

中国能源建设股份有限公司  
CHINA ENERGY ENGINEERING CORPORATION LIMITED

# Environmental, Social & Governance Report 2020

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

Stock Code: 3996

## ABOUT THIS REPORT

### REPORTING SCOPE

This report is applicable to China Energy Engineering Corporation Limited and its subsidiaries (hereinafter referred to as the “Company” or “we”, “us”) and states the overall performance in the environmental, social and governance of its principal businesses (survey, design and consulting, construction and contracting, industrial manufacturing, clean energy, environmental protection and water utilities, investment and others) during the operation.

### REPORTING PERIOD

This report covers a period from 1 January 2020 to 31 December 2020 (the “Reporting Period”), and part of this report may be beyond the period to ensure completeness of the report.

### PREPARATION PRINCIPLES

This report is prepared pursuant to the Environmental, Social and Governance (ESG) Reporting Guide (the “ESG Reporting Guide”) in Appendix 27 to the Rules of Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The report is prepared in accordance with the principles of materiality, quantitative, balance and consistency.

**Materiality:** The materiality of ESG matters of the Company shall be determined by the board of directors, and communication with stakeholders and the process of identifying substantive issues and matrix of substantive issues are disclosed in this report.

**Quantitative:** The statistical standards, methods, assumptions and/or calculation tools for quantitative key performance indicators in this report, as well as the source of the conversion factors, are explained in the note of the report.

**Balance:** This report presents the Company’s performance during the Reporting Period impartially and avoids choices, omissions or reporting formats that may improperly influence the decision or judgment of the readers of the report.

**Consistency:** The statistical methods and calibers used in the information disclosed in this report are consistent with previous years unless otherwise specified.

### DATA DESCRIPTION

The financial data is abstracted from the annual report of 2020 of the Company, in case of any discrepancies, the annual report shall prevail. Other data are mainly based on the statistics of internal systems of the Company and its subsidiaries. The amounts reported in this report are denominated in Renminbi unless otherwise specified.

Unless otherwise defined, capitalized terms used herein have the same meanings as those defined in the 2020 annual report of the Company.

## ABOUT THIS REPORT

### PLACE OF MAINTENANCE OF THIS REPORT

This report is published in electronic copy, which could be downloaded at the HKExnews's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website (<http://www.ceec.net.cn>).

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## CHAIRMAN'S STATEMENT

The year 2020 is the final year for China to build a well-off society in an all-round way and the "13th Five-Year Plan". In the past year, following the corporate social responsibility concept of "independent innovation, dedication to society, scientific development and building harmony", the Company accelerated the promotion of high-quality development, strived to build a world-class enterprise with global competitiveness, and made every effort to create comprehensive value of economy, society and environment.

**Working together to fight the COVID-19 pandemic.** We mobilized all the forces that could be mobilized, organized all the resources that could be organized, gave full play to what we could and show what we did, in order to get united and fight against and prevention and control of the epidemic no matter how far we are. We donated RMB20 million to Wuhan and Yichang in Hubei Province as soon as possible, raised donations of various anti-epidemic materials, and dispatched more than 130,000 person-time to the community to carry out voluntary services; we successively participated in the construction of mobile cabin hospitals and designated hospitals for COVID-19 patients in many places; we took the initiative to reduce or exempt the rents of commercial shopfronts, venues and warehouses for small and micro enterprises by more than RMB4 million; we carried out the "Six Ones" action of employee care and humanistic care in depth, gathering majestic strength of working together. We worked with all sectors of society to overcome difficulties and made due contributions to the country's fight against the epidemic.

**Green development to help the construction of ecological civilization.** We actively implemented the new energy security strategy and the goals of CO<sub>2</sub> Emission Peak and Carbon Neutrality, gave full play to the unique advantages of energy and power construction, devoted ourselves to structural reforms on the energy supply side, and firmly became the pioneers and pacesetters of energy revolution. Relying on the advantages of cutting-edge technology, we vigorously developed clean energy business including power investment, construction and operation of hydropower, wind power and solar; we actively expanded environmental protection industry chain, and made breakthroughs in business areas such as mine restoration and recycled water operations, providing more solutions to global environmental challenges; we continued to reduce the environmental impact of our own construction and operation, improved the efficiency of resource use, reduced pollution emissions, protected the ecological environment and biodiversity in the location of construction projects, achieving the harmonious unity of economic growth and environmental protection.

**Sticking to ingenuity and striving to create high-quality projects.** We strictly controlled the quality of projects, improved the quality management level in an all-round way, and strived to create high-quality projects. Wudongde Hydropower Station undertaken by the Company has commenced operation. The Ali-Central Tibet Power Grid Interconnection Project, the highest ultra high voltage power transmission and transformation project in the world, led and designed by the Company, has officially put into operation. Kunbei-Liubei-Longmen Direct Current (DC) transmission project, the ultra high voltage multi-terminal DC transmission project with the highest voltage level and the largest transmission capacity in the world, participated by the Company in designing, has put into production and power transmission. The world's first "Hualong One" nuclear reactor, participated by the Company in designing, has successfully connected to the power grid. The underground powerhouse of Baihetan Hydropower Station, the world's largest hydropower project under construction, undertook by the Company, has fully completed. Among the construction of a large number of super projects, we have dedicated our power and wisdom. During the Reporting Period, the Company won 29 National Quality Engineering Awards, including 8 Gold Awards, 2 Luban Awards and 2 Zhantianyou Awards.

## CHAIRMAN'S STATEMENT

**People-oriented and building a harmonious working environment.** We adhered to the concept of “talents are the first resource” to create a harmonious and warm working environment for our employees. We insisted on equal employment and diversified employment, attached importance to the protection of employees’ rights and interests, made efforts to promote localized employment, and drove the common development of the communities where the project was located through creating jobs. We strived to implement our care and love for employees, and promptly introduced employee care measures to solve problems for domestic and foreign employees, building psychological and spiritual defenses in the epidemic prevention and control environment.

The road ahead is long; striving is the only way forward. During the “14th Five-Year” period, guided by the “Several Opinions on Comprehensively Strengthening the Party’s leadership, Speeding up High-quality Development, Deepening Systematic Reform and Enhancing Scientific Management”, we will aim at the grand vision of “industry leading and world-class”, target to “overall doubling, rebuilding a new energy engineering company with high-quality development”. We will adhere to five orientation of strategy, issues, market, value and high goals, highlight the two main lines of high quality development and scientific management, and continue to optimize productivity and industrial layout, market and regional layout, resources and capital layout, so as to systematically create strategic traction, institutional vitality, mechanism dynamic, cultural cohesion, innovation drive, capital and information acceleration and organizational leadership, and strive to be a practitioner of national strategies, the pioneer of energy revolution, the benefactor of high quality development and the creator of better life. We will strive to build China Energy Engineering into a first-class energy integration solution provider, first-class engineering general contractor, first-class infrastructure investor, first-class ecological environment comprehensive treatment provider, first-class urban comprehensive development operator and first-class building materials, industrial products and equipment provider, speed up the construction of a world-class enterprise with global competitiveness, spare no effort to promote the coordinated and sustainable development among economy, environmental protection and society, and create a new era with all stakeholders.

## SPECIAL TOPIC: FIGHTING THE PANDEMIC WITH ALL EFFORTS

The unprecedented outbreak of COVID-19 epidemic in early 2020 has caused severe impact on social development, business operations and normal livelihood. Go Where There Is Epidemic, Fight It till It Perishes (疫情就是命令·防控就是责任). In the battle against the COVID-19, the Company initiated the epidemic prevention and control mechanism for “wartime” emergency response at the very time, and responded and supported with the “wartime state” in a prompt manner. According to the development trend of the epidemic and the actual condition of the Company, we gave full play to our own advantages, fully guaranteed the energy and supplies supply, and organized special donations for epidemic prevention and control, so as to provide a solid guarantee for the fight against the epidemic. We proactively fulfilled our social responsibilities with practical actions, firmly stood in the front line of epidemic prevention and control, and make due contributions to the national epidemic prevention and control.

### Case: Offering timely help to support the hot water supply of Jiangnan Mobile Cabin Hospital

After the outbreak of the epidemic, an emergency mobile cabin hospital was built in Wuhan for the treatment of mild patients. Among them, Jiangnan Mobile Cabin Hospital was rebuilt from Wuhan Convention and Exhibition Center, and received more than 1,500 COVID-19 mild patients. However, due to the obsolete supporting facilities, the limited number of drinking machines, together with the low temperature in Wuhan, the supply of domestic hot water for patients has become an urgent issue to be solved. Being aware of that, Gezhouba Equipment Huadian Huayuan Company (葛洲坝装备华电华源公司), a subsidiary of the Company, voluntarily contacted with the Wuhan Epidemic Control Centre, and made full use of every minute to manufacture 4 household electric heating storage and water heating units, which have the advantages of high efficiency, intelligence and constant temperature, and could provide 25 tons of 50 °C hot water for medical staff and patients every day, satisfying the needs of the mobile cabin hospital in a steady manner. By virtue of the continuous relay transportation, the water heating units were promptly delivered to Wuhan Convention and Exhibition Center to solve the contingent issue for the mobile cabin hospital.



Workers rush to install and debug heating equipment

## SPECIAL TOPIC: FIGHTING AGAINST THE EPIDEMIC ON THE FRONTLINE

### Case: Fight against epidemic together and ensure energy supply

Energy security is one of the important foundations for winning the fight against the epidemic. In order to proactively responding to the COVID-19 epidemic, maintaining normal economic and social order, and ensuring steady energy supply. China Energy Engineering Group Hunan Electric Power Design Institute Co., Ltd. (中國能源建設集團湖南省電力設計院有限公司), a subsidiary of the Company, proactively performed the early warning and monitoring and coordination of energy supply during the epidemic, timely grasped the condition and operation of energy supply and demand in Hunan Province, and made full efforts to dispatch and monitor the electricity and coal inventory and other important index data to ensure accurate and timely provision of coal, electricity, oil and gas operation data of the whole province. Additionally, combined with the big data, artificial intelligence and other advanced technologies of Hunan Energy Planning and Research Center (湖南省能源規劃研究中心), the Company deeply analyzed the massive data of provincial energy, economy, meteorology, etc., modeled and predicted the energy demand of power, natural gas, etc. of the province for 15 days, provided support for the government authorities to accurately predict the provincial energy supply and demand during the epidemic prevention and control period, and assistance of the energy supply guarantee work.

