modular construction segment, as well as external trading materials of Tongchuang. A breakdown of the suppliers by region is as follows:

A breakdown of Chinese suppliers (1,060 in total)



A breakdown of foreign suppliers (25 in total)



No. & proportion to total of certified/accredited suppliers

	Certified for quality management system	Certified for occupational health/safety management system	Certified for environmental management system	Annual supplier performance appraisal	Annual performance appraisal covering environmental and social responsibility considerations
No. of suppliers (Unit)	795	513	525	934	304
Proportion of total suppliers (%)	93%	47%	48%	86%	33%

No. & proportion to total of new/existing/removed suppliers in 2020

	New suppliers accepted	Environmental & social responsibility review of newly accepted suppliers	Annual reappraisal of existing suppliers	Environmental & social responsibility reappraisal of existing suppliers	Suppliers removed in 2020	Suppliers removed on environmental and social responsibility considerations
No. of suppliers Unit	87	38	495	240	3	1
Proportion of total suppliers (%)	8%	4%	46%	22%	0.3%	0.1%



In addition, **289** suppliers received training on environmental and social issues in 2020, accounting for 27% of the total number of suppliers.



E-platform procurement suppliers make up **50%** of the total, and strategic cooperation suppliers make up 33%.

Continuous Green Supply Chain Development

The Group is committed to establishing good partnerships with suppliers, extending the philosophy of sustainable development across the supply chain, and working hand in hand to promote the fulfillment of social responsibilities throughout the industrial value chain. At the Group level, we introduced a series of procurement policies to disseminate the responsible management ideals to upstream and downstream companies. The various segments and their subsidiaries have continuously improved the responsible procurement mechanism in line with the types of businesses operated by them and product

characteristics. Some of them have included factors (e.g. whether the supplier has the EIA approval, compliance with environmental regulations and investment in community charity) as assessment criteria in the supplier assessment (review) forms, procurement contracts or internal systems, so as to promote sustainable development of the supply chain. This year, Huajun Vehicle, a vehicle subsidiary of the Group, received the honorary of Henan Provincial Green Supply Chain Model Enterprise, and Wuhu Ruijiang, another vehicle subsidiary, was recognized as a national model enterprise for green supply chain management in 2019.

Case

Eco-friendly recycling:

Wuhu Ruijiang offers a diverse range of products. Take the WL9404GYH special vehicle as an example. Since most of the parts of the product are metal parts, the current recycling rate of the vehicle has reached 99.11%. The packaging materials are made of recyclable metal materials, and the product packaging recycling rate is 100%. Wuhu Ruijiang has gradually improved its product recycling system in line with its responsibility for recycling and resource utilization of waste products, with guidance provided for downstream companies to recycle and dismantle waste products.

Green supplier management:

It introduced the philosophy of green procurement among companies involved in upstream and downstream supply chains, reviewed existing suppliers on a regular basis, further developed the supplier performance appraisal system, and provided suppliers with regular training.

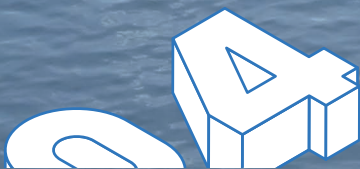
Green supply chain management practices of Wuhu Ruijiang

Green supplier management strategy:

Wuhu Ruijiang set up a full lifecycle green supply chain system and environmental resource information sharing platform for special-purpose vehicle products, set out green supply chain management targets, and established a special management unit, designating the department responsible for supplier certification as the entity bearing the primary responsibility for green supply chain management.

Green information platform development:

It informationized supply chain management, and gradually add green elements to the supply chain management information platform. Thus far, Wuhu Ruijiang has begun to design and roll out the "Wuhu Ruijiang Production Management SCM System" to drive a shift among related companies away from traditional supply chain management toward green supply chain management.



Demonstrating Corporate Care

Corporate development requires the efforts of every employee. CIMC Group advocates the core human resources concept of “Human oriented and common cause”, and seeks to achieve a common undertaking featuring risk-sharing and results-sharing with employees who have the aspiration, ability and capability to make a difference. We strive to realize the Goals No.3, No.4, No.5 and No.8 of the Sustainable Development Goals proposed by the United Nations and to achieve growth together with our employees. The Group keeps in mind its obligations of social citizenship, and cares about people’s livelihood. We support local economic development, actively participate in public welfare activities, and aim to create benefits for the regions where we operate.



Actions:

- Protecting the rights and interests of employees in strict accordance with laws and regulations, and attaching importance to staff training, communication and care;
- Implementing and improving upon HSE management mechanisms and measures, and reducing occupational hazards through the improvement of production processes and manufacturing upgrades;
- Actively responding to the national COVID-19 prevention and control efforts, ensuring the health and safety of employees, and aiding in the country's anti-epidemic work;
- Supporting the operation of local public utilities, carrying out charitable public welfare activities, and engaging in targeted poverty alleviation work

Achievements:

- Ensured the safety of all employees and orderly resumption of work and production;
- Leveraged our specialism to help fight COVID-19, contributing CIMC's advanced logistics equipment and services to help the global fight against the pandemic;
- During the pandemic, donated more than RMB1 million and over 200,000 masks, and collected donations and materials worth nearly RMB2 million;
- Carried out 731 safety training exercises and 474 HSE activities for roughly 84,000 participants;
- Implemented a number of targeted poverty alleviation projects, among which CIMC Eco Material Supply Co., Ltd. was recognized as a “2019 Hunan Province Targeted Employment Poverty Alleviation Caring Unit”

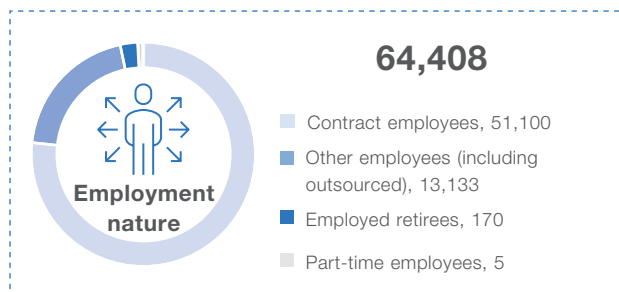
Efforts:

- Continue to improve the level of equipment automation, improve the operating environment, and pursue intrinsic safety;
- Improve the compensation and benefits system and performance management system to create healthier competition and development opportunities for employees;
- Create more job opportunities, help with local economic construction, and enhance people's livelihood and overall well-being;
- Support rural revitalization, devote more time to social welfare activities, and improve management mechanisms

People-oriented Common Cause

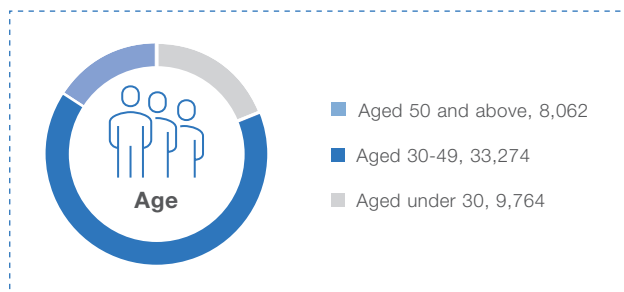
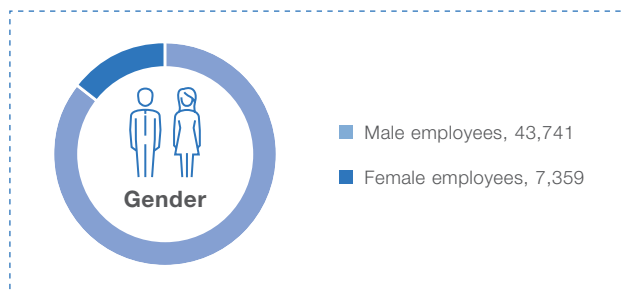
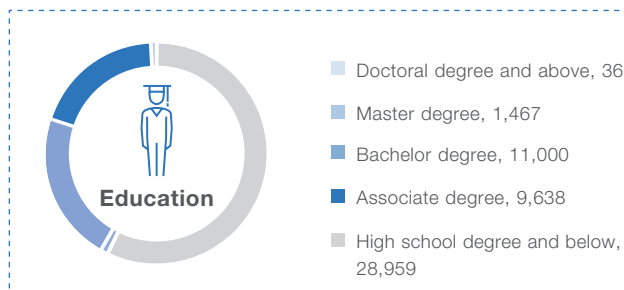
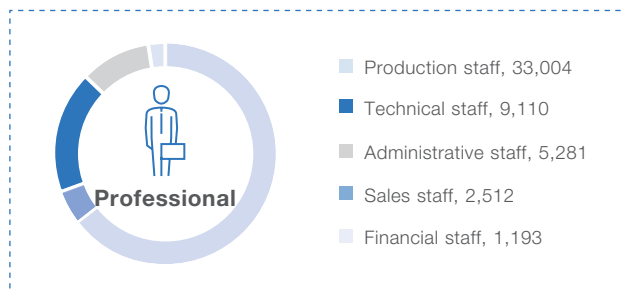
Employee Overview

As of December 31, 2020, the Group's total number of employees worldwide, including contract employees, employed retirees and part-time employees and others, was 64,408.



As of December 31, 2020, the Group had 51,100 contract employees across the globe, of which 4,317 were located outside of mainland China. The percentage of female managers at CIMC has long been higher than the average level in the domestic manufacturing industry, and remained at 23% for the year. Going forward, we will gradually implement the relevant plans, and continue to encourage the implementation of the percentage of female managers in management teams at all levels.

Breakdown of contract employees by the category is as follows:



Protecting the rights and interests of employees

The Group strictly complies with the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China*, and other relevant laws and regulations where we operate. We respect and protect the legitimate rights and interests of our employees, and is committed to providing a working environment where the employees work with safety, decency and dignity. During the year, there were no incidents of child labor, forced labor or other non-compliances with laws or regulations in relation to employment or labor standards in the Group.

The Group has formulated standardized policies for labor relations management, and has performed effective audits by conducting internal inspections and reviews and cooperating with government agencies on labor protection in special checks, thus ensuring lawful labor practices and protecting the legitimate rights and interests of employees in terms of both policy and action.

Equal employment

The Group resolutely prohibits any forms of employment discrimination. In terms of recruitment and hiring, the provision of career development opportunities and other relevant aspects, both our recruitment and hiring requirements are based on position responsibilities and the employee's individual competence and development. We do not treat employees differently because of their gender, age, native place, race or belief.

Labor contract

The Group strictly complies with the *Labor Contract Law of the People's Republic of China*, and signs labor contracts with all employees in accordance with the relevant regulations.

Social insurance payment

The Group pays social insurance fees for all employees, including basic pensions, basic health insurance, unemployment insurance, work injury insurance and maternity insurance, in accordance with national policies and regulations as well as relevant rules in the places where we operate.

Working hours and vacation

The Group sets standard working hours and implements the paid vacation system in accordance with national policies and regulations as well as relevant rules in the places where we operate. Upon the approval of the local governments, some of our affiliates and subsidiaries implement the comprehensive working hour system with respect to specific positions based on the characteristics of the manufacturing industry and the positions, while ensuring that the employee's average daily working hours and average weekly working hours are consistent with the legal standards. Enterprises arrange employees to work overtime based on actual orders, and pay overtime in accordance with local regulations and policies, provided that enterprises have negotiated with employee representatives and the labor unions and that employees work overtime voluntarily.

At the beginning of the COVID-19 outbreak, the Group adopted a number of mechanisms including flexible work arrangements, more time off for employees whose family members are front-line medical workers, and extended leaves for sick employees.

Privacy protection

The Group attaches great importance to protecting employee privacy during recruitment and daily work. During the recruitment process, we protect the information of employees and job candidates, and require that the relevant personnel shall not arbitrarily disclose information about the Company or employees, shall save the resumes of job candidates in a timely manner or destroy them in batches, and shall not dispose of them arbitrarily or leak their privacy information. In terms of assessment, we respect the sense of experience of employees, attach great importance to protecting their privacy, and do not mandatorily make public the assessment results of employees with low performance ratings. In the meantime, the Group has formulated relevant reward and punishment management rules, under which those who disclose an employee's personal information to others without his/her consent and cause the employee or other related persons to suffer economic or personal damages will be punished, and the Group will provide assistance to the victims in filing a lawsuit. Enterprises under the Group have continually enhanced the personal information security management system. For example, personal information about the employees and job applicants is managed via the HRMS system. Only authorized personnel are able to access such information, and they have all signed the relevant confidentiality agreements.

Labor standards

The Group complies with the international labor and human rights standards that China has signed, and prohibits child labor, forced labor or employment discrimination at both policy and operation level.

Prohibiting child labor:

The Group specifies the minimum age for employment in recruitment policies and rules, and accurately checks the identity of potential employees by applying information technology during recruitment.

Prohibiting forced labor:

When signing the labor contract with an employee, the Group makes clear his/her position, working hours, labor protection and remuneration, among others. The Company respects the employees' freedom of employment, and resolutely prohibits practices that restrict the personal liberties of employees or force them to work by collecting deposits, seizing identification documents, threatening or using other means. When employees leave, the Company does not restrict their choice of new jobs using any reasons or means; for those who know our business secrets, we sign a non-compete agreement with them and provide them with corresponding economic compensations.

Protecting female employees:

The Group states clearly the rights and interests of female employees in company policies, and signs contracts on protection with female employees to clarify labor protections they are entitled to during menstruation, pregnancy, breastfeeding and the period of childbirth. The Group strictly offers prenatal check-up leave, maternity leave and breastfeeding leave, and makes appropriate work adjustments where necessary. The Group makes reasonable arrangement of positions for female employees, implements the Special Provisions on Labor Protection for Female Employees issued by the State Council, and makes sure that female employees do not hold positions banned by the state and that the workload required for the positions they hold is in line with their physiological characteristics.

Employee remuneration and benefits

The Group adheres to the principle of "being competitive externally and equitable internally and providing incentives" in formulating remuneration management policies. Under the framework of the Group's remuneration system, each segment and enterprises formulate *the Remuneration Management Policy and Remuneration Management Method*. Guided by the idea of providing targeted incentives, we aim to build an incentive system featuring diversity, risk-sharing and results-sharing. Guided by the concept of attracting external talent, retaining key business personnel and incentivizing employees to improve performance, we have developed personalized remuneration incentive plans for different staff groups. We conduct regular review and assessment of employee remuneration based on the Company's internal actual circumstances, changes in the external remuneration market, and price levels as we seek to incentivize employees and encourage them to fully exploit their capabilities by providing reasonable remuneration. The Group pays salaries to employees on time every month.