### Case: Care for medical staff and provide logistic support

In order to support the front-line medical staff in Wuhan, Grand Mercure Wuhan Gezhouba of China Gezhouba Group Real Estate Development Co., Ltd., a subsidiary of our Company, took the initiative to become a reception hotel for the medical staff in Wuhan, to cooperate with the government to fight against the epidemic and contribute to the epidemic prevention and control. As a reception hotel for medical staff, Grand Mercure made every effort to ensure that the power supply, hot water, elevator and other facilities and equipment are in good condition, and purchased medical masks, medical gloves, medical alcohol, thermometer, disinfectant, sterile hand sanitizer and other supplies in time to meet the needs of reception. It also sterilized the public areas including the lobbies, corridors, bathrooms, guest rooms, elevators, and the densely populated areas including canteens and staff dormitories in an all-round way.

As a selected hotel for medical staff in Gezhouba area designated by Yichang municipal government, Gezhouba Hotel of CGGC Group, the subsidiary of the Company, strived to solve the worries of medical staff in the front line of epidemic prevention and control. Gezhouba Hotel redisinfected the guest rooms and spelled out “歡迎回家”, “辛苦了”, etc. to welcome the admission of more than 20 medical staff from Gezhouba Central Hospital of Sinopharm. Gezhouba Hotel also arranged the staff and dining places based on the needs for a whole day during the period, making sure provide them with steaming delicious food at the very time, creating a good rest environment for the medical staff and providing the most solid logistics support.



The staff of Gezhouba Hotel redisinfected the room that the medical staff of Gezhouba Central hospital of Sinopharm would stay in once again



## SPECIAL TOPIC: FIGHTING AGAINST THE EPIDEMIC ON THE FRONTLINE

### Case: Epidemic prevention and control, guard the traffic checkpoint

In order to prevent the spread of the epidemic caused by travel, and to allow passengers to travel in a healthy, safe and orderly manner, all toll stations of each expressways of Gezhouba Highway Company, a subsidiary of the Company, have carried out comprehensive prevention and control. Regarding expressways in Hubei Province, each toll station in Xiangjing Expressway of Gezhouba Highway Company has purchased disinfectants, hand sanitizers, protective masks, thermometers, alcohol and other various protective products in a timely manner, sprayed disinfectant in service areas, parking areas, canteens, toll booths and other areas every day, and distributed protective equipment to drivers and passengers for publicity. Besides, the staff of Xiangjing Expressway also cooperated with local quarantine personnel to set up checkpoints at each toll station to coordinate with the staff of the public security, traffic police and epidemic prevention center for epidemic prevention and control to inspect each vehicle in order to ensure that the epidemic does not spread due to travel, and made contribution to the prevention and control of the epidemic.



The staff of Yichang South Station actively cooperated with quarantine

### Case: Aiding in times of difficulties and carrying out donations against the epidemic

In order to effectively implement joint prevention and control measures and help local governments win the fight against the epidemic, China Gezhouba Group Company Limited, a subsidiary of the Company, actively carried out donation activities. After donating RMB10 million to Wuhan City through the Wuhan Red Cross, it made a further donation of RMB10 million to Yichang City through the Yichang Charity Federation to fight the COVID-19 epidemic. We have used practical actions to convey strength and warmth, cheered for and contributed to the winning of the fight against the epidemic, and provided solid corporate strength. The Company's efforts to win the battle against the epidemic have been widely recognized and received letters of thanks from the material security team of the Central Guidance Group to Hubei and other severely epidemic areas.

## ABOUT US



Founded on 19 December 2014, the Company is a joint stock company with limited liability established and co-sponsored by China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司) (a central enterprise supervised and administered by the State-owned Assets Supervision and Administration Commission of the State Council), and its wholly-owned subsidiary, Electric Power Planning and Engineering Institute Co., Ltd. (電力規劃總院有限公司). The Company issued H shares under the initial public offering on 10 December 2015 and listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock Code: 3996.HK).

The Company is a large comprehensive conglomerate providing integrated solutions and whole industrial chain services for energy and power, infrastructure and real estate industries in China and the world. Its main businesses cover energy and power, water conservancy and supply, railway and highway, port and sea-routes, civil engineering, municipal transit, ecological environment protection, property and buildings, etc. as well as have a complete industrial chain integrating planning and consultancy, appraisal and review, survey and design, construction and management, operation and maintenance, investment and operating, technology and services, equipment manufacturing to building materials. The Company is aimed to become a first-class "scientific, managerial, international, and diversified" engineering company with international competitiveness in the world.

The Company has ranked among the world's top 500 companies for seven consecutive years. It ranked top among ENR Top 150 Global Engineering Design Firms, Top 225 Engineering Design Firms, Top 250 Global Contractors and Top 250 International Contractors. It has established more than 200 overseas branches in more than 80 countries and regions around the world, and has operations in all provinces and regions in China and over 140 countries and regions in the world.

The Company implements the "146" strategy and the "1234567" overall policy and shoulders the organizational mission of "Bringing the Energy to the World", adhering to the strategic vision of "industry-leading, world-class", and the corporate purpose of "lean creation of value, quality leading the future", and insisting on innovation, coordination, greenness, openness and new development concept sharing, it always promotes the high-quality development of the Company throughout all work, and constantly enhances the Company's economic competitiveness, innovation, control, influence, and ability to resist risks, dedicating to provide first-class boutique projects for China and the world, creating the greatest value for customers, shareholders, employees and society.

# RESPONSIBILITY MANAGEMENT

## 1. ESG MANAGEMENT

### • Board Statement

The board of directors is the highest decision-making body of the ESG work of the Company and bears ultimate responsibility for the ESG work of the Company. The Board of the Company has established a Social Responsibility Work Committee with the Chairman of the board of directors as the chairman. It is responsible for the review and decision-making of major ESG issues, formulating work policies, strategic plans, and annual work plans related to ESG, assessing and determining risks and opportunities relating to ESG of the Company, overseeing the risk management and monitoring system, and regularly reviewing the Company's ESG performance and progress in achieving its goals.

With the authority of the board of directors, the Social Responsibility Committee of the Company collected and made disclosures of ESG information of 2020, and included relevant ESG issues in this report in accordance with the requirements set out in Appendix 27 to the Listing Rules (the ESG Reporting Guide) of the Stock Exchange.

This report is issued after consideration and approval by the board of directors.

## RESPONSIBILITY MANAGEMENT

## • ESG MANAGEMENT MECHANISM

The Company strictly complies with the *ESG Reporting Guide* in Appendix 27 to the Listing Rules of the Hong Kong Stock Exchange, attaches high importance to ESG governance works.

The Company formulated and implemented the Management Measures of Social Responsibilities. Under the leadership of the Social Responsibility Committee, we cooperate with social responsibility liaison officers of various departments to discuss the operations and ESG performance of the Company, analyze ESG substantive issues, and evaluate the relevant performance and impact of material issues. We have set up a long-term Plan-Do-Check-Act (PDCA), social responsibility management mechanism. To further meet the requirements of the *ESG Reporting Guide* of the Hong Kong Stock Exchange, the Company has established its own ESG indicator system, formulated a mature ESG performance reporting process, and optimized the quality of ESG information disclosure year by year based on the internal and external environments, and continuously improved the professional ability in ESG management.



ESG Management Organization System

## RESPONSIBILITY MANAGEMENT

### 2. COMMUNICATION WITH STAKEHOLDERS

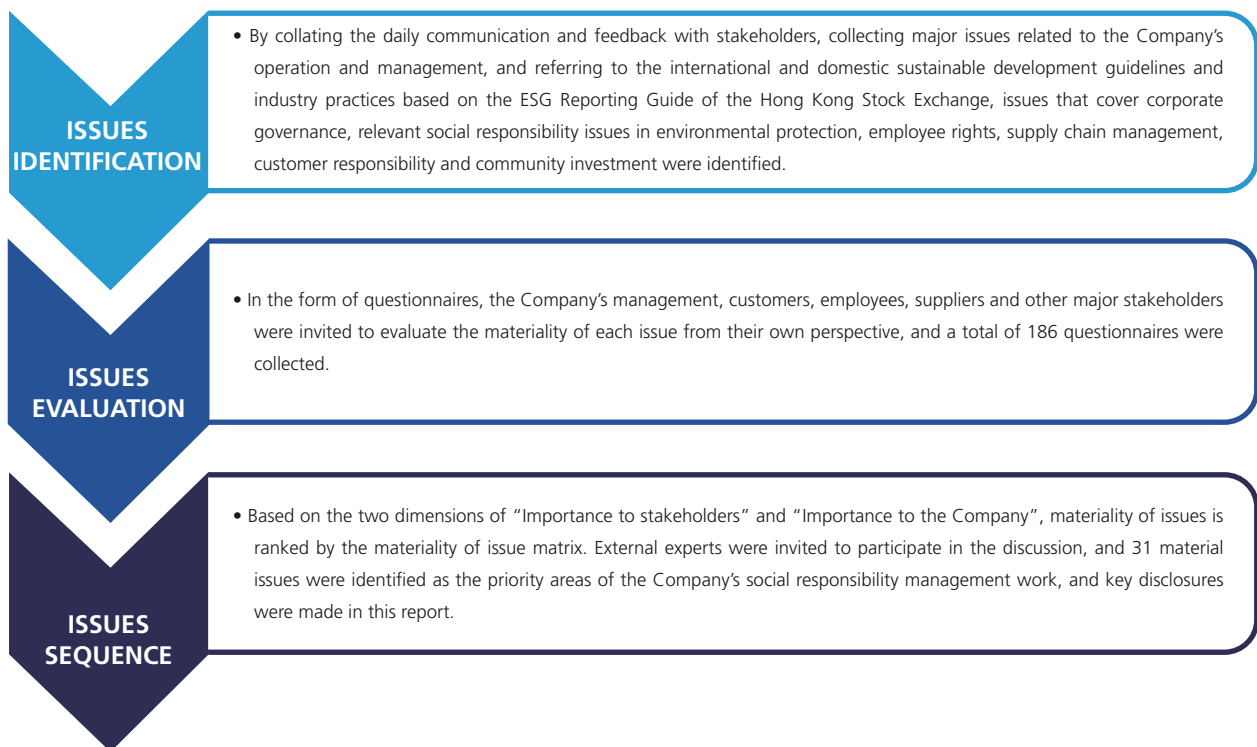
The Company attaches great importance to communication with stakeholders. According to the division of responsibilities and contact interfaces of various departments, the Company has established a daily communication mechanism that conforms to the communication habits of all stakeholders, and has improved the diversified, stable and effective communication channels and feedback mechanism between the Company and various stakeholders year by year. The Company has strengthened stakeholder management, and balanced the rights and interests of all stakeholders, in order to win the respect and understanding of stakeholders, and reduce social risks in corporate operations.

Stakeholders	Communication mechanism	Stakeholders' requisition	The Company's response
Government	<ul style="list-style-type: none"> <li>Policy guidance</li> <li>Report at the special meeting</li> </ul>	<ul style="list-style-type: none"> <li>Response to national strategies</li> <li>Legal and compliance operation</li> <li>Pay taxes according to laws</li> </ul>	<ul style="list-style-type: none"> <li>Service national strategies</li> <li>Uphold steady operation</li> <li>Compliance with laws and regulations</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>General meeting</li> <li>Board meeting</li> <li>Daily communication</li> </ul>	<ul style="list-style-type: none"> <li>Continuous creating values and return</li> <li>Regulate corporate governance</li> <li>Transparent information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Good operating results</li> <li>Enhance corporate governance</li> <li>Timely release of information</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Customer service hotline</li> <li>Satisfaction investigation</li> <li>Visiting</li> <li>Company's website</li> </ul>	<ul style="list-style-type: none"> <li>Promote technology innovation</li> <li>Guarantee project quality</li> <li>Provide satisfactory service</li> </ul>	<ul style="list-style-type: none"> <li>Improve innovation mechanism</li> <li>Enhance quality management</li> <li>Improve service system</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Regular communication</li> <li>Business communication and cooperation</li> <li>Industry association participation</li> </ul>	<ul style="list-style-type: none"> <li>Mutual benefit</li> <li>Common development</li> </ul>	<ul style="list-style-type: none"> <li>Carry out strategic cooperation</li> <li>Participate in the formulation of industry standards</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Employee representative meeting</li> <li>Daily communication</li> <li>Corporate culture activities</li> </ul>	<ul style="list-style-type: none"> <li>Reasonable remuneration and welfare</li> <li>Healthy and safe working environment</li> <li>Occupational development and training</li> <li>Care for employees</li> </ul>	<ul style="list-style-type: none"> <li>Protect legitimate rights and interests</li> <li>Ensure safety production</li> <li>Improve training system</li> <li>Organize employee activities</li> </ul>
Community	<ul style="list-style-type: none"> <li>Learn of community demand</li> <li>Formulate action plan</li> </ul>	<ul style="list-style-type: none"> <li>Helping to achieve a comprehensive well-off</li> <li>Participate in community construction</li> <li>Care for vulnerable groups</li> </ul>	<ul style="list-style-type: none"> <li>Promote targeted poverty alleviation</li> <li>Promote community development</li> <li>Carry out public welfare activities</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Insight into domestic and international trends</li> <li>Master advance technology</li> <li>Improve environmental awareness</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with environmental protection laws and regulations</li> <li>Provide environmental business</li> <li>Energy saving, emission reduction and carbon reduction</li> <li>Protect ecological environment</li> </ul>	<ul style="list-style-type: none"> <li>Reduce pollutants discharge</li> <li>Development of environmental protection industry</li> <li>Improve energy efficiency</li> <li>Construction of green working environment</li> </ul>

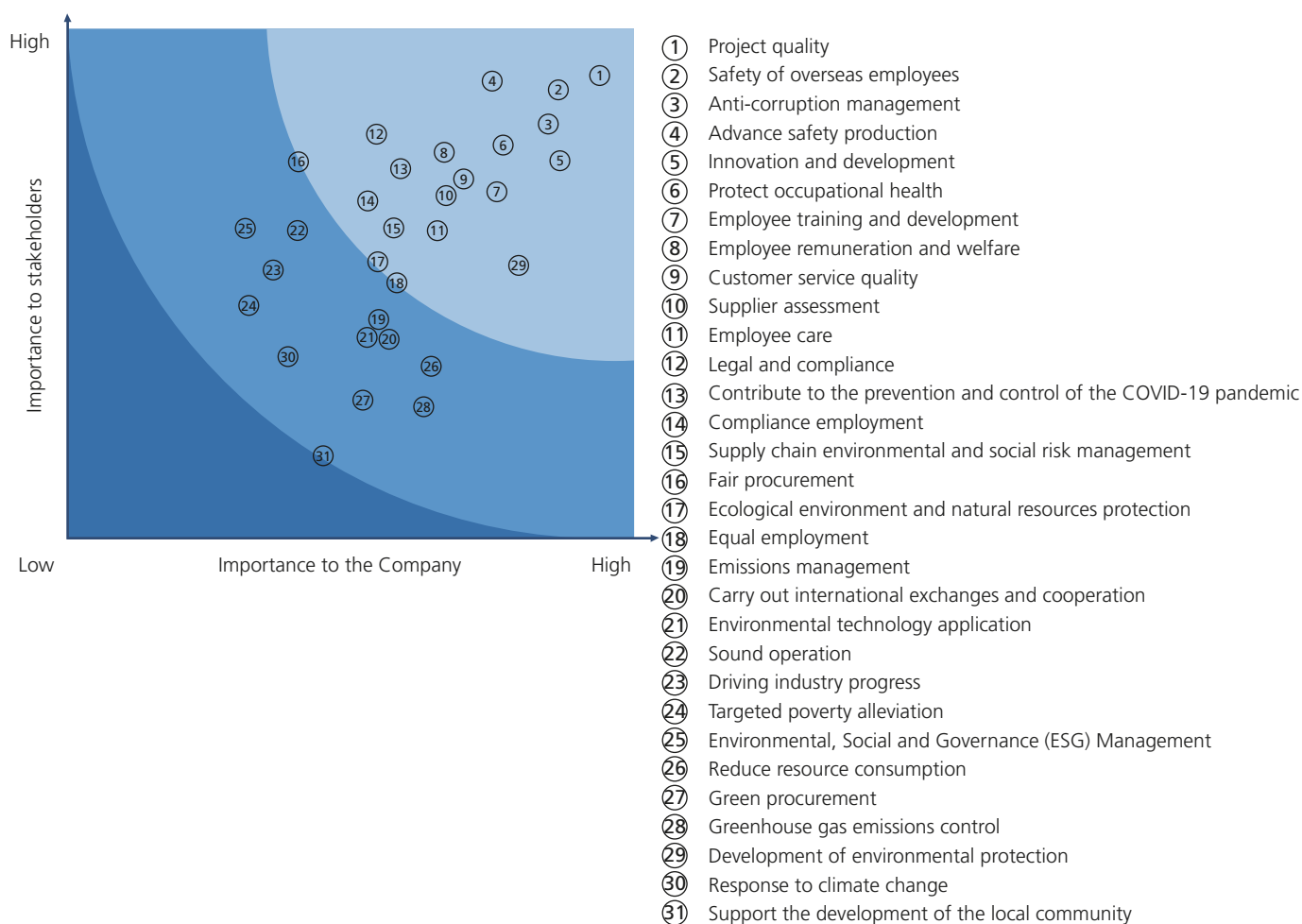
## RESPONSIBILITY MANAGEMENT

### 3. IDENTIFYING MATERIAL ISSUES

The Company rigorously treated the demands of all stakeholders, integrated the demands of all parties into the Company's development strategies, actively assumed social responsibilities, and continued to improve the Company's sustainable development capabilities. The Company has carried out evaluation of important issues during the Reporting Period. Material ESG issues of the Company were identified and evaluated by collecting and recording stakeholders' feedback through questionnaires, so as to accurately and completely disclose the information of operation and management as possible as practicable.



## RESPONSIBILITY MANAGEMENT



Material ESG issues of the Company

# GREEN DEVELOPMENT

## 1. DEVELOPING ENVIRONMENTAL INDUSTRY

Today, when environmental problems are becoming increasingly prominent, the green environmental protection industry has become the core internal driving force for the realization of green and low-carbon transformation, construction of ecological civilization, response to climate change, harmonious coexistence of nature and sustainable development of society. The Company regards the promotion of environmentally friendly development and assistance of building ecological civilization as its own responsibility. The Company is deeply immersed in the green environmental protection industry, actively promotes the development of clean energy and environmental protection and water utilities, and strives to achieve a deeper and broader environmental protection through the continuous expansion of its own business.