The Group provides statutory benefits to all employees, including paid leaves and subsidies when temperatures is high, as well as additional benefits, such as allowances for holidays, catering subsidies, annual health checkup, birthday congratulations, new baby congratulations, travel opportunities and events to promote exchanges between employees. The Group organizes celebrations for the "CIMC Day", holidays, anniversaries, and birthdays as well as various sports events and activities as an expression of gratitude or appreciation on a regular basis. Favored and welcomed by employees, these activities contribute to increased team cohesion and higher work enthusiasm. For female employees, the Group organizes activities designed for women as well as parent-child activities on holidays such as International Women's Day on March 8 and Children's Day on June 1. Some of our enterprises that have a large number of female employees have opened a window dubbed "Home of Mothers" at canteens, set up lactation rooms, and provided screening for breast cancer and cervical cancer for female employees and special services for those who are pregnant.

Case

Paying remuneration based on position, ability and performance

Taking into account both its business development goals and remuneration levels in the external market, TAS carried out an assessment of its remuneration system for technology research and development staff. By analyzing remuneration of various positions within the company, comparing it with external remuneration levels, and taking into account its business development and talent building plans, TAS made targeted adjustments to remuneration so that remuneration packages it offers are not only more competitive in the market but also reflective of equity in terms of the value of positions within the company. In addition, remuneration is tilted towards high-performance employees to reflect its remuneration philosophy of "paying remuneration based on position, ability and performance".

Employee development and training

The Group is committed to selecting and cultivating talent. It encourages employees to acquire professional knowledge and skills from practical work and improve their leadership ability, and offers promotion opportunities to ambitious and competent employees. The Company provides opportunities for employees to work across functions and across departments, and encourages them to create more value for the Group while expanding their own professional career. In terms of talent management mechanism, the Group assesses talent on a regular basis, works to develop talent building plans, and actively recruits talent based on its strategic development and business positioning. We are currently pushing forward with the project of cultivating young cadres. The implementation framework is as follows:

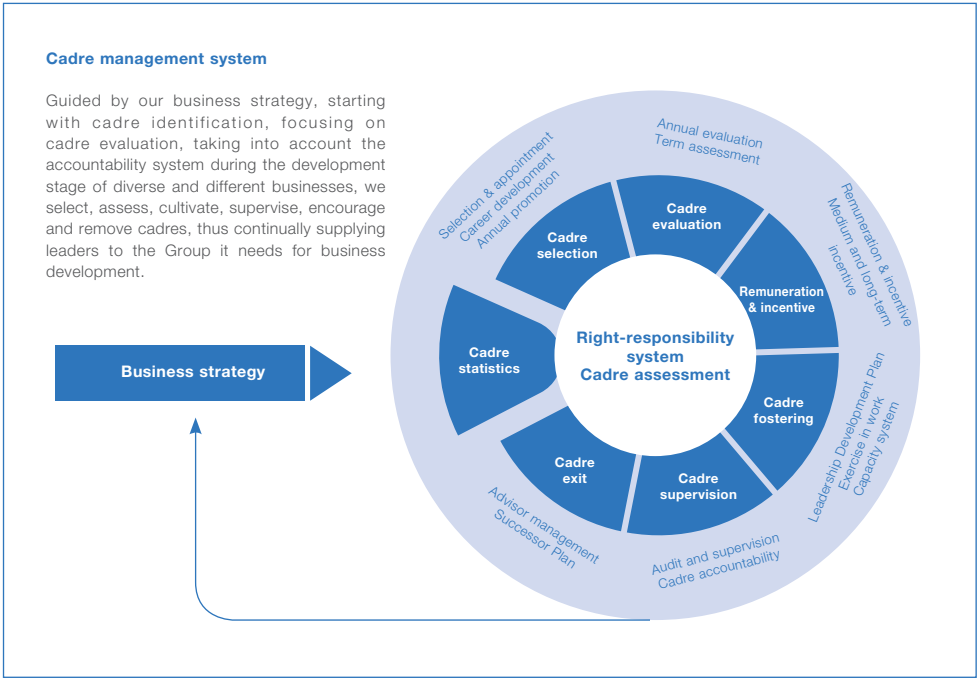
We provide pertinent cultivation projects and learning plans and have enriched training resources in diverse forms, including CIMC School, CIMC I-Learning online platform, external training and internal training by external trainer to help employees obtain professional knowledge and skills and enhance the leadership. We have continued implementing training management policies, including the Training Management Procedure of the Group Company. Various departments arrange functional training for employees of the Headquarters based on professional needs, the Human Resources Department of the Group organizes and plans new employee training, apprentice development, new manager training, leadership training and other projects, and some training projects turn to resources and supports of CIMC School. At the segment level, the subsidiaries make annual training plans based on respective operating objectives and major areas of improvement and carry out training in order in line with internal training management policies. As of December 31, 2020, the Group has had more than 740 internal trainers.



As of December 31, 2020, the Group has recorded a total of **37,448** trainees.



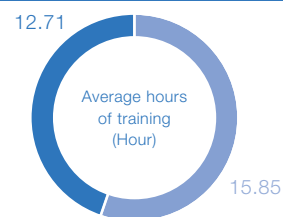
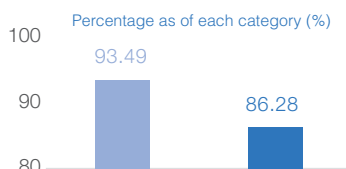
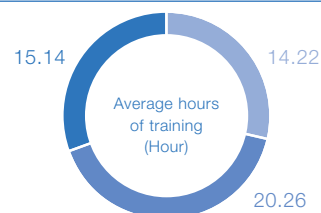
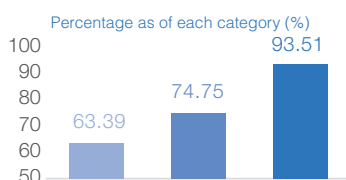
The training coverage rate is **92.36%⁶**
The per capita training time is 15.35 hours.



6 The scope of statistics on employees attending training sessions for the year does not include the vehicle segment and employed retirees. The Group will further improve the process for determining the scope of training statistics in the future.

Employees trained by gender:

■ Male employees ■ Female employees

**Employees trained by employee category:**■ Grassroots employees ■ Middle-level management personnel ■ Senior management personnel⁷**Case****Special training program for new graduates in offshore engineering major**

The Group organized a one-year training program for new graduates recruited by its offshore segment via campus recruiting, which includes intensive training and probation. During the intensive training period, the Group used diversified methods, including offering intensive training sessions, asking senior executives to share their experience, asking mentors to providing tutoring and arranging new graduates to take practical work, to help new graduates become quickly integrated into the Company. During the probation period, the Group helped new graduates acquire full knowledge of its businesses by designing a learning path by carrying out monthly performance assessment and organizing summary and reporting sessions, and conducted a rolling assessment of them based on performance, capability and potential.

**Case****“New Momentum Training Camp” under the Panshi Plan started off from the “Dream Voyage” training program of Yangzhou Base**

The Group's container segment attaches great importance to the cultivation of middle- and grassroots-level cadres, and helps middle-level personnel improve management capabilities by offering them systematic training programs under the “New Momentum Training Camp” initiative, thus forming a talent cultivation self-circulation system for the segment.

The “Dream Voyage” management talent cultivation program introduced at the Yangzhou base is the first program launched under the “New Momentum Training Camp” initiative. Taking into account the business goals and strategic plans of the Yangzhou base for the next three years, the program aims to cultivate a batch of young production managers able to adapt to the future container production management models by offering them training sessions over a training period of about one year and organizing seven seminars. The program allocates 30% of trainee quota to regional enterprises under the segment so as to promote the interaction between regional enterprises in terms of talent and work.



⁷ Senior management personnel refer to employees who are the department head at the Group Headquarters or take higher positions and those members of the operation teams of the enterprises in different segments.

Employee health and safety

Combating COVID-19 – a special topic on safety: Ensuring employee safety, resuming work and operation in an orderly manner

In 2020, the unexpected outbreak of coronavirus disrupted the Group's original plan for work and production resumption. At the beginning of the year when epidemic prevention and control was at a critical juncture, given the difficulty for employees to return to workplaces as before, to ensure work and production resumption in a safe manner across the Group's enterprises in the special period, the Group established a leadership group on epidemic fighting and a working group on epidemic fighting in early February, and released the CIMC Group's Guidelines on HSE Work Relating to Work and Production Resumption during the Period of Epidemic Prevention and Control. The Group's efforts to combat COVID-19 involved three phases:

While assuring the assumption of work and production in order, the Group has ensured the security of all employees to the biggest extent, thanks to quick response to epidemic combat and prevention as well as timely implementation of response plans. As of December 31, 2020, the Group has recorded a total of 4 confirmed cases, including 2 overseas employees.

Phase one

Rapid response in the early phase of preparation for work and production resumption. During the lunar new year period, the relevant employees swiftly collected information about domestic epidemic situation, policies and measures, and the Group's internal data (such as employee health data and information about their visits to affected areas) via WeChat groups and conference calls. All levels of enterprises were required to set up organizations, formulate plans and determine the responsibilities of the relevant entities. Anti-epidemic supplies such as liquid disinfectants, face masks and thermometers were bought.

Phase two

Dynamic management between February (before the resumption of operation) and end-May. The Group continually updated its anti-epidemic measures based on external changes. Details are as follows: 1) clarified work guidelines and principles and continually adjusted work focus based on changes in the epidemic situation; 2) set up an effective meeting and communication mechanism to achieve quick decision-making; 3) formulated anti-epidemic measures and emergency plans for the headquarters park to fight the virus in a rational manner; 4) arranged the headquarters and enterprises in the park to resume work and production in an orderly manner to ensure normal operation; 5) set up a mechanism for the collection and reporting of data and information about epidemic situation so that the Group can obtain key information immediately; 6) instructed and helped the Group's enterprises to carry out work to fight against the virus together; 7) cared about employees and showcased CIMC's responsibilities via dissemination and donation.

Phase three

Normalized management between June and end-2020. The Group implemented normalized prevention measures across the board, and imposed different anti-epidemic requirements on the headquarters park, Shenzhen-based enterprises and segments. It strengthened approvals on park entry and focused on epidemic prevention in relation to employees from regions with medium-to-high risks. During the 2021 Chinese New Year, the Group again responded to the government's call for staying put over the holiday and introduced relevant anti-epidemic measures, while strengthening management of employees returning to their home towns.

Case

Documents issued

- Manual for Protecting Yourself and Others From COVID-19
- Three Series Videos on Safety and Prevention in Relation to Work and Production Resumption Under the Epidemic

Documents on special topics distributed

- Health Education Manual in Relation to COVID-19
- Guidelines on How to Choose and Use Face Masks to Prevent COVID-19 Infections
- Guidelines on Anti-epidemic Measures for Work and Production Resumption at Enterprises and Public Organizations



The Group's leaders visited the headquarters park to inspect anti-epidemic work

The Group's data network center activated contingency plans in a swift and orderly manner, and carried out system optimization and network expansion. During the year, the number of remote video conferences held within the Group increased 23 times from a year earlier, meeting participation was 91,794 person-times, average monthly activity of mobile office devices grew by 22%, and the increase in peak daily concurrent capacity was 5 times last year's level. The information technology department provided full support to the Group's normal operation during the epidemic period and the orderly roll-out of anti-epidemic measures.



The number of remote video conferences held within the Group increased
23 times
from a year earlier



Average monthly activity of mobile office devices grew by
22%

Combating COVID-19 – a special topic on safety: Epidemic prevention and control enters a normalized stage; celebrating the Spring Festival while staying put over the holiday

In early 2021, taking into account the epidemic situation both at home and abroad, the Group earnestly strengthened anti-epidemic efforts during the lunar holiday, held a special meeting before the holiday began, and issued the *Notice on Epidemic Prevention and Control* During the Spring Festival Holiday before the holiday began in accordance with the requirements on epidemic prevention and control set out by the park and local governments. The Notice required that employees shall not return to their home towns during the holiday unless necessary and that leaders and cadres at enterprises shall take the lead to celebrate the festival in the cities where they work and persuade employees to stay put for the festival while being highly responsible for the safety and health of employees. The Notice also made it clear that “efforts shall be made

to well manage employees who celebrate the lunar new year in the cities where they work and to provide care to them based on the enterprise's available resources”. The Group's business segments and enterprises actively responded to the call for “staying put for the festival”, and many employees and their family members stayed in the cities where they work for the holiday. The Group's business segments and enterprises prepared rich festival gifts for employees, including lunar new year subsidies, festival gift packages and red envelopes for serving in the position. Some enterprises prepared dinner parties and wonderful performances for employees who stayed put on Chinese New Year's eve.

CIMC 中集集装箱
漳州中集集装箱有限公司
Zhangzhou CIMC Containers Co., Ltd.