### • Clean energy business

The impact of global climate change caused by the sharp increase in carbon emission has become increasingly prominent. In September 2020, China stated at the United Nations General Assembly that it will achieve carbon neutrality by 2060, reflecting its determination to continuously reduce greenhouse gas emissions and help cope with global climate change. For contribution to the “green” transformation in the development of the PRC and the global challenge in response to the climate change, in accordance with the national policy on wind power and photovoltaic power generation, and relying on the leading edge in the frontier technical field of electric power survey and design, the Company vigorously developed clean energy business including power investment, construction and operation of hydropower, wind power and solar to provide inexhaustible power for social development in a cleaner and more efficient manner. As of the end of 2020, the Company’s equity installed capacity of clean energy power generation reached 3.4227 million KW, the controlling installed capacity reached 2.2064 million KW, and the power generation of clean energy reached 4.512 billion kWh.

During the Reporting Period, the Company successfully promoted many clean energy projects, including but not limited to:

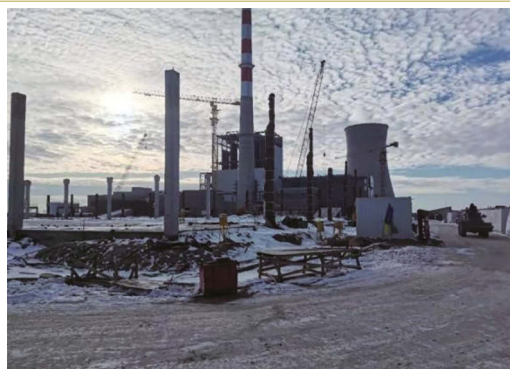
- Shanxi Pingding 100MW wind power project, the Shanxi provincial key engineering project which was invested and constructed by the Company, achieved full on-grid power generation. After putting into operation, the project can provide clean electricity of 200 million kWh per year, saving standard coal of 62,700 tons per year, and reducing sulfur dioxide, nitrogen oxides and carbon dioxide emission by 1,336.8 tons, approximately 2,173.44 tons and 157,200 tons per year, respectively;
- Suihua Zhaodong 2×40MW biomass heat and power co-generation project and Suihua Beilin District 2×40MW biomass heat and power co-generation project, the “Top 100” projects in Heilongjiang Province which was invested and constructed by the Company, started construction successively. After the two projects were put into operation, it is estimated that the straw consumption will be 1.2 million tons per year and green power of 960 million kWh will be provided;
- Guangdong Shaoguan Nanxiong Liniuping Phase III Wind Power Farm project have been successfully grid-connected. After putting into operation, it is expected that the project can provide clean electricity of 100 million kWh per year, saving standard coal of 30,000 tons per year, and reducing sulfur dioxide, nitrogen oxides and carbon dioxide emission by 700 tons, approximately 1,000 tons and 80,000 tons per year, respectively.



## GREEN DEVELOPMENT



Shanxi Pingding 100MW Wind Power Project



Suihua Zhaodong 2x40MW Biomass Heat and Power Co-generation Project

### • Environmental protection and water utilities business

The Company strived to contribute its expertise to the improvement of ecological environment, and conducted environmental protection business in subdivisions such as utilization of renewable resources, water environment treatment, sewage sludge treatment, new road materials and solid waste treatment. Among which, the water treatment design capacity of the water utilities business reached 3 million tons per day. In 2020, the Company further expanded its environmental protection business service capabilities, and achieved research and business breakthroughs in the fields of water environment treatment and contaminated soil site remediation, and provided more dimensional solutions to global environmental challenges.

During the Reporting Period, the key environmental protection and water utilities projects carried out by the Company included but are not limited to:

- China Gezhouba Group Stock Company Limited, a subsidiary of the Company, signed a contract for Baoding Beijing-Kunming (Mancheng Section and Xushui Section) mine restoration project, achieving a major breakthrough in mine restoration business;
- China Gezhouba Group Water Operation Co., Ltd., a subsidiary of the Company, signed a contract for the commissioned operation project of Tiexi Recycled Water Plant in Dingzhou City to carry out the recycled water operation business;
- China Gezhouba Group Stock Company Limited, China Gezhouba Group Water Operation Co., Ltd., China Gezhouba Group Three Gorges Construction Engineering Co., Ltd. and China Energy Engineering Fund Management Co., Ltd., all subsidiaries of the Company, signed contracts for water supply PPP projects for Fengnan, Nanpu and other industrial districts in Tangshan City, Hebei Province in the form of a consortium, and the new water supply scale amounted to 245,000 tons per day. After the project is completed, it will provide high-quality and stable production and domestic water for nearly 800,000 people in Fengnan District, Nanpu District and Kaiping District of Tangshan City, Hebei Province;

## GREEN DEVELOPMENT

- Gezhouba Sainuo (Rizhao) Environmental Technology Co., Ltd., a subsidiary of the Company, successfully signed a contract for and implemented MBR (Membrane Bio-Reactor) procurement and installation project in the Rizhao Airport Sewage Treatment Station and MBR (Membrane Bio-Reactor) procurement and installation project in the Lanshan Chemical Park Sewage Treatment Plant;
- China Gezhouba Group Company Limited, a subsidiary of the Company, successfully signed a contract for the Zhongshan City water comprehensive improvement project (Wuxiang, Huangpu), achieving a major breakthrough in the construction of hydro-environment treatment;
- China Gezhouba Group Company Limited, a subsidiary of the Company, successfully signed a contract for the provincial demonstration project of ecological soil remediation in Hanjiang Bay in Wuhan, achieving a major breakthrough in the restoration of contaminated soil sites;
- China Gezhouba Group Ecological Environment Engineering Co., Ltd., a subsidiary of the Company, carried out the research and application of major scientific and technological projects on “Site Soil-Water Pollution Multi-media Cooperative Remediation Mechanism” and “Key Materials and Technologies for Bioremediation of Contaminated Sites”.

## GREEN DEVELOPMENT



Zhongshan City water comprehensive improvement project



Provincial demonstration project of ecological soil remediation in Hanjiang Bay in Wuhan



Baoding Beijing-Kunming mine restoration project



Water supply PPP projects for Fengnan, Nanpu and other industrial districts in Tangshan City, Hebei Province



Commissioned operation project of Tiexi Recycled Water Plant in Dingzhou City

## GREEN DEVELOPMENT

### 2. ENHANCING ENVIRONMENT MANAGEMENT

The Company adheres to the concept of green, recycling and low-carbon, and attaches importance to fulfillment of its environmental protection responsibility commitments. During production operation, we strictly abide by relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Law of the PRC on the Prevention and Control of Environmental Pollution of Solid Waste*, the *Law of the PRC on the Prevention and Control of Atmospheric Pollution*, the *Law of the PRC on the Prevention and Control of Water Pollution*, the *Extended Manufacturer Responsibility Plan* and the "13th Five-Year" *Comprehensive Work Plan for Energy Saving and Emission Reduction*. The Company continued to improve our own environmental protection system, and formulated and implemented environmental protection management systems such as the "Management Regulations on Environmental Protection", the "Assessment, Reward and Punishment Measures on Environmental Protection" and the "Management Measures for Environmental Incident Reporting and Investigation". The Company implemented responsibilities, strengthened supervision, prevented risks, and steadily promoted energy conservation and emission reduction work. 2020 witnessed neither a single environment pollution event nor other environmental non-compliance incidents.

During the Reporting Period, in order to further strengthen environmental management, measures taken by the Company included but not limited to:

- Strengthened the implementation and supervision of quality and environmental protection system. The Company strictly implemented the *Management Regulations on Environmental Protection*, the *Assessment, Reward and Punishment Measures on Environmental Protection* and the *Management Measures for Environmental Incident Reporting and Investigation* to further improve the environmental management system;
- Strengthened the implementation of environmental protection responsibilities. The Company signed letters of responsibility at all levels, clarified environmental responsibility goals and requirements by classification and hierarchy, and formed responsibility chain of joint management;
- Carried out special inspections. The Company fully cooperated with the investigation and inspection of the environmental protection work of the SASAC. The Company gave full play to its internal resource advantages, organized third-party agencies and experts to carry out environmental inspections, and gradually formed a professional, refined and standardized inspection and supervision model.

## GREEN DEVELOPMENT

### • Emissions

While providing energy-saving and environmental protection business, the Company also strived to reduce the impact of its own emissions on the environment by improving management, optimizing technological processes and using environmentally-friendly materials. On the basis of ensuring compliance with the emission standards and total control requirements of national and local governments, the Company strived to minimize emissions of greenhouse gases, sulfur dioxide, nitrogen oxides, chemical oxygen demand, ammonia nitrogen, hazardous waste and construction waste generated during production and operation.

During the Reporting Period, in order to further optimize emissions management, the measures taken by the Company included but not limited to:

- The affiliated construction companies strictly controlled construction dust, adhered to construction site dust control standards, and achieved “six 100%”, i.e. 100% of fence and material stacking covered, 100% earthwork constructions with water sprayed, 100% road hardening, 100% of vehicles going in and out of the site cleaned and 100% airtight transportation of waste soils vehicles. Such companies promoted the use of environmental architectural coatings to effectively control construction dust and volatile organic compound pollution;
- The affiliated cement companies controlled the production of sulfur dioxide from the source by constructing new NSP cement production lines to replace outdated production capacity, installing selective non-catalytic reduction system and using low-sulfur raw fuels, so that the dust reduction rate reached over 48.87%, the nitrogen oxide reduction rate reached over 57.28%, and the sulfur dioxide emission concentration was much lower than the current national emission standards.
- The affiliated water affairs companies promoted the application of plate and frame dewatering equipment and low-temperature drying dehydration equipment to replace traditional belt filter press equipment. The moisture content of dewatered sludge was reduced from 80% to 60%, and discharge of sludge was reduced;
- Intensified efforts on the reconstruction of coal-fired boilers and actively optimized the energy structure. The Company made the reconstruction of coal-fired boilers from “coal-fired boilers” to “gas-fired boilers”, effectively solving the problems of large noise, excessive dust, large coal consumption and low comprehensive energy efficiency during boiler operation, reducing generation of pollutants such as sulfur dioxide and nitrogen oxides from the source;
- The Company carried out self-monitoring in accordance with the law, established accounting records, and compiled implementation reports to ensure that relevant requirements of the pollution discharge permit are strictly implemented to ensure that the emissions are within the permitted emission concentration and the permitted emission volume;
- Through establishment of energy management system, motor transformation, application of low-nitrogen burner, transformation of kiln head sealing technology, upgrade of high-temperature fan air compressor system, etc., the Company greatly reduced energy consumption and significantly reduced carbon emissions;