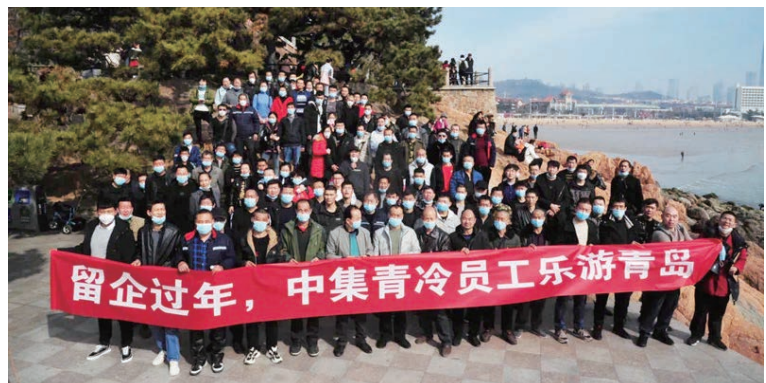
就地过年

心在一起 年在一起

请致敬远离家乡漂泊在外的人们
致敬为抗疫选择就地过年的您

漳州中集员工留漳过年措施

- (一) 假期免费餐：2月7日—19日 公司提供免费三餐
- (二) 吃年夜饭·看春晚·领好礼：2月11日 吃年夜饭，赏春晚，领春节大礼包
- (三) 开放员工活动室：2月7日—19日 开放篮球场、电影房、图书室等丰富员工假期文娱活动。
- (四) 每日观影：2月8日—18日 每日17:50—20:00 在电影房播放电影
- (五) “八十分钟”擂台车战比赛：2月13日—15日 每日14:00—17:00 举办“八十分钟”擂台车战比赛，并颁发每日擂主奖金
- (六) 开通定点班车：2月12日、14日、16日 开通宿舍至码头的定点班车



HSE management system

In compliance with the Production Safety Law of the People's Republic of China and the Prevention and Control of Occupational Diseases Law of the People's Republic of China and other relevant laws and regulations where we operate, adhering to the human resources concept of "being people-centric", the Group has established core HSE values of "compliance with laws and regulations, safety and health, and green operations", and integrated HSE into every phase of production and operations management. With the Group and business segments adopting tiered management, each business segment and each enterprise takes on HSE responsibilities as an operating entity, works to ensure compliant operations, and continually improves HSE performance. During the year, there were no incidents of non-compliance with safety regulations that have a significant impact on the Group.

While meeting the domestically and internationally recognized environment, occupational health, and safety management standards, we learn from the best practices of companies with HSE benchmark performance globally, and continually improve our HSE management system by leveraging experience we have accumulated over years of development.

01

Strengthening organizational leadership, and holding the relevant employees responsible

Within the Group, enterprises at all levels have set up an HSE committee responsible for the planning, coordination and guidance of HSE work. In line with the principle of "those who are in charge shall take responsibility", each enterprise strictly holds its head responsible for the relevant work, improves its organizational structure, ramps up input, holds the relevant employees responsible level by level, and carries out rigorous assessment.

For enterprises at all levels within the Group, an enterprise's safety and health performance is evaluated by the superior unit with reference to the annual HSE performance assessment plan. With respect to material events, the responsible employees will be fined, publicly criticized, demoted or fired or have their pay reduced in accordance with the Event Accountability Measures of the CIMC Group and the Health, Safety and Environmental Incident Reporting, Investigation and Handling Policy of the CIMC Group.

02

Carrying out publicity and educational activities to raise safety and health awareness

Leveraging on events such as "Safety Publicity Month", "Firefighting Publicity Month" and "Occupational Health Week" as well as the activity dubbed "First Lesson for General Manager" held at the beginning of the year, the Group has organized enterprises at all levels to carry out a variety of publicity and educational activities to build a good atmosphere with a focus on health and safety. The Group requests enterprises to make sure that key leaders of the enterprise have the knowledge of and ability to handle HSE matters, to offer training sessions to professional managers to help them enhance capabilities, and to provide three-level safety education to employees.

Case

Nantong Food carried out an emergency rescue drill with regard to operation in limited space

On July 29, Enric (Nantong) CIMC Food Equipment Co., Ltd. carried out an emergency rescue drill with regard to operation in limited space in accordance with its annual emergency drill plans. Employees from the manufacturing department, project management department, and quality management department, supply chains and warehousing, and other relevant front-line operation staff participated in the drill. Nantong Food's general manager and assistant to the general manager who is in charge of safety matters attended and offered guidance on the drill. The drill helped production line staff further strengthen their understanding and recognition of risks associated with operation in limited space, helped cadres and employees at all levels improve their ability to identify operation risks and take rescue measures in the event of accidents, thus providing assurance for Nantong Food's production safety and stability.



03

Strengthening supervision, inspection and risk control

The Group facilitates the inspection and management of underlying risks by carrying out supervision, reviews, unannounced inspections and special checks in addition to daily inspections, thus improving its ability to control risks. To implement China's three-year action plan of cracking down on non-compliances with production safety regulations, the Group released the Notice on Implementing Work and Arrangements in Relation to China's Three-year Action Plan of Cracking Down on Non-Compliances with Production Safety Regulations in a timely manner to facilitate the implementation of key tasks.

04

Strengthening emergency management and improving the ability to deal with accidents

The Group attaches great importance to emergency management, and requires enterprises at all levels to establish and improve the emergency management system, improve emergency management organization, formulate emergency plans and file with the authorities in the regions where they operate in accordance with the requirements, organize various types of emergency training sessions and drills, and do a good job in preparing emergency supplies and equipment and team building, among others. During the year, enterprises at all levels within the Group formulated comprehensive plans, special plans and on-site handling plans.

05

Continuous improvement and enhancement

To implement the production safety guidelines focusing on prevention, going forward, the Group will study how to avoid the expansion of injury risks by controlling the development of precursor events, and actively push forward with the improvement of processes involving high risks to achieve intrinsic safety.

Once a major injury incident occurs, the Group will set up an incident investigation group, and handle it in accordance with the Health, Safety and Environmental (HSE) Incident Reporting, Investigation and Handling Policy of the CIMC Group and the principles of seeking truth from facts, respecting science and "Four 'will not let it pass'" (i.e. we will not let the incident pass if its cause has not been identified, we will not let the incident pass if the responsible person has not been held accountable, we will not let the incident pass if the corrective measures have not been implemented, and we will not let the incident pass if the lessons have not been learned). The Group will share information about the accident internally, hold a meeting on safety participated by all employees of the Group, learn the lessons and experience, and resolutely avoid the re-occurrence of similar accidents.



Inspect

83

enterprises (times)
Coverage rate up to 85%, and rectification and closedown rate up to 95%; **50** enterprises have passed compliance review, representing a coverage rate of 88%



In the full year, the Group has initiated a total of **933** research projects addressing various hazard sources;

The number of important hazard sources

declined **295** from the beginning of 2020



Organized **731** drills
Organized **474** HSE activities

About **84,000** participants



Compared to 2019, the number of employees exposed to occupational hazard factors fell

down by **807**



Trained a total of **150,000** people
2.5 training/person on average;

86

events of the "First Class for General Manager"

Staff Care and Communication

Effective communication

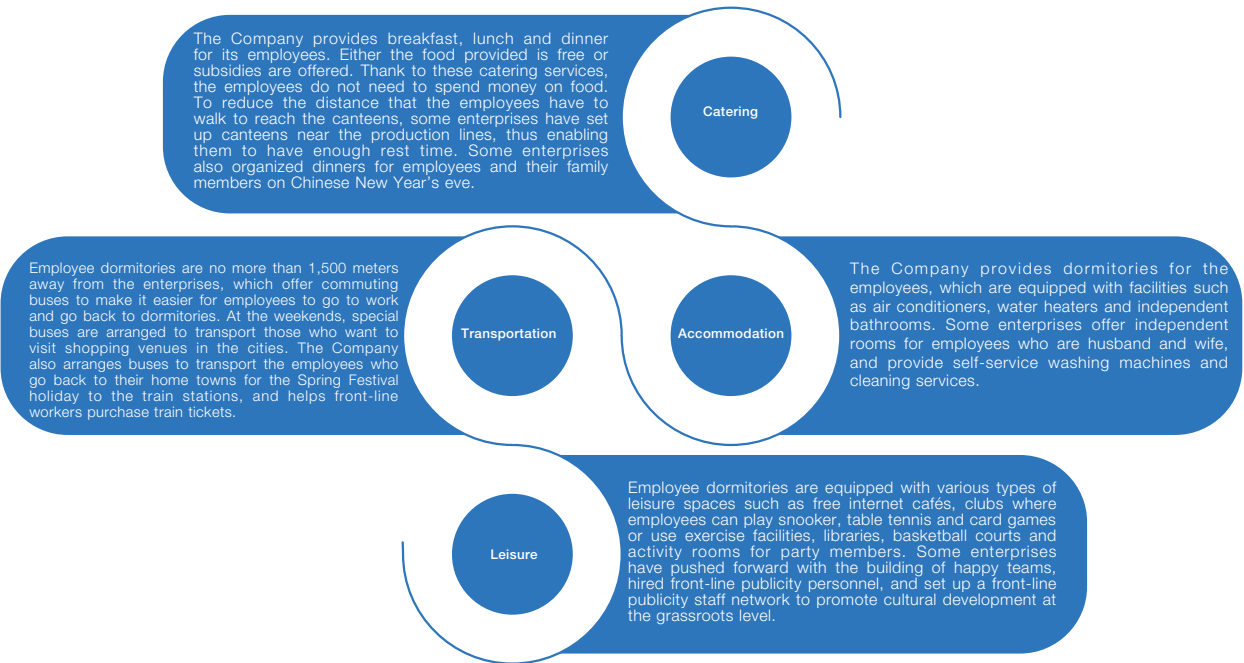
The Group respects and recognizes employees’ freedom to form communities and rights to join labor unions. Labor unions at all levels have been set up in accordance with Trade Union Law of the People’s Republic of China, and employee representative meetings are held on a regular basis to deliberate policies and rules that affect employees’ vital interests, thus facilitating democratic communication.

The Group attaches great importance to the communication with employees, especially with front-line production staff. By building diversified communication methods and channels, the Company is able to learn about the opinions and thoughts of the employees and establish shared goals with them, thus facilitating the building of a benign working atmosphere in the Company.



Striking a balance between work and life

The Group not only focuses on improving the production environment but also focuses on improving employees’ living conditions. Enterprises under the Group have set up dedicated committees to learn about employees’ needs in a timely manner and meet their basic life needs in terms of catering, accommodation, transportation and leisure, thus alleviating their concerns.



A caring enterprise during the coronavirus outbreak

In the face of the outbreak of coronavirus, the Group is grateful for the employees' contribution and support, understand their concerns during the special period, and has held multiple activities to bring warmth and happiness to the employees. Activities held by the Group's various segments and enterprises in 2020 include:

- Welcoming employees from Hubei to return to work: They held a welcome party themed "Welcome Home" to welcome employees from Hubei to return to work. These employees sacrificed their personal interest and stayed at home for isolation, contributing to the national combat against COVID-19.
- Helping transport employees to return to work: After learning about the difficulty for migrant workers to return to work, they either arranged buses to transport them back to the workplaces after communicating with the local governments, or arranged staff to pick them up at airports and train stations, thus ensuring their safety on their way back to work.
- Psychological building activities: Some enterprises held lectures themed "Psychological Adjustments in the Post-COVID-19 Era" to help employees recover in terms of both physical and mental health and return to normal life and work.
- Conveying the spirit of combating COVID-19: Some enterprises invited medical workers working on the front lines in the combat against COVID-19 to share their stories of fighting the virus so as to help employees strengthen their determination and confidence of fighting the virus and spread positive energy.

- Activities as an expression of gratitude or sympathy: During the epidemic period, they held activities as an expression of gratitude or sympathy for employees in the affected areas, their family members and foreign employees, mailed protective supplies to them, and held activities as an expression of gratitude or sympathy for employees returning to work from the affected areas. They gave items that help provide cooling effects to front-line workers in the summer, gave moon cakes during the Mid-Autumn Festival, and gave consolation gifts to dispatched employees.
- Holiday activities: They held family member reception day activities on various holidays as an expression of gratitude to the employees for their hard work and to family members for their support.
- Cultural activities: They held activities such as photo exhibitions, book-reading day, sharing of pictures drawn, narrator matches, and solicitation for good sentences, good articles and smiling faces to enrich the employees' leisure life.
- Social activities: The Company's Communist Party committee led party members to hold an activity dubbed "Double Signing up•Fight COVID-19 Together" and to participate in activities such as "Protecting Yantai's Coastlines", a public welfare initiative aimed to help purify the beach, and activities on Arbor Day.

We know that corporate responsibility not only includes creating economic value for the society but also includes creating a beautiful life for the employees. During the epidemic period, we worked together with the employees in the face of challenges to overcome the difficulties, achieve prosperity and share results.



The aforesaid cases are only a few examples that all members of the Group have combated the epidemic heart to heart. Yet, this Report has not presented more highly impressive stories, and more employees have not displayed themselves to all with their unselfish sacrifice. This also reflects that we have the common wish with all people worldwide and fight for the same objective. We believe we will set to defeat the epidemic and the human society will continue to survive because of "responsibility" and "love".

Immediately Taking Actions to Combat COVID-19

In early 2020, the outbreak of the coronavirus in China grabbed the attention of the Chinese people. During the special period when people across the country came together and joined forces to fight against the epidemic, industries and sectors also offered a helping hand and made best efforts to help prevent and control the epidemic. As a global enterprise owning a large number of production lines, CIMC Group fully leveraged its advantages, swiftly consolidated its global resources, organized various parties to contribute to the prevention and control of the epidemic, and responded to social needs with efficient actions, showcasing the responsibilities and commitments of CIMC employees.

Contributing to anti-epidemic efforts by leveraging our expertise

Container segment

- The container segment quickly responded to the call of the Yangzhou government, and installed module-style rooms at seven highway toll stations for virus detection.
- It also developed and manufactured mobile epidemic prevention cabins, which were delivered to Huanggang, Hubei.
- CIMC Container's Yangzhou base developed a "vaccine transportation cabin" suitable for sea, air and land transportation in collaboration with a Beijing-based company, which can be used for vaccine cold chain transportation.
- Yang Zhou Taili helped a Shanghai-based company develop and manufacture 25 CT medical cabins, which were used in hospitals in key affected areas in Hubei.
- After the overseas epidemics broke out, CIMC Cold Cloud has transported COVID-19 reagent kits to more than 100 countries and regions, including Portugal, Germany, Holland and Cambodia. In the second half of the year, CIMC Cold Cloud delivered professional service, transported more than 2 million vaccines in 18 batches to the entire world, and delivered Chinese vaccines to nearly 20 countries and regions, including the UAE, Bahrain and Peru.
- CIMC Cold Cloud has spared no effort to assure smooth transport of drugs and materials in epidemic-stricken regions and related regions and cumulatively distributed 125.4 tonnes of epidemic combat materials to the medical institutions at various levels in Hubei Province in more than 1,205 operations.
- On April 24, 2020, CIMC Eco Material Supply formally put in volume production the polypropylene material project to turn out the melt-blown fabric for face masks. After coming in production, the project will turn out up to 1,500 tonnes of dedicated polypropylene material every month and satisfy the need to produce 1.5 billion face masks.

Vehicle segment

- Responding to the call of building Huoshenshan Hospital in Wuhan, Wuhu Ruijiang quickly gathered 10 concrete mixer trucks and set up a joint rescue team with local distributors, which took up the task of transporting concrete for the construction of the hospital and became the first concrete mixer truck team to join the construction initiative.
- Responding to the call of building Leishenshan Hospital in Wuhan, Huajun Vehicle quickly gathered 30 smart muck trucks and set up a joint rescue team with local distributors, which took up the task of transporting earth for the construction of the hospital and provided after-sales services for the trucks.
- Huajun Vehicle also swiftly organized truck owners to deliver urgently needed medical supplies to Wuhan in a timely manner.
- Luoyang Lingyu actively contacted the relevant departments, mobilized and supported logistics service providers to dispatch three vehicles for transporting hazardous liquid chemicals to transport medical alcohol to Sichuan Provincial People's Hospital.
- Shandong CIMC undertook the task of building a decontamination cabin for the "Medical Protective Clothing Decontamination Center", a key project in Beijing's fight against the epidemic. Shandong CIMC completed all the work in just eight days.

Energy and chemical segment

- To ensure the supply of medical oxygen equipment to Hubei, CIMC Sanctum completed the pipe supplying and commissioning of 3 Angleton devices, and manufacturing of 10 liquid oxygen storage tanks in January.



Logistics segment

- CIMC Kaitong's Nanjing business department helped deliver a batch of 100,000 N95 masks, which Dubai contributed to help Jiangsu province fight against the virus, and helped successfully transport these precious medical supplies from the Dubai to their destinations within five days.
- Zhenhua Logistics helped successfully transport 30,000 3M medical masks, which were sourced from South Korea, from Tianjin Binhai Airport to Taida Hospital.
- Tianjin Zhenhua helped facilitate the completion of customs declaration and goods release formalities for 240 tonnes of raw materials used in infusion bags to be used in the fight against the epidemic in Wuhan after they arrived at the port, thus saving precious time in the fight against the epidemic.

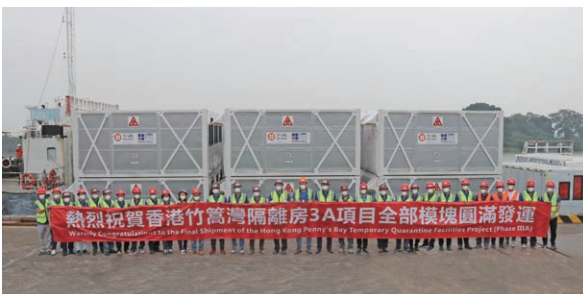
- CIMC Logistics and its member enterprises swiftly donated a batch of anti-epidemic supplies to Hubei Xianning No. 1 People's Hospital and Wuhan No. 3 People's Hospital.
- After learning about the Shiyuan Municipal Government's demand for disinfectants, CIMC Logistics swiftly purchased 2.5 tonnes of liquid disinfectants, and had them quickly delivered to Shiyuan Xiyuan Hospital via Zhenhua Qingdao Ship Agency, a company it owns.
- Zhenhua Logistics helped transport a batch of anti-epidemic materials donated by the Greek Investors Union to Wuhan No. 7 Hospital. The logistics steps for the supplies, including tax exemption application, transportation, customs clearance and delivery, were completed in just seven days.
- Yantian Container Service Co., Ltd., a company owned by CIMC Logistics, provided 15 containers to the traffic police detachment in Kunming to provide a place where traffic policemen can take a rest.
- From end-February to March, CIMC Logistics' railway business center and CIMC Kaitong collaborated and completed the transshipment of five batches of goods at the city's major communities and Shunfeng's logistics stations.

Airport segment

- TianDa Airport dispatched a team to an airport in Hubei to assist in its operation and maintenance and to help airport staff perform various tasks during the epidemic period, and donated supplies such as urgently needed protective masks to the airport. The team earnestly performed its duties.

Modular building

- Upon fast coordination with clients, CIMC Modular sent building modules to Shenzhen to urgently construct apartments for medical workers of Shenzhen No. 3 People's Hospital.
- CIMC Modular offered assistance to the modular anti-epidemic emergency observation center project in Baxiang, Hong Kong Special Administrative Region, which was completed within only one month.
- In July 2020, CIMC Modular assisted Hong Kong in emergency to fight the pandemic, and built a quarantine center in Penny's Bay, Hong Kong with 901 quarantine room modules.
- In January 2021, CIMC Modular helped Jiangmen's Xinhui district build an emergency site for centralized quarantine in just 28 days, which consists of 254 room modules.



The epidemic is cruel but the enterprise is kind

We, including the Group and each segment, contributed to the front-line anti-epidemic efforts by donating money and materials as we joined forces with other parties to fight against COVID-19.

Headquarters

- On March 3, CIMC donated 70,000 masks to the Shenzhen Charity Federation.
- Party members voluntarily donated approximately RMB47,000.
- Donated RMB200,000 to both the South China University of Technology Foundation and Shenzhen Shekou Yucai Education Group in Nanshan District.

Container segment

- On February 2, Xinhui CIMC presented the staff of various virus prevention and control monitoring points in Da'ao with more than 200 disposal medical masks and N95 masks.
- CIMC Cold Cloud donated 20 coolers for the transportation of medicines requiring refrigeration (valued at approximately RMB85,300).
- CIMC Eco Material Supply donated a stockpile of imported medical face masks and anti-epidemic materials (valued at RMB14,730) to the Dongguan and Songshan Lake Federation of Trade Unions, which was distributed to front-line workers of Songshan Lake Park for virus prevention and control.
- All party members in the container sector donated RMB5,335.66 to fight the pandemic; party members of Xinhui CIMC Container donated RMB6,000, and 20 employees participated in volunteer activities; Taicang CIMC organized party members to donate RMB4,050; Tianjin CIMC arranged a total donation of RMB13,300 as "special party dues."

Vehicle segment

- Wuhu Ruijiang launched multinational procurement in multiple overseas locations, and donated the first batch of 5,000 masks purchased from Laos to the Yijiang District government of Wuhu.
- Liangshan CIMC Dongyue Vehicles and Shandong Wanshida quickly raised a total of RMB100,000 to donate to Liangshan County Charity Federation.
- 462 party members from 11 subsidiaries under CIMC Vehicles proactively donated more than RMB100,000.

Energy and chemical segment

- On February 1, Jingmen Hongtu donated RMB150,000 to the Red Cross Society of Duodao District, Jingmen.
- On February 11, SOE donated seven tonnes of 84 disinfectant solution to the Qidong Pandemic Prevention Headquarters and Management Committee of Qidong Offshore Shipbuilding Industrial Park.
- On February 19, CIMC Safeway donated more than 300 boxes containing 5,000 bottles of 84 disinfectant solution with a total weight of five tonnes to the Economic Development Zone at Gangzha.

Logistics segment

- CIMC Logistics donated a total of 50,000 masks, 3,165 sets of protective clothing and 2.5 tonnes of sanitizer to five hospitals in Xianning, Jingmen and Shiyan in Hubei Province and one hospital in Tianjin and 200 boxes of mineral water to police in Nanshan District, Shenzhen.
- CIMC Logistics donated materials and logistics services worth a total of RMB921,800.

Airport segment

- TAS donated a total of 3,000 masks and 10 thermometers to the Wenzhou Airport Terminal Management Department, Hohhot Airport Power and Energy Security Department and Wuhan Airport Industrial Company.
- On February 24, Tianda Jirong donated 1,000 masks to the Zhangzhou Dongshan Commuter Airport.
- On March 20, TAS donated RMB3,000 to the Shenzhen Charity Federation, and later donated personal protective equipment and infrared temperature guns to major domestic airports.

Intermodal equipment segment

- On February 1, 2020, C&C Trucks donated RMB50,000 and 2,200 3M masks to the Sanshan District government to fight the pandemic.

In March, great changes have occurred in epidemic situation both at home and abroad, with the domestic epidemic situation improving and a number of foreign countries reporting a sharp increase in infections. The Group actively responded to the government's call and offered humanitarian aid to overseas countries. On March 19, Jingmen Hongtu donated 50,000 masks and 50 thermometers to overseas employees and clients; on March 24, CIMC Logistics' anti-epidemic import group undertook the task of handling the first batch of donated materials, which were exported to South Korea via the customs agency at Tianjin Airport, involving 50,000 masks and 1,000 pieces of protective clothing; on March 26, CIMC Lingyu donated more than 20,000 masks to overseas employees and clients.



During the epidemic, money donations exceeded RMB1 million, and more than 200,000 masks were donated, and the total value of money donation and material donation was nearly

RMB **2 million**



Caring for the People's Livelihood

Achieving joint growth and prosperity with the communities is an important factor in promoting the steady development of CIMC. Over more than three decades of development, CIMC has stayed true to its original aspiration, and strives to contribute to the local communities and give back to the society by leveraging its expertise. The Group's business segments and enterprises actively capitalize on their advantages to hold public welfare activities in the local communities, thus contributing to the harmonious relationship between the enterprises and communities.

Promoting employment in the regions where we operate

In 2020, the Group continued to contribute much tax income to the place where it operates and improve people's prosperity and inject impetus into local economic development with solid earnings growth.

In terms of employment, the Group's various segments and enterprises continued to implement open recruitment, encouraged the introduction of local employees, and provided various types of training sessions and benefits to employees in strict compliance with local policies while providing a large number of local jobs. All the permanent staff of our overseas enterprises are local employees (accounting for 95% of the total number of overseas employees). Local talents are selected and employed through competition for positions, and CIMC's business

During the year, we actively participated in the fight against the coronavirus, and continued to promote local economic development by contributing to tax revenues and employment; we actively participated in public welfare activities, and vigorously supported public undertakings such as education, culture and health in the regions where we operate; we actively implemented the policy of targeted poverty alleviation, and offered assistance and support to those in difficulties by leveraging our expertise.

philosophy of "Global Operation, Local Wisdom" is implemented through practical actions.

Community charity

The Group conscientiously fulfills its corporate citizenship and wholeheartedly helps those in need. By organizing employees to donate blood without compensation, setting up volunteer teams, donating money and materials, holding activities as an expression of gratitude and appreciation, caring about the elderly people to show our love and respect, and organizing other activities, we spread the warmth and care of CIMC employees to every corner of the communities, and strive to promote the harmonious development of both enterprises and communities.

Case

Disseminating the green philosophy, and protecting the environment with practical actions

Enterprises under the Group's offshore engineering segment actively participated in various forms of charity activities. In September 2020, Yantai CIMC Raffles' employees and their family members (a total of more than 70 people) participated in a charity activity dubbed "Protecting Yantai's Coastlines": the "WE Blue Sea Coast•Sea Cleaning Activity" (at the activity site in Tianyuewan in Yantai's Laishan district) and the "ICC International Beach Clean-Up Day•Beach Clean-up Activity" (at the northern beach near Xingfu No. 8 Residential Area in Yantai's Zhifu district). Participants were divided into groups and picked up wastes scattered on the beach along the coastline while holding garbage bags, and put piles of garbage together, which was quite a shocking sight. By sorting, weighing and labeling the garbage, participants were deeply aware of the importance of protecting the environment, and said that they will protect Yantai and its coastlines via the beach cleaning initiative.



Case

The volunteer team visited the elderly people to show their love and respect

Party members at Xinhui CIMC lead the establishment of Xinhui CIMC volunteer team, which consists of 60 employees, 46 of whom are party members. Members of the volunteer team actively participated in the creative cultural activities held at Da'ao town, donated money and materials to support the government's efforts to prevent and control the epidemic, visited party members and ordinary people who live nearby and are in difficulties, and held activities to care about the elderly people and show respect to them. Every year, members of the volunteer team visit the elderly people at the Da'ao Welfare House several times, visit poverty-stricken households to show their care, and hold volunteer activities on an irregular basis.



Case

Contributing to the dissemination of firefighting safety knowledge

On November 9, 2020, the opening ceremony of the "119 Firefighting Publicity Month" and the Fourth Gangcheng "CIMC Cup" Firefighting Skill Competition was held at a yard owned by Taicang CIMC. The events were sponsored by Taicang Firefighting Safety Committee and the Production Safety and Environmental Protection Bureau of Taicang Port Economic and Technological Development Zone, with assistance from Taicang CIMC. The holding of the events not only helps disseminate firefighting knowledge and relevant laws and regulations but also helps the participants improve firefighting safety awareness and the ability to fend off disasters.



Helping students access education resources

Children is our future, and knowledge conveys power. The Group cares about the healthy development of young people, and hopes that they can gain more power by learning knowledge while growing healthily. We notice that education resources are limited in some poverty-stricken areas. Deeply aware of the important responsibilities we shoulder, we have organized the Group's labor unions at all levels to help students access education resources.

Case

Helping impoverished students access education resources by offering them "Red Tree Scholarship"

CIMC Financial Leasing included Zubie Yao and Miao Ethnic Group Village Central Primary School in Xilin County, Guangxi into its "Red Tree Scholarship" program. It issued scholarships to 30 impoverished students in November 2020, and will carry out the review and handout of scholarships for two consecutive periods.



Targeted poverty alleviation

In 2020, CIMC Group performed its responsibilities, and contributed to the national poverty alleviation undertaking by launching more programs while taking into account its own circumstances and the actual local conditions. We are deeply encouraged and are deeply aware of the important responsibilities we shoulder. In 2020, the Group's business segments and enterprises invested a total of RMB47,051,800 of capital and RMB52,700 worth of materials into poverty alleviation projects, and helped lift 62 impoverished people for whom a record has been set up with the government out of poverty.

CIMC Group actively responded to the government's call of winning the decisive campaign of poverty alleviation, and encouraged and supported its enterprises to implement targeted poverty alleviation through various means by focusing on their strategic transformation and industrial characteristics based on the actual local circumstances: first, focusing on solving the problems facing the ordinary people and helping them improve production and living conditions; second, activating the intrinsic drivers of poverty alleviation and development by promoting industrial development, boosting consumption and improving education; third, leveraging business advantages to provide targeted assistance to the local people based on the actual circumstances.