## GREEN DEVELOPMENT

- The construction project used low-frequency and low-noise construction machinery to strictly control the noise limit;
- Hazardous waste generated was handled by qualified professional institutions for harmless treatment. Mechanically repaired waste oil was entrusted to qualified units for unified recovery and treatment to reduce discharge of hazardous waste. Domestic waste was recycled through sorting.
- The Company's emissions during the Reporting Period are summarized as follows<sup>1</sup>:

Unit: RMB

Item of indicator	Unit of indicator	2020	2019	2018
Total greenhouse gas emissions <sup>2</sup>	Tonnes CO <sub>2</sub> e	<b>7,422,863</b>	5,325,360	5,971,716
Direct greenhouse gas emissions <sup>2</sup>	Tonnes CO <sub>2</sub> e	<b>3,724,461</b>	2,910,979	2,989,029
Indirect greenhouse gas emission <sup>2</sup>	Tonnes CO <sub>2</sub> e	<b>3,698,402</b>	2,414,381	2,982,687
Unit greenhouse gas emissions for operating revenue	Tonnes CO <sub>2</sub> e/RMB ten thousand	<b>0.28</b>	0.22	0.28
Total sulfur dioxide emissions	Tonnes	<b>8,087</b>	8,127	8,248
Total nitrogen oxides emissions	Tonnes	<b>17,091</b>	17,175	17,678
Chemical Oxygen Demand (COD)	Tonnes	<b>7,054</b>	7,007	7,180
Total ammonia nitrogen emissions	Tonnes	<b>1,064</b>	1,058	1,081
Total hazardous wastes <sup>3</sup>	Tonnes	<b>1,987</b>	2,107	2,293
Unit total hazardous wastes generated for operating revenue	Tonnes/RMB00 million	<b>0.76</b>	0.89	1.02
Total non-hazardous wastes <sup>4</sup>	Tonnes	<b>41,312,284</b>	21,675,318	77,981,748
Unit total non-hazardous wastes generated for operating revenue	Tonnes/RMB ten thousand	<b>1.58</b>	0.91	3.62

Notes:

- 1 Wastes statistics covers the core business of the Company in the PRC including survey, design and consultancy, construction and contracting, etc. In 2020, due to the Company's multiple highway and tunnel engineering projects, greenhouse gas emissions increased significantly.
- 2 The calculation of greenhouse gas emission is based on the *Greenhouse Gas Protocol – Corporate Accounting and Reporting Standards (2012 revised)* issued by the World Resources Institute and the World Business Council for Sustainable Development and the Fifth Evaluation Report issued by Intergovernmental Panel on Climate Change.
- 3 The Company continuously improves the statistical caliber of environmental data. Since 2019, the hazardous waste generated from the equipment sector has been included in the statistics of hazardous waste. Based on this, the amount of hazardous waste generated in 2018 is adjusted simultaneously to ensure that the data caliber of this indicator is consistent in different years. The Company's hazardous waste includes hazardous waste in the equipment sector, hazardous waste in the civil explosion sector, and other hazardous waste generated in daily office operations. All hazardous waste generated will be treated by qualified professional institutions for harmless treatment.

## GREEN DEVELOPMENT

- 4 Non-hazardous wastes include construction waste and sludge generated by sewage treatment plant under the environmental protection segment. In particular, in 2020, 41,043,752 tons of waste slags were generated during construction, and 268,532 tons of sludge were generated from sewage treatment plants under the environmental protection sector. In 2020, as the Company carried out a number of highway and tunnel engineering projects, there was a large amount of earthwork, and the amount of non-hazardous waste, that is, the amount of construction waste generated, and the amount of sludge generated by the sewage treatment plant under the environmental protection sector increased significantly year-on-year as compared with 2019.

### • Use of energy and resources

The Company adheres to the concept of green and sustainable development, comprehensively implements energy-saving, consumption-reducing and recycling measures to improve the utilization rate of energy and resources, strives to reduce the consumption of electricity, diesel, gasoline, natural gas and water resources consumed during our production and operation, and relentlessly pursues the completion of various production and operation activities with minimized environmental load.

During the Reporting Period, to further improve the efficiency of energy and resources use, the Company has taken the following major measures, including but not limited to:

- Carried out environmental protection transformation. The 12 clinker production lines of the affiliated cement companies are equipped with pure low-temperature waste heat power generation boilers, and the installed capacity of waste heat power generation is 99MW, achieving power generation of 207.3204 million kWh;
- The Company effectively used the heat generated from the incineration of domestic waste to replace part of the coal combustion, and processed 155,000 tons of domestic waste annually, which can save approximately 16,000 tons of coal for the whole year;
- The Company established a loop waste water utilization system to introduce waste water discharged during the waste heat power generation into the reclaimed water collection tank. After satisfying the standard treatment, it can be used for plant greening and clean water, which can save a total of approximately 20,000 tons of water throughout the year.

## GREEN DEVELOPMENT

During the Reporting Period, the main resource utilization of the Company is summarized as follows<sup>1</sup>:

Unit: RMB

Item of indicator	Unit of indicator <sup>2</sup>	2020	2019	2018
Electricity consumption <sup>3</sup>	Ten thousand kWh	598,076	376,365	431,774
Gasoline consumption <sup>3</sup>	Tonnes	78,849	48,255	56,867
Diesel consumption <sup>3</sup>	Tonnes	1,087,665	734,925	739,668
Natural gas consumption <sup>3</sup>	Ten thousand cubic meters	693	268	1,510
Other energy consumption <sup>4</sup>	Tonnes of standard coal equivalent	10,127	117,860	169,888
Comprehensive energy consumption <sup>5</sup>	Tonnes of standard coal equivalent	2,455,235	1,725,838	1,842,914
Unit comprehensive energy consumption for operating revenue	Tonnes of standard coal equivalent/RMB ten thousand	0.094	0.073	0.086
Total production water consumption	Tonnes	1,319,441	1,739,556	3,742,799
Unit water consumption for operating revenue	Tonnes/RMB ten thousand	0.050	0.073	0.17

Notes:

- 1 As the Company is a comprehensive solution provider for the power industry, the statistical scope of resource consumption covers its core businesses located in the PRC such as survey, design and consultancy, construction and contracting, etc. Indicators on packaging materials did not constitute material ESG related issues of the Company and therefore have not been disclosed.
- 2 The statistical units of energy-saving operation index data are listed according to the original statistical units.
- 3 As the Company gradually separated the social functions such as water supply, power supply, heating supply and property management since 2019, the consumptions of electricity, gasoline, diesel and natural gas in 2019 were significantly reduced compared to 2018, and no purchased heat consumption was generated in 2019. In 2020, as the Company carried out various expressway and tunnel engineering projects, the consumption of electricity, gasoline, diesel and natural gas increased significantly year-on-year.
- 4 Other energy consumption of the Company is mainly coal. Due to the separation of social functions such as water supply, power supply, heating and property management, the coal consumption in 2020 was significantly reduced.
- 5 The comprehensive energy consumption is calculated in accordance with the relevant conversion factors provided in the National Standards of the People's Republic of China, General Rules for the Calculation of Comprehensive Energy Consumption (GB/T2589-2008).



## GREEN DEVELOPMENT

### 3. ECOLOGICAL ENVIRONMENT AND NATURAL RESOURCES PROTECTION

Adhering to the concept of green development, the Company attaches great importance to ecological environmental protection while carrying out construction projects, and strictly abides by the *Environmental Protection Law of the People's Republic of China*, implements the “three-simultaneity” system and other administrative regulations and rules related to environmental protection management of construction projects. On this basis, the Company has also formulated internal guidance documents such as the *Guidelines for Creating the Green Construction Demonstration Projects* based on its own business characteristics. During the whole construction period, the Company takes ecological protection and restoration measures according to local conditions, and tries to minimize the impact of construction projects on the ecological environment.

During the Reporting Period, the Company participated in the design and construction of Jinsha River Xiluodu Hydropower Station, Jinsha River Xiangjiaba Hydropower Station, Ningde Nuclear Power Plant Phase I, CGN Hubei Dawu Jiangjiashan Wind Farm 48MW Project and 500kV Qishan Power Transmission and Transformation Project were awarded the National Soil and Water Conservation Ecological Civilization Engineering of production and construction projects.

During the Reporting Period, to protect the ecological environment and biodiversity of the project location, the Company has taken the following major measures, including but not limited to:

- Environmental protection factors were fully considered during construction planning and scheme design to carry out environmental factor assessment and control;
- Reasonably planned temporary construction roads to reduce vegetation damage, used grid protection to improve slope stability and designed reasonable interception of drainage channels to avoid soil and water loss and protect ecologically sensitive areas;
- Protected natural habitats, wetlands, forests, wildlife corridors and agricultural land, strictly prohibited logging and hunting, and maintained the original landforms;
- Reconstructed the temporary roads, spoil grounds, gravel yards, etc. of the completed projects in a timely manner, and adopted artificial propagation measures such as transplanting turf and sowing grass seeds.

## GREEN DEVELOPMENT

### **Case: Breeding and releasing 60,000 baby fishes to improve the ecological environment of waters**

The Company pays great attention to the impact of construction projects on the ecological environment, strives to protect the ecological balance, and contributes to the construction of ecological civilization. In August 2020, the Yunnan Huilongshan Hydropower Project undertaken by Guangxi Water Conservancy and Hydropower Engineering Bureau Co., Ltd. of China Energy Engineering Group, a subsidiary of the Company, bred baby fishes and released them to the wild during the construction period with the theme of “proliferating aquatic biological resources and maintaining natural ecological balance”. On the day of the event, the construction staff of the Huilongshan project department orderly poured buckets of baby fishes into the confluence of Xiaohei River and Mansai River. At the same time, they carried out water ecological environmental protection publicity and called on the people along the river to participate in water ecological protection. Through the method of “cultivating fish with water and purifying water with fish”, the project further conserved natural water population resources in a national nature reserve in Mengla County, Xishuangbanna Dai Autonomous Prefecture to improve the ecological environment of waters.

More than 60,000 fingerlings of beardfish, carp, silver carp and herring were released in this event. The released baby fishes are all dominant species suitable for growth in the Xiaohei River and Mansai River basins with the characteristics of high survival rate after release and optimized aquatic population structure. In the waters where the baby fishes are put into, there are also fish breeding and release stations of hydropower stations which prevent the fish migration channel from being blocked, so as to ensure the construction progress of hydropower stations, and effectively supplement the biological resources of some waters in the national nature reserve, and work together with the people along the river to build a beautiful home where fish and water are close, and people and nature live in harmony.

## GATHERING EMPLOYEES

### 1. BUILDING A DIVERSE TEAM

The Company upholds the “people-oriented” concept and has established a standardized recruitment process in strict accordance with the requirements of the *Labor Law of the People’s Republic of China* and the *Labor Contract Law of the People’s Republic of China* to oppose employment discrimination and provide equal employment opportunities to society. In the process of recruitment, the Company treats employees of different nationalities, races, genders, religious beliefs and cultural backgrounds fairly and impartiality, ensuring that the recruitment information is open, the recruitment process is fair, and the best are selected.

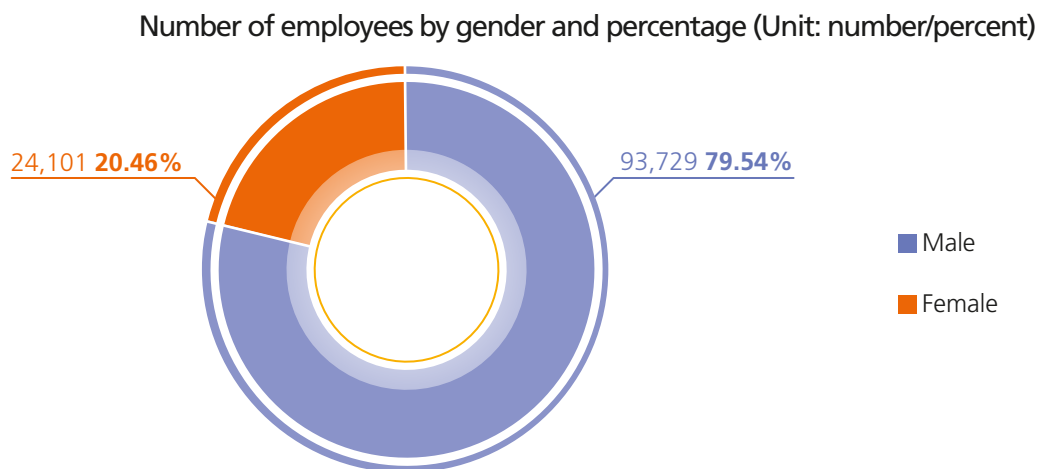
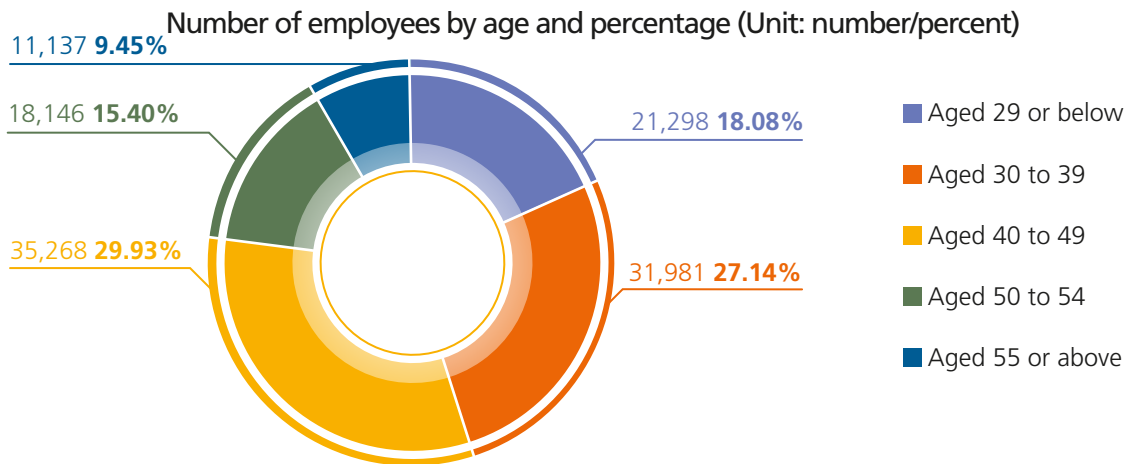
The Company strictly follows the *Labor Contract Law of the People’s Republic of China*, the *Social Insurance Law of the People’s Republic of China* and other related laws and regulations, and has formulated and implemented the *Measures for the Management of Labor Contracts*, *Detailed Implementation Rules for the Management of Labor Contracts*, *Regulations for the Management of Labor Employment*, *Regulations for the Management of Wage Income*, and *Administrative Measures for the Workers’ Congress*, to safeguard employees’ rights to labor compensation, social security, rest and vacation, labor protection, etc., and establish a standardized remuneration and package system, strictly implement the regulations of “equal pay for equal work” and promote democratic management.

The Company actively implements the strategy of internationalization and localization of talents, respects and treats foreign employees equally, does not discriminate and adopt separate standard (except for those must be distinguished due to language, culture and national condition). Employees of different nationalities share tasks and cooperate with each other to conduct business activities in accordance with the same working conditions, work content and assessment standards.

The Company protests against any form of child labor or forced labor, and strictly abides by relevant guidelines, rules and regulations for preventing child labor or forced labor in international, national and operating locations, such as the *Labor Law of the People’s Republic of China* and the *Prohibition of Child Labor Provisions*. On top of regulating employment according to the law, the Company has established a standard staff recruitment information collection and approval process, carefully examines the age of candidates, and does not recruit child labor or mandatory employment. During the Reporting Period, the Company did not have any violations of the standards, rules and regulations concerning child labor and compulsory labor in the international, national and operating areas.

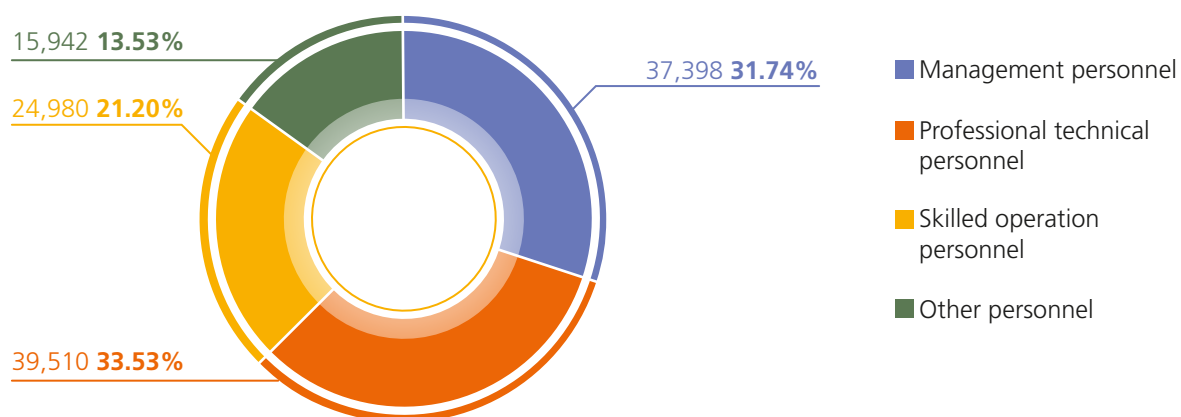
## GATHERING EMPLOYEES

During the Reporting Period, the Company had a total of 117,830 employees, including 4,734 new employees, and the employee turnover rate was 4.31%.

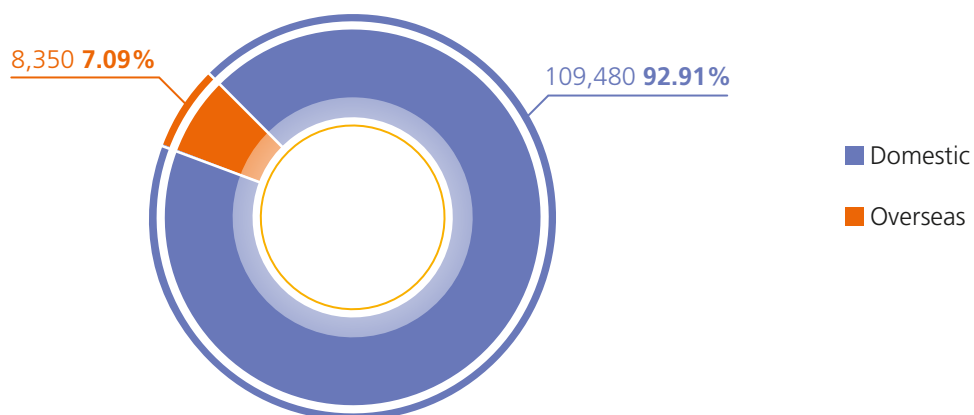


## GATHERING EMPLOYEES

Number of employees by positions and percentage (Unit: number/percent)



Number of employees by working geographical locations and percentage (Unit: number/percent)



## GATHERING EMPLOYEES

### 2. OCCUPATIONAL HEALTH AND SAFETY

The Company attaches great importance to the occupational health and safety production, and strictly abides by the *Occupational Disease Prevention Law of the People's Republic of China* and the *Production Safety Law of the People's Republic of China* and other laws and regulations, constantly improves the occupational health and safety management system, guarantees the occupational health and promotes safety production.