In 2020, the Group carried out poverty alleviation work in accordance with the plan set out in the beginning of the year. First, it ensured that efforts had been made to continue with the poverty alleviation projects already launched. These projects include the project of poverty alleviation via industrial development rolled out in the place where it operates by Hunan CIMC New Materials Technology Co., Ltd. owned by the container segment, the project of poverty alleviation via ecological development such as village appearance improvement rolled out by Longkou CIMC Raffles Offshore Engineering Co., Ltd.

owned by the offshore engineering segment at Dazhangjia Village in Langao Town of Longkou, and the project of poverty alleviation via education rolled out by CIMC Finance, targeting schools in Yulin, Guangxi. Second, it explored new ideas of poverty alleviation. For example, it encouraged employees to actively participate in poverty alleviation projects, including the book donation activity held by the Group in the first half of the year. The Group also strengthened its enterprises' participation in government-led programs as reflected in the donation of Shijiazhuang Enric Gas Equipment Co., Ltd. and Jingmen Hongtu Co., Ltd. to government-led poverty alleviation fund and in its enterprises' participation in public charity funds.

The year 2021 marks the beginning of China's 14th Five-Year Plan, and is also the first year of the country's efforts to consolidate the results of poverty alleviation and achieve an effective linkage between poverty alleviation and rural revitalization. The Group will take the people's wish for a beautiful life as its goal, and continue to leverage its advantages and roll out targeted programs to resolutely protect the results of poverty alleviation and help achieve an effective linkage between poverty alleviation and rural revitalization. We will:

- explore sustainable long-acting working mechanisms that can be replicated;
- strengthen learning, training and exchanges, combine poverty alleviation with confidence building, continue to teach people how to learn about knowledge, and help the relevant regions achieve sustainable development; and
- capitalize on our advantages in industries and principal businesses, and explore more diversified methods to help others and contribute to rural revitalization.

Going forward, CIMC Group will continue to work hard, make efforts to help facilitate rural revitalization, and strive to contribute to rural revitalization in the new era.

Case

CIMC New Materials spreads love with targeted poverty alleviation through employment

CIMC New Materials mainly produces container floors, which falls into the *phyllostachys pubescens* processing sector. Its manufacturing bases are widely distributed in top 10 bamboo regions in China, including Quzhou and Lishui of Zhejiang and Jinzhai of Anhui, Pucheng and Zhangping of Fujian, and Suining and Leiyang of Hunan. These regions are also the areas with economic underdevelopment. In 2020, CIMC New Materials paid a total of RMB350 million to buy agricultural and forest products in these 10 regions. At the same time, it provided jobs for about 2,500 local residents and annually paid RMB150 million as remuneration to local employees. Relevant industrial chain involves bamboo planting, bamboo felling, crude processing, transport and other links, which have attracted about 11,000 local workers and involved a total remuneration of more than RMB250 million. It has vigorously promoted local targeted poverty alleviation and won the "Charity Enterprise of Targeted Employment & Poverty Alleviation" title conferred by Hunan Province.

In 2021, CIMC New Materials has expanded the industrial landscape and vigorously increased the proportion of bamboo resources used in its products. It is expected to more than double the consumption of bamboo materials and achieve an annual procurement amount of more than RMB700 million in 2021. At the same time, it has energetically strengthened government cooperation, developed more than 50 industrial workshops for rural area revitalization and scaled up the industrial investment.



Future Prospect

CIMC Group will continue to implement the sustainable development without change as usual, and strive to practice the mission of “creating sustainable values for the society”. We will take positive actions with a focus on four areas, including “strengthening responsibility management, tackling climate change, improving global logistics, and demonstrating corporate care”. Inspired by the the vision of becoming a globally respectable leading enterprise in the industry it enters”, CIMC people will hold fast to the corporate spirit of “striving unceasingly and pursuing excellence”, exert our advantages, welcome the sustainable development challenge and seize the opportunity of sustainable development!

- Continuously refine governance mechanism and fully play leading role of the Board of Directors in ESG

- Integrate into the Group’s operation management, and echo and improve key agendas

- Implement the new ESG Guide of Hong Kong Stock Exchanges and promote functional management improvement

- Deepen the champion product strategy and green development planning in depth

- Implement the core human resources concept of “People-oriented Common Cause” in greater depth

- Actively explore carbon neutralization objectives and paths of CIMC, and expand clean energy business



Appendix

Content Index of Reporting Standards

Topics	GRI indicator	Description	ESG Guide	Shenzhen Stock Exchange Guide	GSRI-CHINA 2.0	Report content/ Remark
General disclosure						
Organizational Profile	102-1	Name of the organization				About the Report
	102-2	Activities, brands, products and services				Company Profile
	102-3	Location of headquarters				About the Report
	102-4	Location of operations				Company Profile
	102-5	Ownership and legal form				Corporate Governance
	102-6	Markets served				Company Profile
	102-7	Scale of the organization				Company Profile
	102-8	Information on employees and other workers	B1.1			Employees Overview
	102-9	Supply chain	B5.1			Strategic Cooperation for Joint Establishment of Future
	102-10	Significant changes to the organization and its supply chain				No significant changes
	102-11	Precautionary principles or approach				Strengthening Responsibility Management
	102-12	External Initiatives				Strengthening Responsibility Management
	102-13	Membership of associations				Industry Organizations
Strategy	102-14	Statement from senior decision-maker				Chairman & CEO's Statement
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior			Core value	Business Philosophy
Governance	102-18	Governance structure			Scientific planning	Capital Structure
	102-19	Delegating authority				Corporate Governance
	102-20	Executive-level responsibility for economic, environmental, and social topics				Corporate Governance
	102-28	Evaluating the highest governance body's performance				Table of Financial Performance Indicators
Stakeholder Communication	102-40	List of stakeholder groups		Protection of rights and interests of shareholders and creditors		Stakeholder Communication
	102-41	Collective bargaining agreements				Protecting the rights and interests of employees
	102-42	Identifying and selecting stakeholders				Stakeholder Communication
	102-43	Approach to stakeholder engagement				Stakeholder Communication
	102-44	Key topics and concerns raised				Stakeholder Communication
Reporting Practice	102-45	Entities included in the consolidated financial statements				About the Report
	102-46	Defining report content and topic Boundaries				About the Report
	102-47	List of material topics				Stakeholder Communication
	102-48	Restatements of information				No restatements
	102-49	Changes in reporting				Stakeholder Communication
	102-50	Reporting period				About the Report
	102-51	Date of most recent report				About the Report
	102-52	Reporting cycle				About the Report
	102-53	Contact point for questions regarding the report				About the Report
	102-54	Claims of reporting in accordance with the GRI Standards				Core compliance scheme
	102-55	GRI content index				Content Index of Reporting Standards
	102-56	External assurance				No external audits at this stage

Appendix

Topics	GRI indicator	Description	ESG Guide	Shenzhen Stock Exchange Guide	GSRI-CHINA 2.0	Report content/ Remark
Material topics						
1. Economic Standards						
Economic Performance	103-1	Explanation of the material topic and its Boundary				About Us
	103-2	The management approach and its components				Sustainable Development Management
	103-3	Evaluation of the management approach				Stakeholder Communication
	201-1	Direct economic value generated and distributed	B8.2			Table Financial Performance Indicators
Anti-corruption (material topics: corruption-free and integrity management)	103-1	Explanation of the material topic and its Boundary	B7		Anti-commercial bribery, credit building	Stakeholder Communication
	103-2	The management approach and its components				Integrity management philosophy
	103-3	Evaluation of the management approach				Integrity management philosophy
	205-3	Confirmed incidents of corruption and actions taken	B7(b), B7.1			Integrity management philosophy
Anti-competition Behavior	103-1	Explanation of the material topic and its Boundary			Fair competition	Stakeholder Communication
	103-2	The management approach and its components				Integrity management philosophy
	103-3	Evaluation of the management approach				Integrity management philosophy
	206-1	Legal actions for anti – competitive behavior, anti-trust, and monopoly practices				Integrity management philosophy
2. Environmental Standards						
Materials	103-1	Explanation of the material topic and its Boundary	A2, A3	Environmental Protection and Sustainable Development	Environmental Management, Resource Conservation and Comprehensive Ecological Protection	Stakeholder Communication
	103-2	The management approach and its components				Energy saving and consumption reduction
	103-3	Evaluation of the management approach				Energy saving and Consumption Reduction
	301-1	Materials used by weight or volume	A2.5			No disclosure due to very low usage of packages of the Group
Energy (material topic: reduction of energy consumption)	103-1	Explanation of the material topic and its Boundary	A2, A3	Environmental Protection and Sustainable Development	Environmental Management, Resource Conservation and Comprehensive Utilization Ecological Protection	Stakeholder Communication
	103-2	The management approach and its components				Energy saving and Consumption Reduction
	103-3	Evaluation of the management approach				Energy saving and Consumption Reduction
	302-1	Energy consumption within the organization	A2.1			Energy saving and Consumption Reduction
	302-4	Reduction of energy consumption	A2.3			Energy saving and Consumption Reduction
Water	103-1	Explanation of the material topic and its Boundary	A2, A3	Environmental Protection and Sustainable Development	Environmental Management, Resource Conservation and Comprehensive Utilization Ecological Protection	Stakeholder Communication
	103-2	The management approach and its components				Water Resources Management
	103-3	Evaluation of the management approach				Water Resources Management
	303-1	Water withdrawal by source	A2.2			Water Resources Management
	303-3	Recycled input water used	A2.4			Water Resources Management
Emissions (material topic: air pollutant emission management)	103-1	Explanation of the material topic and its Boundary	A1, A3	Environmental Protection and Sustainable Development	Environmental Management, Production and Emission Reduction, Ecological Protection	Stakeholder Communication
	103-2	The management approach and its components				Air Pollutant Emission and Management
	103-3	Evaluation of the management approach				Air Pollutant Emission and Management
	305-1	Direct (Scope 1) GHG emissions	A1.1, A1.2			Greenhouse Gas Emission and Management
	305-2	Energy indirect (Scope 2) GHG emissions				Greenhouse Gas Emission and Management
	305-4	GHG emissions intensity	A1.2			Greenhouse Gas Emission and Management
	305-5	Reduction of GHG emissions	A1.5		New Industrialization	Greenhouse Gas Emission and Management

Topics	GRI indicator	Description	ESG Guide	Shenzhen Stock Exchange Guide	GSRI-CHINA 2.0	Report content/ Remark
Effluents and Waste (material topic: waste management)	103-1	Explanation of the material topic and its Boundary	A1, A3	Environmental Protection and Sustainable Development	Environmental Management, Pollution and Emission Reduction	Stakeholder Communication Mechanism
	103-2	The management approach and its components				Waste Management; Sewage Management
	103-3	Evaluation of the management approach				Waste Management; Sewage Management
	306-1	Water discharge by quality and discharge	A1.1			Waste Management; Sewage Management
	306-2	Waste by type and disposal method	A1.3, A1.4, A1.6			Waste Management; Sewage Management
Environmental Compliance	103-1	Explanation of the material topic and its Boundary	A1(b), A3	Environmental Protection and Sustainable Development	Environmental Management, New Industrialization, Ecological Protection, Resource Conservation and Comprehensive Utilization	Stakeholder Communication
	103-2	The management approach and its components				Tackling Climate Change
	103-3	Evaluation of the management approach				Tackling Climate Change
	307-1	Non-compliance with environmental laws and regulations	A1(b)			Tackling Climate Change
Supplier Environmental Assessment (material topic: green supply chain)	103-1	Explanation of the material topic and its Boundary	B5		Cooperation for Mutual Benefits	Stakeholder Communication
	103-2	The management approach and its components				Strategic Cooperation for Joint Establishment of Future
	103-3	Evaluation of the management approach				Strategic Cooperation for Joint Establishment of Future
	308-1	New suppliers that were screened using environmental criteria	B5.2			Strategic Cooperation for Joint Establishment of Future
3. Social Standards						
Employment (material topic: employee remuneration and welfares)	103-1	Explanation of the material topic and its Boundary	B1	Protecting rights of suppliers, customers and consumers	Respect for human rights, labor contracts and remuneration, social security and welfare, democratic management, employee communication and care	Stakeholder Communication
	103-2	The management approach and its components				Protecting the Rights and Interests of Employees; Employee Remuneration and benefits
	103-3	Evaluation of the management approach				Protecting the Rights and Interests of Employees; Employee Remuneration and benefits
	401-1	New employee hires and employee turnover	B1.2			Employee Overview
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	B1			Protecting the Rights and Interests of Employees; Employee Remuneration and benefits
	401-3	Parental leave				Protecting the Rights and Interests of Employees; Employee Remuneration and benefits
Occupational Health and Safety (material topic: employee safety and health)	103-1	Explanation of the material topic and its Boundary	B2	Protection of employees' rights and interests	Safety management, Safety expenditure, Occupational health and safety	Stakeholder Communication
	103-2	The management approach and its components				Employee Health and Safety
	103-3	Evaluation of the management approach				
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	B2.3	Safety management, Safety inspection, Safety accident handling		
Training and Education	103-1	Explanation of the material topic and its Boundary	B3	Protection of Employees' Rights and Interests	Employee training and development	Stakeholder Communication
	103-2	The management approach and its components				Employee Development Training
	103-3	Evaluation of the management approach				Employee Development Training
	404-1	Average hours of training per year per employee	B3.2			Employee Development Training
Diversity and Equal Opportunity	103-1	Explanation of the material topic and its Boundary	B1		Cooperation for Mutual benefits	Stakeholder Communication
	103-2	The management approach and its components				Protecting the Rights and Interests of Employees
	103-3	Evaluation of the management approach				Protecting the Rights and Interests of Employees
	405-1	Diversity of governance bodies and employees				Protecting the Rights and Interests of Emolovees