#### • Guarantee occupational health

The Company adheres to the principle of prevention first and combination of prevention and control, strictly abides by the *Occupational Disease Prevention Law of the People's Republic of China*, the *Plan for Handling Public Health Emergencies in the PRC*, the *Measures for the Supervision and Administration of Occupational Health Surveillance* and other national laws and regulations, fulfills the responsibility of occupational health management by prevention and control according to the law, source treatment and overall policies, to protect the health of staff.

During the Reporting Period, the Company's major measures to further strengthen occupational health management include:

- strengthened the organization and leadership of occupational health work, and made overall arrangement and deployment of occupational health work;
- improved the management system of occupational hazard prevention and control and occupational health monitoring at all levels, and strictly implemented the occupational health management responsibilities and measures;
- carried out occupational hazard factors monitoring and appraisal and prevention and control of occupational hazard from the source;
- strengthened occupational health publicity and training to enhance the staff's awareness and ability of occupational health protection;
- guaranteed the investment in occupational health, strengthened the management of labor protection supplies, and standardized the setting of occupational hazard protection facilities and warning signs;
- strengthened occupational health examination, discovered occupational contraindications and health damage of labors in a timely manner, and effectively prevented, controlled and eliminated occupational diseases.

## GATHERING EMPLOYEES

### • Promote safe production

The Company adheres to the concept that “safety management is the first productivity and the first management”, strictly follows the *Production Safety Law of the People’s Republic of China*, the *Administrative Regulations on the Work Safety of Construction Projects*, the *Measures for Work Safety Incident Reporting, Investigation and Disposition*, the *Interim Provisions on the Supervision and Management of Work Safety at Central Enterprises* and other national laws and regulations, and has formulated the “1 + 10” (one administrative regulation and 10 administrative measures) safety production management system, and fully implemented responsibility of the safety and health management system.

During the Reporting Period, the Company’s major measures to further promote safety production management include:

- comprehensively strengthened the organization and leadership of safety production, included safety production into the procedure scope of the Party committee, and implemented the requirements of “the common responsibilities of the Party and government, one post with two responsibilities”;
- formulated the *Implementation Measures for Safety Production Performance and Supervision* to promote responsible personnel to fulfill his duty of safety production;
- took “twelve in place” as the action guide of safety production, and as the reference to “make up for shortcomings and strengthen the weaknesses”;
- carried out in-depth three-year action of special rectification of safety production, formalized work tasks, promoted informatization, normalized special supervision, and promoted the deepening and consolidation of special rectification;
- focused on the safety production under the conditions of epidemic prevention and control, arranged the deployment at the very time, supervised and urged the safety production of work resumption and production resumption, remotely supervised the project safety production, and online supervised the Company’s safety production management, to fulfill the responsibility of safety production at all levels, and implement various safety production assurance measures;
- strengthened the dynamic analysis, research and judgment of safety production risks from up and down, highlighted the safety production risks of “new, long-distance, hazard, heavy and small” projects and in important periods, carried out special supervision on safety management of international business and new business, and implemented the safety management responsibilities of international business and new business;
- improved the safety production inspection mechanism and work standards of normalized engineering projects, carried out project safety production inspection, comprehensive inspection of safety production in spring and autumn, and strengthened the “four nos and two directs” and “look back” inspection;

## GATHERING EMPLOYEES

- promoted the construction of integrated safety supervision information system, and applied the information system to conduct online supervision, accountability inspection, etc.;
- organized a series of “safety production month” activities such as theme propaganda, the “investigation and rectification in progress” and case warning, organized safety management training for full-time safety supervisors in new business and international business, and conducted typical experience exchange such as “team safety construction”, so as to improve the quality of safety production.

- **Focus on the safety of overseas employees**

The Company strictly abides by the Regulations on the *Safety Management of Overseas Chinese Enterprises and Personnel*, intensified the risk assessment, monitoring and early warning of overseas public security in accordance with the *Administrative Measures for the Safety of Overseas Institutions and Personnel* and the *Contingency Plan for Overseas Emergencies*, high-efficiently disposed overseas public security emergencies, and constantly improved the safety management of overseas projects, institutions and personnel life and property.

During the Reporting Period, the Company’s major measures to further enhance the safety management of overseas employees include:

- according to the *Administrative Measures for the Safety of Overseas Institutions and Personnel* and the *Contingency Plan for Overseas Emergencies*, the corresponding level of emergency plans and on-site emergency response plans were formulated, forming a complete system of the Company’s special emergency plan for foreign-related emergencies;
- collected risk information, timely released risk warning information, and issued a series of notices and early warning information including the *Notice on Comprehensively Strengthening Overseas Contingency Management of Public Health Emergencies* and the *Notice on Corresponding to Safety Risks of Potential Outbreak of the COVID-19 in Africa*;
- provided employees with insurance such as employer liability insurance and group traffic accident insurance, and to strengthen the awareness of security risks of expatriate employees;
- organized health checkups and vaccination for employees in the health and epidemic prevention departments in accordance with the relevant regulations of the Company and in accordance with the requirements of the country where the project is located;

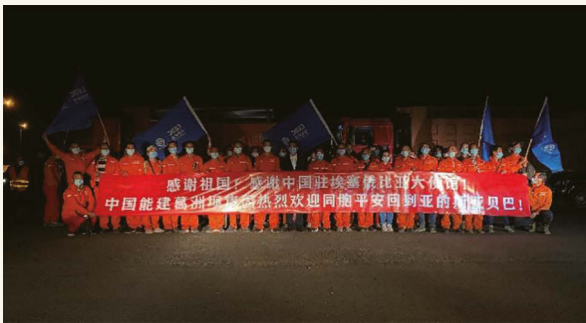


## GATHERING EMPLOYEES

- strengthened the approval of employees on business trip through the “Management System for Overseas Business Trip”, issued the overseas security reminder at any time. When sensitive countries are involved, sensitive country alarms would be set up;
- urged the subsidiary to set up contingency management team depending on the characteristics of the country (region) where the project is located, project condition and personnel deployment, so as to ensure the personal safety and health of employees and prevent and control the epidemic;
- established the mobile information interaction system so as to understand the actual condition and the footprint of every overseas personnel in real-time manner, the system combines the functions of guidance of going abroad, foreign affairs policies, travel registration and reporting, global positioning system and emergency warning.

### Case: Assisting staff to evacuate safely from war-torn areas

In November 2020, an armed conflict broke out in Tigray, Ethiopia. The personal safety of 140 Chinese employees of the Mekelle Water Supply Development Project Department in Tigray of China Gezhouba Group Company Limited, a subsidiary of the Company, was seriously threatened. In order to ensure the safe evacuation of Chinese employees, under hard conditions such as the complete interruption of communications, networks and oil and gas supplies, the Mekelle Water Supply Project Department, through the coordination of the Chinese Embassy in Ethiopia using satellite phones, successfully organized 140 employees of the Mekelle Water Supply Development Project Department, and 269 Chinese compatriots from China Communications No. 1 Bureau, China Railway No. 4 Engineering, China Railway No. 7 Engineering, the Confucius Institute and other units evacuated safely from the war-torn zone to the capital of Ethiopia, guaranteed the safety of personnel and property of the project department and protected the lives of overseas employees.



The Company's staff successfully evacuated from the war-torn zone

## GATHERING EMPLOYEES

### 3. DEVELOPMENT AND TRAINING

The Company attaches great importance to the education and training of employees. With the development goal of “building a world-class engineering company with global competitiveness”, and with the purpose of serving enterprises and employees for common development, focusing on the construction of a high-quality talent team and employee capacity building, the Company has formulated and implemented the *Administrative Measures for Education and Training*, actively established a training system and strived to build a training platform.

In 2020, the Company actively overcame the impact of the epidemic, intensified online training and increased investment in training, and actively organized education and training at three levels of “company level”, “headquarters’ department level” and “subsidiaries level”. On basis of the Company’s business characteristics and training demand of, the Company made full use of internal and external training resources, and carried out multi-channel and all-round hierarchical and classified business trainings according to the business characteristics and training demand of different types of employees. During the Reporting Period, 659,400 person-time trainings were completed. The average training hours per person was 21.61 hours.

Year	Job Trainings (ten thousand person-time)	Continuing Education Trainings (ten thousand person-time)	Other Trainings (ten thousand person-time)	Total (ten thousand person-time)
2018	32.83	3.61	11.57	48.01
2019	35.96	3.07	14.37	53.40
2020	45.13	3.22	17.59	65.94

### 4. OVERCOMING THE EPIDEMIC WITH EMPLOYEES

Since the outbreak of the COVID-19 epidemic, the Company has taken the epidemic prevention and control as a major task, and strived to perform the staff stabilization in the special period. While centralizing all resources and forces to support the epidemic prevention and control, the Company actively implemented the psychological counseling and humanistic care of staff and their family members, ensuring the physical and mental health of employees, and building a strong line of defense for epidemic prevention and control.

- Strengthen employee care during the epidemic**

The Company always implements the “people-oriented” purpose, attaches importance to humanistic care, and cares about the work and life of employees. After the outbreak of the COVID-19 epidemic, we, based on the actual condition of the Company and the needs of employees, successively set up the psychological assistance hotline, the humanistic care lecture, the “public welfare micro-class” of humanistic care and the “humanistic care for overseas employees” programs and other employee care actions, to help employees relieve and solve their difficulties and overcome the epidemic together.