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Topics	GRI indicator	Description	ESG Guide	Shenzhen Stock Exchange Guide	GSRI-CHINA 2.0	Report content/ Remark
Child Labor	103-1	Explanation of the material topic and its Boundary	B4	Protection of employees' rights and interests	Responsibility for Supervision	Stakeholder Communication Mechanism
	103-2	The management approach and its components				Protecting the Rights and Interests of Employees
	103-3	Evaluation of the management approach				Protecting the Rights and Interests of Employees
	408-1	Operations and suppliers at significant risk for incidents of child labor	B4.1, B4.2			Protecting the Rights and Interests of Employees
Forced or Compulsory Labor	103-1	Explanation of the material topic and its Boundary	B4	Protection of employees' rights and interests		Stakeholder Communication
	103-2	The management approach and its components				Protecting the Rights and Interests of Employees
	103-3	Evaluation of the management approach				Protecting the Rights and Interests of Employees
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	B4.1, B4.2			Protecting the Rights and Interests of Employees
Local Communities	103-1	Explanation of the material topic and its Boundary	B8	Public relations and social welfare undertakings, Targeted poverty alleviation	Community engagement and development	Stakeholder Communication
	103-2	The management approach and its components				Immediately taking actions to combat COVID-19; Caring for the People's Livelihood
	103-3	Evaluation of the management approach				Immediately taking actions to combat COVID-19; Caring for the People's Livelihood
	413-1	Operations with local community engagement, impact assessments, and development programs	B8.1			Immediately taking actions to combat COVID-19; Caring for the People's Livelihood
Supplier-social assessment	103-1	Explanation of the material topic and its Boundary	B5	Protecting rights of suppliers, customers and consumers		Stakeholder Communication
	103-2	The management approach and its components				Strategic Cooperation for Joint Establishment of Future
	103-3	Evaluation of the management approach				Strategic Cooperation for Joint Establishment of Future
	414-1	New suppliers that were screened using social criteria	B5.2			Strategic Cooperation for Joint Establishment of Future
Customer Health and Safety	103-1	Explanation of the material topic and its Boundary	B6	Protecting rights of suppliers, customers and consumers	Promote the healthy and sustainable development of the industry, Product quality and safety, Responsible marketing, Advocate responsible consumption	Stakeholder Communication
	103-2	The management approach and its components				Improving Global Logistics
	103-3	Evaluation of the management approach				Improving Global Logistics
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services				Creation of Brand Power with High Quality
Marketing and Labeling	103-1	Explanation of the material topic and its Boundary	B6	Protecting rights of suppliers, customers and consumers		Stakeholder Communication
	103-2	The management approach and its components				Improving Global Logistics
	103-3	Evaluation of the management approach				Improving Global Logistics
	417-2	Incidents of non-compliance concerning product and service information and labeling				Improving Global Logistics
	417-3	Incidents of non-compliance concerning marketing communications				Improving Global Logistics
Customer Privacy	103-1	Explanation of the material topic and its boundary	B6	Protecting rights of suppliers, customers and consumers	Privacy Protection	Stakeholder Communication
	103-2	The management approach and its components				Customer privacy protection
	103-3	Evaluation of the management approach				Customer privacy protection
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	B6.2		Privacy protection, Complaints and dispute handling	Customer privacy protection
Socioeconomic compliance	103-1	Explanation of the material topic and its Boundary	B6	Protecting rights of suppliers, customers and consumers		Stakeholder Communication
	103-2	The management approach and its components				Improving Global Logistics
	103-3	Evaluation of the management approach				Improving Global Logistics
	419-1	Non-compliance with laws and regulations in the social and economic area	B7			Improving Global Logistics
Protecting Intellectual Property Rights		Description of practices relating to safeguarding and protecting intellectual property rights	B6.3		Respect for Property Rights	Intellectual Property Management

Indicator Index of CASS-CSR 4.0 Guidelines

	No.	Description	Location of disclosure
Foreword	P1.1	Quality guarantee	About the Report
	P1.2	Information description	About the Report
	P1.3	Reporting System	About the Report
	P2.1	Situation analysis and strategic consideration in fulfilling the social responsibilities	Sustainable Development Management
	P2.2	Progress of the annual social responsibilities	The entire Report
	P3.1	Major social responsibility events	Sustainability Achievements in 2020; Sustainable Development Management
	P3.2	Progress and achievements of key topics of social responsibilities	The entire Report
	P4.1	Corporate strategy and culture	Business Philosophy
	P4.2	Organizational structure and operation locations	Company Profile, Corporate Governance
	P4.3	Main products, services and brands	Company Profile
	P4.4	Corporate size and influence	Company Profile, Table of Key Performance Indicators, Employee Overview
	P4.5	Significant changes in the reporting period regarding organizational size, structure, ownership or supply chain	Capital structure
Responsibility Management	G1.1	Corporate mission, vision and value	Business Philosophy
	G1.2	Corporate social responsibility philosophy or slogan	Corporate Social Responsibility Management
	G2.1	Identification and management of substantive social responsibility issues	Stakeholders Engagement
	G2.2	Strategic planning and annual planning for social responsibility	Sustainable Development Strategy and Goal Management
	G2.3	Promoting the integration of social responsibilities into corporate development strategies and daily operations	Sustainable Development Strategy and Goal Management
	G2.4	Establishing an impactful and sustainable responsibility brand	Strengthening Responsibility Management
	G3.1	Senior management of corporate to support and promote social responsibilities	Corporate Social Responsibility Management
	G3.2	Leadership structure and working mechanism of social responsibilities	Corporate Social Responsibility Management
	G3.3	organization system and duty assignment of Social responsibilities	Corporate Social Responsibility Management
	G4.1	Formulating social responsibility management system	Sustainable Development Management
	G4.2	Establishing social responsibility index system	Table of Key Performance Indicators
	G4.3	Enriching social responsibility theory research	Stakeholder Communication Mechanism
	G5.1	Organizing and carrying out social responsibility training	External exchange and communication
	G5.2	Carrying out social responsibility assessment or appraisal	Corporate Social Responsibility Management
	G6.1	Identifying and responding to stakeholder demands	Stakeholder Communication Channels
	G6.2	Corporate-led social responsibility communication and participation activities	Continuous improvement and supplement
	G6.3	External economic, environmental, social conventions, principles or other initiatives that the organization participates in or supports	Industry Organizations Awards and Honors
Market performance	M1.1	Regulating corporate governance	Corporate Governance
	M1.2	The nomination and selection process for the highest governance organization and its committees	Capital Structure, Stakeholders Engagement
	M1.3	Anti-corruption	Integrity management philosophy is deepened into the corporate core
	M1.4	Compliance information disclosure	Information Disclosure
	M1.5	Protecting the interests of small and medium-sized investors	Investor Relations

	No.	Description	Location of disclosure
	M1.6	Growth	Table of Financial Performance Indicators
	M1.7	Profitability	Continuous Improvement and Supplement
	M1.8	Security	Continuous Improvement and Supplement
	M2.1	Enhancing product/service accessibility	Continuous Improvement and Supplement
	M2.2	Product/service quality management system	Product Quality and Safety
	M2.3	Qualification rate	Continuous Improvement and Supplement
	M2.4	Insisting on innovation-driven	Leading Innovation and Value Growth
	M2.5	Investment in R&D	Continuous Improvement and Supplement
	M2.6	Number of new patents	Intellectual Property Management
	M2.7	Industrialization of scientific and technological achievements	New Industrialization
	M2.8	Prohibiting false or misleading propaganda strictly	Product Quality and Safety
	M2.9	Popularization or customer training of product knowledge	Customer Service and Satisfaction
	M2.10	Potential risk warning	Product Quality and Safety
	M2.11	Fair trade	Fair Trade
	M2.12	Advocating sustainable consumption	Continuous Improvement and Supplement
	M2.13	Customer information protection	Customer Privacy Protection
	M2.14	Proactive after-sales service system	Customer Service and Satisfaction
	M2.15	Responding to consumer complaints proactively	Customer Service and Satisfaction
	M2.16	Complaint resolution rate	Continuous Improvement and Supplement
	M2.17	Stop loss and compensation	Continuous Improvement and Supplement
	M2.18	Customer satisfaction	Customer Service and Satisfaction
	M3.1	Integrity operation	Integrity management philosophy
	M3.2	Economic contract performance rate	Integrity management philosophy
	M3.3	Fair competition	Integrity management philosophy
	M3.4	Strategy sharing mechanism and platform	Leading Innovation and Value Growth
	M3.5	Respecting and protecting intellectual property rights	Intellectual Property Management
	M3.6	Assisting in industry development	Leading Innovation and Value Growth
	M3.7	Fair trade	Fair Trade
	M3.8	Policies, initiatives and requirements for supplier social responsibilities	Strategic Cooperation for Joint Establishment of Future
	M3.9	Number of potential suppliers rejected due to social responsibility non-compliance	Supply Chain System
	M3.10	Daily management mechanism of supplier social responsibilities	Strategic Cooperation for Joint Establishment of Future
	M3.11	Process and method of reviewing supplier social responsibilities	Continuous Improvement and Supplement
	M3.12	Number of suppliers reviewed during the Reporting Period	Supply Chain System
	M3.13	Number of suppliers whose cooperation was suspended due to social responsibility non-compliance	Supply Chain System
	M3.14	Performance assessment and communication of social responsibility training for suppliers	Supply Chain System
	M3.15	Social responsibility training for suppliers	Continuous Improvement and Supplement
	M3.16	Performance of social responsibility training for suppliers	Continuous Improvement and Supplement

Appendix

No.	Description	Location of disclosure
S1.1	Compliance system construction	The entire Report
S1.2	Compliance training	Compliance and Risk Control
S1.3	Total tax payment	Promoting Employment in The Regions Where We Operate
S1.4	Supporting and participating in comprehensive deepening reform	Continuous Improvement and Supplement
S1.5	Promoting employment	Promoting Employment in The Regions Where We Operate
S1.6	Number of employees during the Reporting Period	Continuous Improvement and Supplement
S2.1	Employee composition	Employee Overview
S2.2	Equal employment	Protecting Rights and Interests of Employees
S2.3	Labor contract signing rate	Protecting Rights and Interests of Employees
S2.4	Democratic management	Staff Care and Communication
S2.5	Proportion of female managers	Employee Overview
S2.6	Employee privacy management	Protecting Rights and Interests of Employees
S2.7	Anti-forced labor and harassment abuse	Protecting Rights and Interests of Employees
S2.8	Diversity and equal opportunities	Protecting Rights and Interests of Employees
S2.9	Number of paid annual leave days per capita per year	Protecting Rights and Interests of Employees
S2.10	Remuneration and benefits system	Employee remuneration and benefits
S2.11	Occupational health management	Employee Health and Safety
S2.12	Work environment and condition protection	Protecting Rights and Interests of Employees Employee Health and Safety Staff Care and Communication
S2.13	Employee mental health assistance	Effective communication
S2.14	Employee training system	Employee Development Training
S2.15	Annual training performance	Employee Development Training
S2.16	Career development channel	Employee Development Training
S2.17	Balance between life and work	Staff Care and Communication
S2.18	Supporting employees with difficulties	Staff Care and Communication
S2.19	Employee satisfaction	Continuous Improvement and Supplement
S2.20	Employee turnover rate	Continuous Improvement and Supplement
S3.1	Safety production management system	Employee Health and Safety
S3.2	Safety emergency management mechanism	Employee Health and Safety
S3.3	Safety education and training	Employee Health and Safety
S3.4	Safety training performance	Employee Health and Safety
S3.5	Safety production investment	Continuous Improvement and Supplement
S3.6	Number of safety production accidents	Continuous Improvement and Supplement
S3.7	Number of employee injuries and deaths	Continuous Improvement and Supplement
S4.1	Mechanism of community communication and engagement	Caring for the People's Livelihood
S4.2	Employee localization policy	Promoting Employment in The Place Of Operate
S4.3	Localized hiring ratio	Promoting Employment in The Place Of Operate
S4.4	Localized procurement policy	Supply Chain System
S4.5	Support the development of community women, indigenous people, farmers, pastoralists and fishermen	Continuous Improvement and Supplement
S4.6	Charity policies or major charity areas	Caring for the People's Livelihood
S4.7	Establishing corporate charity funds/foundation	Continuous Improvement and Supplement
S4.8	Total amount of donation	Continuous Improvement and Supplement
S4.9	Creating brand charity projects	Continuous Improvement and Supplement
S4.10	Policies and measures to support volunteer activities	Caring for the People's Livelihood
S4.11	Employee volunteer activities performance	Continuous Improvement and Supplement
S4.12	Contributing to targeted poverty alleviation	Caring for the People's Livelihood
S4.13	Investment of special funds for poverty alleviation	Caring for the People's Livelihood
S4.14	Number of people getting rid of poverty	Caring for the People's Livelihood

No.	Description	Location of disclosure
E1.1	Environmental management system	Environmental Management
E1.2	Environmental warning and emergency mechanism	Air Pollutant Emission and Management; Employee Health and Safety
E1.3	Environmental protection technology R&D and application	Creation of Green Brand through Green Development; Shouldering Responsibility and Mission of Low-Carbon Operation
E1.4	Methodology of environmental indicator statistics and accounting system	Table of Key Performance Indicators
E1.5	Environmental protection training and education	Waste Management
E1.6	Constructing of Green Supply Chain	Continuous Green Supply Chain Development
E1.7	Supporting the development of green and low-carbon industries	Creation of Green Brand through Green Development; Shouldering Responsibility and Mission of Low-Carbon Operation
E1.8	Total investment in environmental protection	Environmental Management
E1.9	Addressing climate change	Shouldering Responsibility and Mission of Low-Carbon Operation
E1.10	Carbon intensity	Key Performance Indicators
E1.11	Proportion of non-fossil energy	Greenhouse Gas Emissions and Management
E1.12	Carbon sink	Greenhouse Gas Emissions and Management
E2.1	Green design	Creation of Green Brand through Green Development
E2.2	Procuring and using environmentally friendly raw materials	Continuous Improvement and Supplement
E2.3	Improve efficiency of energy using	Energy Saving and Consumption Reduction
E2.4	Total amount of annual energy consumption and reduction	Table of Key Performance Indicators
E2.5	Comprehensive energy consumption per unit of production value	Table of Key Performance Indicators
E2.6	Policies and measures for the use of clean energy	Greenhouse Gas Emissions and Management
E2.7	Amount of clean energy used	Greenhouse Gas Emissions and Management
E2.8	Policies and measures to conserve water resources	Water Resources Management
E2.9	Annual fresh water consumption amount	Table of Key Performance Indicators
E2.10	Fresh water consumption per unit of industrial added value	Table of Key Performance Indicators
E2.11	Policies, measures or technologies to reduce emissions of exhaust gases	Air Pollutant Emission Management
E2.12	Exhaust gas emissions and reductions	Table of Key Performance Indicators
E2.13	Systems, measures or technologies to reduce wastewater emissions	Sewage Management
E2.14	Wastewater emissions and reductions	Table of Key Performance Indicators
E2.15	Systems, measures or technologies to reduce waste emissions	Waste Management
E2.16	Waste emissions and reductions	Table of Key Performance Indicators
E2.17	Policies and measures for the development of circular economy	Green Logistics, Comprehensive utilization of solid waste resources
E2.18	Performance of circular economy development	Green Logistics, Comprehensive utilization of solid waste resources
E2.19	Green packaging	Uninvolved
E2.20	Total amount of packaging materials used in finished goods (in tons) and (if applicable) the amount per unit	Uninvolved
E2.21	Green Transportation	Green Logistics
E2.22	Environmental impact during products / personnel transportation	Green Logistics
E2.23	Energy conservation policies and measures	Energy Saving and Consumption Reduction
E2.24	Plans and actions for reduction of greenhouse gas emission	Greenhouse Gas Emissions and Management
E2.25	Greenhouse gas emissions and reductions	Table of Key Performance Indicators
E3.1	Green office measures	Green Office Program
E3.2	Green office performance	Green Office Program
E3.3	Ecological restoration and governance	Biodiversity Conservation
E3.4	Biodiversity conservation	Biodiversity Conservation
E3.5	Zero deforestation	Continuous Improvement and Supplement
E3.6	Environmental protection charity events	Green Office Program

Definition Index

Glossary	Definition
Company	China International Marine Containers (Group) Co., Ltd. (中国国际海运集装箱 (集团) 股份有限公司)
CIMC, CIMC Group, Group, we, our and us	the Company and its subsidiaries
ESG&CSR Report, Report	2020 Corporate Social Responsibility & Environmental, Social and Governance Report of CIMC Group
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
ESG Guide	Environmental, Social and Governance Reporting Guidelines
CIMC Container	CIMC Container Holdings Co., Ltd. (中集集团集装箱控股有限公司)
CIMC Vehicles	CIMC Vehicles (Group) Co., Ltd. (中集车辆 (集团) 股份有限公司)
CIMC Enric	CIMC Enric Holdings Limited (中集安瑞科控股有限公司)
CIMC Raffles	CIMC Raffles Offshore Limited
CIMC Logistics	CIMC Modern Logistics Development Co., Ltd. (中集现代物流发展有限公司)
C&C Trucks	C&C Trucks Co., Ltd. (集瑞联合重工有限公司)
CIMC TianDa	CIMC-Tianda Holdings Company Limited (中集天达控股有限公司)
Ziegler	Albert Ziegler GmbH (德国齐格勒消防及救援车辆 (集团) 有限责任公司)
CIMC Financial Leasing Company	CIMC Financial Leasing Co., Ltd. (中集融资租赁有限公司)
CIMC Finance Company	CIMC Finance Co., Ltd. (中集集团财务有限公司)
CIMC Skyspace Real Estate	Shenzhen CIMC Skyspace Real Estate Development Co., Ltd. (深圳市中集产城发展集团有限公司)
CIMC Modular	CIMC Modular Building Investment Company Limited (中集模块化建筑投资有限公司)
Taichang Reefer	Taichang CIMC Reefer Logistics Equipment Co., Ltd. (太仓中集冷藏物流装备有限公司)
Zhenhua Logistics	Zhenhua Logistics Group Co., Ltd. (振华物流集团有限公司)
Longkou CIMC Raffles	Longkou CIMC Raffles Offshore Engineering Co., Ltd. (龙口中集来福士海洋工程有限公司)
Yantai CIMC Raffles	Yantai CIMC Raffles Offshore Engineering Co., Ltd. (烟台中集来福士海洋工程有限公司)
SOE	Sinopacific Offshore & Engineering Co., Ltd. (南通中集太平洋海洋工程有限公司)
CIMC Kaitong	CIMC Kaitong Logistics Development Co., Ltd. (中集凯通物流发展有限公司)
Qingdao CIMC	Qingdao CIMC Container Manufacture Co., Ltd. (青岛中集集装箱制造有限公司)
Dongguan CIMC Vehicle	Dongguan CIMC Vehicle Co., Ltd. (东莞中集专用车有限公司)
Yangzhou Tonghua	Yangzhou CIMC Tonghua Special Vehicles Co., Ltd. (扬州中集通华专用车有限公司)
Huajun Vehicle	Zhumadian CIMC Huajun Vehicle Co., Ltd. (驻马店中集华骏车辆有限公司)
CIMC Ruijiang (Wuhu Ruijiang)	Wuhu CIMC Ruijiang Automobile Co., Ltd. (芜湖中集瑞江汽车有限公司)
Shenzhen CIMC Vehicle	Shenzhen CIMC Vehicle Co., Ltd. (深圳中集专用车有限公司)
Nantong CIMC	Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd. (南通中集特种运输设备制造有限公司)
Qingdao Reefer Container	Qingdao CIMC Reefer Container Manufacture Co., Ltd. (青岛中集冷藏箱制造有限公司)
Qingdao Special Reefer Container	Qingdao CIMC Special Refrigerating Equipment Co., Ltd. (青岛中集特种冷藏设备有限公司)
CIMC Yangshan	Shanghai CIMC Yangshan Container Service Co., Ltd. (上海中集洋山集装箱服务有限公司)
Haiyang CIMC	Haiyang CIMC Raffles Offshore Ltd. (海阳中集来福士海洋工程有限公司)
Nantong Food	Enric (Nantong) CIMC Food Equipment Co., Ltd. (南通中集安瑞科食品装备有限公司)
Nantong Tank	Nantong CIMC Tank Equipment Co., Ltd. (南通中集罐式储运设备制造有限公司)
Tianjin CIMC	Tianjin CIMC Container Co., Ltd. (天津中集集装箱有限公司)
Ningbo CIMC	Ningbo CIMC Container Service Co., Ltd. (宁波中集集装箱服务有限公司)
Zhangzhou CIMC	Zhangzhou CIMC Container Co., Ltd. (漳州中集集装箱有限公司)

Appendix

Glossary	Definition
Shijiazhuang Enric	Shijiazhuang CIMC Enric Gas Equipment Co., Ltd. (石家庄安瑞科气体机械有限公司)
Langfang Integration	Enric (Langfang) Energy Device Co., Ltd. (安瑞科 (廊坊) 能源装备有限公司)
CIMC Logistics	CIMC Modern Logistics Development Co., Ltd. (中集现代物流发展有限公司)
CIMC Jiangmen	CIMC Vehicles (Jiangmen) Co., Ltd. (中集车辆 (江门) 有限公司)
CIMC IME	CIMC Institute of Marine Engineering (中集海洋工程研究院)
CIMC Sanctum	Zhangjiagang CIMC Sanctum Cryogenic Equipment Co., Ltd. (张家港中集圣达因低温装备有限公司)
Xinhui CIMC	Xinhui CIMC Container Co., Ltd. (新会中集集装箱有限公司)
United Feicai	Anhui United Feicai Vehicle Co., Ltd. (安徽联合飞彩车辆有限公司)
Nantong Energy	Nantong CIMC Energy Equipment Co., Ltd. (南通中集能源装备有限公司)
CIMC Cold Cloud	CIMC Cold Cloud Supply Chain Management (Beijing) Co., Ltd. (中集冷云 (北京) 供应链管理有限公司)
CIMC Cold Chain	CIMC Cold Chain Development Co., Ltd. (中集冷链发展有限公司)
CIMC Eco Material Supply	CIMC Eco Material Supply Co., Ltd. (中集新型环保材料股份有限公司)
Xinhui TEU	Xinhui CIMC Container Co., Ltd. (新会中集集装箱有限公司)
XHCIMCS	Xinhui CIMC Special Transportation Equipment Co., Ltd. (广东新会中集特种运输设备有限公司)
Southern CIMC	Southern CIMC Logistics Co., Ltd. (深圳南方中集物流有限公司)
Dongguan Southern	Dongguan Southern CIMC Logistic Equipment Manufacturing Co., Ltd. (东莞南方中集物流装备制造有限公司)
Yangzhou Runyang	Yangzhou Runyang Logistic Equipment Co., Ltd. (扬州润扬物流装备有限公司)
Yangzhou Tonglee	Yangzhou Tonglee Reefer Container Co., Ltd. (扬州通利冷藏集装箱有限公司)
Luoyang Lingyu	Luoyang CIMC Lingyu Automobile Co., Ltd. (洛阳中集凌宇汽车有限公司)
CIMC Raffles Haiyang	Haiyang CIMC Raffles Offshore Ltd. (海阳中集来福士海洋工程有限公司)
DLCIMC	Dalian CIMC Containers Co., Ltd. (大连中集特种物流装备有限公司)
CIMC Lvjian	CIMC Lvjian Environmental Protection Technology Co., Ltd. (中集绿建环保科技有限公司)
TAS	Shenzhen CIMC – TianDa Airport Support Ltd. (深圳中集天达空港设备有限公司)
CIMC Transportation	CIMC Transportation Technology Co., Ltd (中集运载科技有限公司)
Jingmen Hongtu	CIMC Enric Jingmen Hong Tu Special Aircraft Co., Ltd. (荆门宏图特种飞行器制造有限公司)
Sichuan Chuanxiao	Sichuan Chuanxiao Fire Trucks Manufacturing Co., Ltd. (四川川消消防车制造有限公司)
Liangshan CIMC Dongyue	Liangshan CIMC Dongyue Vehicles Co., Ltd. (梁山中集东岳汽车有限公司)
Shandong Wanshida	Shandong Wanshida Special Purpose Vehicle Manufacturing Co., Ltd. (山东万事达专用汽车制造有限公司)
Shenzhen CIMC Architectural Design Institute	Shenzhen CIMC Architectural Design Institute Co., Ltd. (深圳市中集建筑设计院有限公司)
Extraction Group (China)	Extraction Group (China) Fire Fighting Equipment Manufacturing Co., Ltd. (萃联 (中国) 消防设备制造有限公司)
Enric (Bengbu) Compressor	Enric (Bengbu) Compressor Co., Ltd. (安瑞科 (蚌埠) 压缩机有限公司)
Shangqi Vehicle	CIMC Shangqi Heavy Truck (Xi'an) Special Vehicle Co., Ltd. (中集陕汽重卡 (西安) 专用车有限公司)
CIMC Safeway	CIMC Safeway Technologies Co., Ltd. (中集安瑞环科技股份有限公司)
Shenyang Jietong	Shenyang Jietong Fire Truck Co., Ltd. (沈阳捷通消防车有限公司)
NCSE	Nantong CIMC-Special Transportation Equipment Manufacture Co., Ltd. (南通中集特种运输设备制造有限公司)
Yang Zhou Taili	Yang Zhou Taili Special Equipment Co., Ltd. (扬州泰利特种装备有限公司)
Shandong CIMC	CIMC Vehicles (Shandong) Co., Ltd. (中集车辆 (山东) 有限公司)
Tianjin Zhenhua	Tianjin Zhenhua International Shipping Agency Co., Ltd. (天津振华国际船舶代理有限公司)
Tianda Jirong	Shenzhen CIMC-Tianda Jirong Aviation Airconditioning Co., Ltd. (深圳中集天达吉荣航空制冷有限公司)
C&C Trucks	C&C Trucks Co., Ltd. (集瑞联合重工有限公司)
Taicang CIMC	Taicang CIMC Container Manufacture Co., Ltd. (太仓中集集装箱制造有限公司)
Brigantine	Brigantine International Holdings Limited (柏坚国际控股有限公司)

Industry Organizations

Organization name	Participant (positions)
China Enterprise Anti-Fraud Alliance	The Company (rotating chairman, standing director), CIMC Enric
Communication Committee of China Institute of Internal Audit	The Company (vice president, Association director)
Patent Protection Association of China	The Company (vice president)
China Intellectual Property Society	The Company (member)
China Association for Standardization	The Company (member)
China Steel Construction Society	The Company (director)
China Association for Public Companies	The Company (standing director)
China Association of Communication Enterprise Management	The Company (vice president)
IFRS Association	The Company (member)
National Association of Financial Market Institutional Investors	The Company (member)
China Federation of Industrial Economics	The Company (vice president)
China Communications and Transportation Association	The Company (member)
China Chamber of Commerce for Import & Export of Machinery & Electronic Products	The Company (vice president)
China Enterprise Confederation and China Enterprise Directors Association	The Company (vice president)
China Association of the National Shipbuilding Industry	The Company (vice president)
China International Public Relations Association	The Company (member)
Sustainability Industry and Commerce Committee of China Enterprise Confederation	The Company (director)
China Association for Quality	The Company (director)
Guangdong Association for Enterprise Internal Control	the Company (vice president, experts committee director and managing director)
Guangdong Society of Mechanical Engineering	the Company (vice chairman)
Shenzhen Association of Listed Companies	the Company (president)
Shenzhen Society of Mechanical Engineering	the Company (director general)
China Container Industry Association	CIMC Container (chairman)
National Technical Committee on Freight Container of Standardization Administration of China	CIMC Container (member)
Cold Chain Logistics Committee of China Federation of Logistics & Purchasing	CIMC Container (rotating president)
China Classification Society	CIMC Container (member)
China Association of Automobile Manufacturers	CIMC Vehicles (vice president)
China Association of Automobile Industry Special Vehicle Branch	CIMC Vehicles (chairman)
National Technical Committee of Auto Standardization Special Vehicle Technical Sub-committee	CIMC Vehicles (deputy secretary general)
National Automotive Technology Standards Committee Trailer Technical Sub-committee	CIMC Vehicles (deputy secretary general)
China Chemical Industrial Equipment Association	CIMC Enric (director)
China Industrial Gases Industry Association	CIMC Enric (vice chairman)
National Technical Committee on Freight Container of Standardization Administration of China CIMC Container (member)	CIMC Enric (member)
International Tank Container Organization (ITCO)	CIMC Enric (vice chairman of manufacturing department)
ITCO Sub-committee of Manufacturers	CIMC Enric (vice chairman of Board)
China Container Industry Association	CIMC Enric (member)
Leasing Industry Working Committee of China Association of Enterprises with Foreign Investment	CIMC Financial Leasing Company (vice president)
China Federation of Logistics & Purchasing Hazardous Chemicals Logistics Sub-branch	CIMC Financial Leasing Company (member)
Building Steel Structure Branch of China Construction Metal Structure Association	CIMC Modular (vice president)
Integrated House Branch of China Construction Metal Structure Association	CIMC Modular (president)
China Construction Metal Structure Association	CIMC Modular (honorary vice president)

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Organization name	Participant (positions)
Guangdong Steel Structure Association	Sichuan Chuanxiao (member)
China Fire Protection Association	Sichuan Chuanxiao (member)
China Association for Disaster Prevention	Sichuan Chuanxiao (member)
Jiangsu Automotive Engineering Society	Yangzhou Tonghua (director)
Dangerous Chemicals Logistics Committee of China Federation of Logistics & Purchasing China Federation of Logistics & Purchasing Hazardous Chemicals Logistics Sub-branch	Yangzhou CIMC Tonghua (managing director)
Dangerous Chemicals Logistics Committee of China Federation of Logistics & Purchasing China Federation of Logistics & Purchasing Hazardous Chemicals Logistics Sub-branch	CIMC Jiangmen (vice president)
Dangerous Chemicals Logistics Committee of China Federation of Logistics & Purchasing China Federation of Logistics & Purchasing Hazardous Chemicals Logistics Sub-branch	Wuhu Ruijiang (vice president)
Ready-mixed Concrete Branch of China Concrete & Cement-based Products Association	Wuhu Ruijiang (vice chairman)
China Foundry Association	Huajun Foundry (member)
Henan Foundry and Forging Association	
Engineering Construction and Transportation Sub-branch of Shanghai Transportation Trade Association	Shaanxi Automobile Xi'an (director)
Shaanxi Automobile Engineering Society	Shaanxi Automobile Xi'an (director)
Shaanxi Automobile Industry Association	Shaanxi Automobile Xi'an (director)
Special Purpose Vehicle Branch of China Association of Automobile Manufacturers	Shaanxi Automobile Xi'an (member)
China Container Industry Association	CIMC Modern Logistics Development Co., Ltd. (director)
Multimodal Transportation Branch of China Communications and Transportation Association	CIMC Modern Logistics Development Co., Ltd. (director)
China Association of Freight Forwarders	Zhenhua Logistics Group Limited (vice president)
Shandong Ship Building Industry Association	CIMC Raffles Offshore Limited (president)
Shandong Marine Industry Association	CIMC Raffles Offshore Limited (vice president)
Salmon Society of China Aquatic Products Processing and Marketing Alliance	Yantai CIMC Blue Ocean Technology Co., Ltd. (vice president)
Marine Pasture Branch of China Fisheries Association	Yantai CIMC Blue Ocean Technology Co., Ltd. (vice president)
Shandong Ocean Development Research Institute	Yantai CIMC Blue Ocean Technology Co., Ltd. (director)
Logistics Equipment Professional Committee of China Federation of Logistics & Purchasing	CIMC Transportation Technology Co., Ltd. (vice president)
Ecological Building Ceramics Committee of China Building Sanitary and Ceramics Association	CIMC Lvjian (vice president)
Guangdong Static Transportation Association	CIMC IOT Technology Co., Ltd. (director)
Shenzhen Parking Industry Association	CIMC IOT Technology Co., Ltd. (director)
China Heavy Machinery Industry Association	Shenzhen CIMC Intelligent Parking Co., Ltd. (director)
Gas Vehicle Technical Subcommittee of National Technical Committee of Auto Standardization	C&C Trucks (member)
China Interbank Market Traders Association	CIMC Finance Co., Ltd. (member)
China National Association of Finance Companies	CIMC Finance Co., Ltd. (member)

Awards and Honors

Selected Relevant ESG Index

Rating agency	Rating
Hang Seng Corporate Sustainability Index	Hang Seng Corporate Sustainability Benchmark Index, Hang Seng (China A) Corporate Sustainability Benchmark Index
FTSE Russell	ESG 1.9 score (one of top Chinese enterprises selected)
OWL Analytics	ESG 58.83 score (higher than the average score of Chinese enterprises selected)
SynTao Green Finance	ESG B+
MIOTECH	ESG AA
Rankings CSR Ratings & Hexun	ESG BBB (top 8% among 800 enterprises selected, first place under "trade - industry enterprise group")
Sina Finance	Shanghai-Shenzhen ESG 100 Select Index
Sino-Securities Index	ESG AA

In 2020, the main honors granted to the Group in social responsibility and investor relations are as follows:

Awarding Body	Award
China Business Council for Sustainable Development and China Enterprise Confederation	China's Top 100 Sustainable Development Companies (tied for sixth)
Nanfang Weekend	2019 Outstanding Responsible Enterprise in China (4th place)
Sina Finance	2020 Golden Responsibility Award for Best Environmental Responsibility of the Year
Atom Think Tank of Tencent, National School of Development at Peking University and Tencent Research Institute	2020 China Benefit Corporation
Zhitongcaijing.com and www.10JQKA.com.cn.	Best Industrial Manufacturing Company" and "Best IR Team" in the fifth "Golden Hong Kong Stock Awards"
Alaya Consulting, organiser of HERA	Hong Kong HERA 2020 ESG Reporting
China Enterprise Evaluation Association	The 25th in the 2019 Top 500 Enterprises for China Corporate Social Responsibility
China Environmental Journalists Association and Beijing University of Chemical Technology	No. 12 in the evaluation of environmental responsibility information disclosure of Chinese listed companies
Star TV and Shanghai Charity Foundation "Benefit Enterprise Future" Special Fund	2020 "Benefit Enterprise Future" Chinese Corporate Responsibility Outstanding Governance Award
Shenzhen Corporate Governance Research Institute	2020 "Top 10 Shenzhen Listed Companies Green Governance" Award
Co-sponsored by China Roadshow China and China Excellent IR Award	The 4th Annual China IR Excellence Awards "Best Information Disclosure Award"
New Fortune Magazine	The 3rd New Fortune Best IR Hong Kong Stock Company

In 2020, the main honors granted to various segments of the Group and its subsidiaries in innovation, products and services are as follows:

Awardee	Award
CIMC	73rd place among top 500 Chinese enterprises for patent strength
CIMC Financial Leasing Co., Ltd.	2020 IDC Financial Industry Technology Application Scenario Innovation Award
CIMC Financial Leasing Co., Ltd.	China Financial Leasing Company of the Year
Xinhui CIMC	2nd Prize of 2019 Guangdong Technology Progress Award
Qingdao Special Reefer Container	Qingdao Hidden Champion
Zhangzhou CIMC	Fujian Professional, Fine, Special and New SMEs
Shijiazhuang Enric	National Green Factory
Shijiazhuang Enric	3rd Prize of Hebei Technology Progress Award
Jingmen Hongtu	Nomination Prize of Hubei 8th Changjiang Quality Award
Nantong Tank	Industrial Internet Benchmarking Factory, and Excellent Demonstration in Two Industries Pilot Integration of Jiangsu
Nantong Energy	2nd Prize of Modernization Innovation Result in Business Management of Jiangsu
Nantong Energy	MIT Management System Assessment Certificate for Integration of Informatization and Industrialization
Nantong Energy	2nd Prize of Modernization Innovation Result in Business Management of Jiangsu
CIMC Sanctum	Zhangjiagang Compliant Enterprise in Management System for Integration of Informatization and Industrialization
CIMC Sanctum	2020 Suzhou Industrial Design Center
Langfang Integration	2019 Hebei First-set Significant Technical Equipment Enterprise and government incentive
Nantong Food	2020 Jiangsu Small-scale Giant (Manufacturing)
Xinhui CIMC	2020 Jiangmen Municipal Government Quality Award (2nd place)
Xinhui CIMC	"Fire Blue Blade" QC Group won the first prize in the 39th QC Group Publication Conference of Provincial Machinery Industry
Taichang Reefer	National Enterprise with Intellectual Property Advantage certified by China National Intellectual Property Administration
C&C Trucks	Anhui Province Industrial Design Center by Anhui Provincial Department of Industry and Information Technology
C&C Trucks	2020 Logistics Industry User Satisfaction Quality Star Product by the China Transportation Industry Association

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Awardee	Award
C&C Trucks	Anhui Provincial Enterprise with Intellectual Property Advantage by Anhui Provincial Market Supervision Administration
TianDa Airport	Contribution Award of Equipment Industry Technological Innovation in Socialist Pilot Demonstration Zone
Extraction group (China)	Gas Extinguishing System and Automatic Water Spraying System were included in the 2020 Sichuan Directory of Excellent Products
Sichuan Chuanxiao	National Enterprise Enterprise with Intellectual Property Advantage certified by China National Intellectual Property Administration
Sichuan Chuanxiao	Fire Fighting Trucks were included in the 2020 Sichuan Directory of Excellent Products
Yantai CIMC Raffles	Excellence Prize of 2020 China Excellent Industrial Design Award of China Ministry of Industry and Information Technology
Yantai CIMC Raffles	21st China Patent Excellence Prize
CIMC Logistics	2020 National 5A Logistics Enterprise
CIMC Logistics	8th place in 2020 China Freight Forwarder Logistics Industry Series List
OEI & Yantai CIMC Raffles	1st Prize of 3rd Shandong Patent Award
Wuhu Ruijiang	2020 Anhui High-end Brand Cultivation Enterprise in Manufacturing Industry
CIMC Jiangmen	Guangdong Professional, Fine, Special and New SMEs
Huajun Vehicle	2020 China Benchmarking Intelligent Factory
Huajun Vehicle	"5G Intelligent Factory" Project won excellence prize in the national final of the 3rd "Zhangfang Cup" 5G Application Collection Contest
Huajun Vehicle	2019 Zhumadian Mayor Quality Prize
Huajun Vehicle	12nd place in the automobile and accessories list under 2020 China Brand Value Assessment Information Publication
CIMC Vehicles	Gold Prize in the 2nd China Industry Micro Film Competition
CIMC Vehicles	Outstanding Brand Image Prize in the 9th China Finance Summit
CIMC Vehicles	4th place in the New and Sharp Top List under the 2020 China Listed Companies Brand Value List by National Business Daily

Note: only part of honors and awards of the Group, segments, and enterprises is listed here

In 2020, the main honors granted to various segments of the Group and its subsidiaries in labor management are as follows:

Awardee	Award
Jingmen Hongtu	Hubei "May 1" Labour Certificate
Jingmen Hongtu	2019 Jingmen City "Labor Security Integrity Unit and Harmonious Labor Relations Unit"
SOE	2020 Advanced Collective in Nantong
Qingdao CIMC	Qingdao May Day Labor Award" in 2019
C&C Trucks	Wuhu City Harmonious Labor Relations Demonstration Enterprise
CIMC Raffles	Yang Dejiang won the title of "National Model Worker"
Liangshan CIMC Dongyue	Li Jinghai was awarded "National Outstanding Migrant Worker"
CIMC Modular	Wu Fan won the "Guangdong May Day Labor Medal"
Qingdao CIMC Reefer Container	The maintenance team of the equipment and power department was awarded the "Pioneer Worker of Shandong Province"
Jingmen Hongtu	Wu Chengchao won the title of "Model Worker of Jingmen City" in 2019
CIMC Group	The 11st "China Talent Development Elite Award" for the "Best Learning Program"

Organization Structure for Report Preparation

Leading Panel

Chief:	Wu Fapei
Members:	Li Yinhui, Yu Yuqun, Wu Sanqiang, Chen Yangang, Wan Yongbo, Li Zhimin, Zhang Shaohui, Li Zhufeng

Preparation Team

Chief:	Chen Yangang
Deputy Chief:	Li Zhuwen

Departments/ segments	Members	Departments/ segments	Members
Excellence-oriented Operating and HSE Centre of the Group	Li Zhuwen, Zhou Yinghui, Tang Xianhui, Ren Minting, Liu Yaping	Logistics Segment	Zhang Biao, Shang Baoyun
Board Secretary Office of the Group	He Linying, Geng Weirong, Zhang Xinran, Zhang Yusong	Airport Segment	Wang Lele, Xie Xiaoxian, He Jimin, Liang Jieqin
President's Office of the Group	Li Xun, Li Xiao, Gao Tengfei	Heavy Truck Segment	Chen bo, Meng Chao, Yu Junchao
Audit and Supervision Department of the Group	Du Guangzeng, Zhang Yuan, Zhong Huading, Luo Chuntao, Ma Jing	CIMC Transportation Technology	Zheng Ruxing, Ou Haixiao, Wang Hui, Chen Xue, Zhang Lanyu
Strategic Development Department of the Group	Zhang Rubing, Li Wen	CIMC Industry & City	Li Zhe, Ding Qizhong
Data Network Center of the Group	Xu Qing, Zuo Yubao, Qu Mengnan	Financial Leasing	Tu Yun, Zhang Shiwei
Finance Department of the Group	Ge Li	CIMC Intelligence	Ye Feng
Human Resources Department of the Group	Zhang Wei, Xiao Xiao	Finance Company	Fang Pingfan, Yu Yingxin, Miao Dan
Legal Affairs Department of the Group	Zhao Jianming, Sun Jianqi, Huang Longhui, Xie Li	CIMC Huijie	Ge Lei
CIMC Institute	Li Ming, Tian Nanjun	CIMC Tongchuang	Xie Chengbin
Container Segment	Li Zhe, Wu Jingbin, Tang Rui	CIMC Capital	Wang Ying, Tang Wenli
Vehicle Segment	Hong Huiqing, Jiang Bo, Ji Xueyan	CIMC Equipment	He Xinhai
Energy and Chemical Segment	Zhong Yingxin, Yang Ruiqi, Chen Xiaofeng	CIMC Cold Chain	Yu Ziyu
		CIMC IoT	Tu Bibo, Song Kai, Zhu Fengmao
		CIMC Anfang	Chen Yu, Tian Yu

Feedback

Dear readers:

Thank you for reading this report. In order to continuously enhance and improve our management of sustainable development, we sincerely hope to hear your valuable opinions and suggestions. Please complete the content of this page and choose the following channels to give us feedback.

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Address: Board Secretary Office, Excellence-oriented Operating and HSE Centre of CIMC Group, No. 2 Gangwan Avenue, Shekou Industrial Zone, Shenzhen, Guangdong, PRC

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We will fully consider your opinions and suggestions and undertake to keep properly your information.





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