## GATHERING EMPLOYEES

During the Reporting Period, the Company's employee care measures mainly included:

- set up the “Employee Care Hotline”, introduced scientific knowledge of epidemic prevention, provided psychological counseling and humanistic care, and created a “heart-to-heart bridge” with employees. During the epidemic in 2020, a total of more than 27,000 phone calls were answered, mainly involving in the areas of livelihood assistance and psychological counseling;
- each subsidiary carried out the telephone comfort work. The leaders of the subsidiaries in Hubei greeted the confirmed, suspected cases and employees in difficulty by telephone in person, and to ensure maintaining a smooth communication channel with every staff during the epidemic prevention and control through WeChat, QQ and other love groups;
- conducted the “Four Clear” work against the area, physical condition, family situation and psychological state of employees, took the initiative to care for employees who are fighting on the front line of epidemic prevention and control, care for the confirmed, suspected cases, and employees and their families in difficulty, and clarified key assistance targets and physical assistance measures;
- promoted the typical characters and touching stories that emerged in the fight against the epidemic in a timely manner, fully exerted the role of pioneers and models, and stimulated the strong positive effect of working together to fight the “epidemic”.

### **Case: Setting up the “Employee Care Hotline” to condense the spiritual force of epidemic prevention and control**

A tree has to strike a firm root before it can flourish. At the critical moment of the outbreak of the COVID-19 epidemic, the Company has made efforts to build a psychological and spiritual defense line for the epidemic prevention and control while making money and materials donations and support. On 30 January 2020, we took the “Employee Care Hotline” and “Send Heartfelt Greetings” as the beginning, promoted the “Six Ones” actions including “setting up a group of employee hotlines, sending a heartfelt greeting, focusing on a number of key points of assistance, advocating a healthy life, propagating a number of advanced models and strengthening a set of working mechanisms, which formed a strong spiritual force to win the battle against the epidemic”.

During the epidemic, the Company and its subsidiaries set up a total of 40 employee care hotlines. The hotline consultants are served by the leaders of the Company, psychological consultants and hospital treatment and protection experts who provided 24-hour online consultation, and most of them are in the front line of the epidemic zone, which made them easier to resonate with employees. In order to make psychological intervention and counseling more effective, the Company also organized special business training, inviting psychology professionals to carry out training of psychological knowledge, psychological assistance methods and skills for the leaders of the Company who served as consultants, through which the care to employees from the Company would be transformed into a powerful force in the epidemic prevention and control, and effectively built a strong psychological and spiritual defense for employees and their families.

After the setting up of the consultation hotlines, an average of more than 600 calls are answered every day, provided psychological counseling, living security, medical assistance, advice and suggestions for employees during the epidemic, and sent the warmth of the Company as a big family to every staff.

## GATHERING EMPLOYEES

- **Promote orderly resumption of work and production**

The Company always put the life safety and physical and psychological health of employees in the first place, fully fulfilled the requirements of epidemic prevention and control, adhered to both epidemic prevention and control and resumption of work and production. On the premise of ensuring the health of employees, the Company achieved full resumption and stable production.

During the Reporting Period, in order to protect the health of employees after the resumption of work and production, the Company's epidemic prevention measures mainly include:

- organized “point-to-point” customized work resumption charter flights, enabling employees safely arrive at the construction site, return to work as scheduled, and advanced the resumption of work and production in an accurate and orderly manner;
- the overseas project department of China Energy Engineering Group Anhui No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團安徽電力建設第二工程有限公司), a subsidiary of the Company, formulated the “On-site Disposal Plan for Prevention of COVID-19 Infection Incidents” and carried out emergency drills for epidemic prevention and control of overseas projects to verify the practicability, effectiveness and operability of the contingency plan, so as to further improve the contingency response capabilities of epidemic prevention and control in overseas projects;
- China Gezhouba Group Company Limited, a subsidiary of the Company, followed the principle of the “game of chess for epidemic prevention and control for Chinese and foreign employees”, combined with the national conditions and epidemic prevention policies of the overseas project department, to promote epidemic prevention knowledge to overseas employees and stimulate overseas employees' enthusiasm in epidemic prevention.

## GATHERING EMPLOYEES

### Case: “Point-to-point” customized work resumption charter flights to organize employees to return to work in an orderly manner

Affected by the epidemic, many construction workers were unable to return to work as scheduled after the Spring Festival. In order to prevent and control the epidemic and promote the production resumption, on 14 March 2020, China Energy Engineering Group Anhui No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團安徽電力建設第二工程有限公司), a subsidiary of the Company, arranged for chartered flights to take off from Hefei, Anhui, and sent 150 power workers to the construction site of key energy projects in Xinjiang, arranged 6 buses in advance awaiting at the airport and for “point-to-point” pick-ups, seamless docking throughout the whole process and one-stop arrival, ensured employees return to work safely and healthily, and promoted the smooth progress of project construction.

On the same day, China Energy Construction Group Hunan Thermal Power Construction Co., Ltd., a subsidiary of the Company, organized 182 employees of the Hami Red Star coal-fired power generation project to take a chartered flight from Changsha to Hami. After temperature monitoring of the on-site medical staff in Hami and passing the medical observation for 14 days, the employees returned to the construction site safely for work.



Employees returned to work by charter flights

## SUPPLY CHAIN MANAGEMENT

The Company continues to strengthen supplier management and strictly control environmental and social risks in the supply chain. By adhering to the concept of effective competition, mutual benefit and win-win, resource sharing, the Company standardizes the procurement processes, ensuring the fairness, impartiality and openness of procurement procedures. In order to strengthen the ability of risk prevention and control and resource sharing, in 2020, the Company carried out the research work of the second phase of the construction of subcontractor database, compiled the relevant results into the *Construction Regulation of Subcontractor Database*, and established and improved the registration access, hierarchy and classification, assessment and evaluation, credit record, joint risk prevention and resource sharing system. As of the end of 2020, the Company had a total of 115,654 suppliers, of which 115,197 were domestic suppliers and 457 were overseas suppliers.

During the Reporting Period, in order to further strengthen supply chain management, the Company has mainly taken following measures including:

- Organized annual supplier evaluation, and evaluated and scored all suppliers that have business relationships;
- Carried out the group-level supplier blacklist submission and organized experts to review and phased out the blacklisted suppliers;
- Completed the research work of the second phase of the construction of the subcontractor database;
- Strengthened procurement and compliance training, carried out centralized training, on-site training, comprehensive training, and special operation training, etc.; expanded the scope and objects of training, multi-dimensionally improved the level of training audiences; 5 training sessions were held throughout the year with a total of 1,000 person-time trainings.

# QUALITY CONSTRUCTION

## 1. STRICTLY CONTROL OF ENGINEERING QUALITY

The Company strictly abides by the requirements of the *Product Quality Law of the People's Republic of China*, the *Regulations on Quality Control of Construction Projects*, the quality management system and other regulations and industry-related standards strictly implements the Quality Control Regulations, the *Reward and Punishment Measures for Quality Work Assessment* and the *Administrative Measures for Quality Accident (Event) Reporting, Investigation and Disposition* and other internal quality management rules and policies of the Company.

In 2020, by virtue of release of annual quality work points and signing quality accountability the Company strictly control quality risks, effectively prevent quality accidents and guarantee the quality of engineering, products and services by issuing annual quality work points, signing quality responsibility statement, strengthening quality risk management, investigating and rectifying quality-related hidden trouble and other powerful and effective means, the Company strictly controlled the quality risk, earnestly prevent the quality incidents and guaranteed the quality of projects, products and services. During the Reporting Period, there were no quality incidents and complaints, and the acceptance rate of projects under construction, the qualification rate of equipment products, the qualification rate of industrial products, and the reported qualification rate of survey and design finished products all reached 100%.

During the Reporting Period, the Company promoted the quality improvement action, regulated the quality management and strengthened the whole process quality control for building high-quality projects. Throughout the year, the Company won 2 Excellence Awards of Global Mega Projects, 29 Excellent National High-quality Engineering Awards (including 8 gold awards), 2 China Construction Project Luban Awards, 7 Installation Stars, 45 China High-quality Power Project Awards and 2 China Civil Engineering Zhantianyou Awards.

## 2. PROMOTE TECHNOLOGICAL INNOVATION

Under the management philosophy of "Technology leadership, professional enhancement, key promotion, and comprehensive improvement", and in strict compliance with the laws and regulations related to innovations, patents and copyrights such as the *Science and Technology Progress Law of the People's Republic of China*, *The Law of the People's Republic of China on Promoting the Transformation of Scientific and Technological Achievements*, and the *Patent Law of the People's Republic of China*, the Company carried out innovation incentives and intellectual property rights protection. The Company has established and implemented the Management Measures for Science and Technology Projects, Guiding Opinions on Intellectual Property Law Protection (Interim) and other systems to regulate the application, establishment, implementation, and acceptance of scientific and technological projects.

In terms of scientific and technological research and development, the Company prepared and issued the *Regulations on the Management of Scientific and Technological Innovation* during the Reporting Period, to clarify the responsibility for scientific and technological innovation. In terms of scientific research and development, scientific and technological achievements, incentives and assessment, the Company has put forward work tasks and requirements, focusing on strengthening scientific research and development, and promoted the research and transformation of key core technologies.

## QUALITY CONSTRUCTION

Item of indicator	Unit of indicator	2020	2019	2018
Total number of patents	item	10,043	9,208	8,787
Number of newly added patents	item	1,472	1,418	1,280
Number of newly added invention patents	item	181	201	229
Number of newly added software copyrights	item	218	91	106
Research and development expenses	RMB million	6,681	5,512	4,004
Number of technology research and development projects	item	658	857	509

During the Reporting Period, the core scientific and technological research and results carried out by the Company mainly include:

- Strengthened the management of crowdfunding technology projects, solved the problem of repeated investment and repeated research of homogeneous enterprises, and improved the efficiency of scientific and technological innovation;
- Strengthened the guidance for the transformation of scientific and technological achievements of subsidiaries. In 2020, all subsidiaries carried out a total of 323 scientific and technological achievements transformation projects, achieved accumulative direct economic benefits of RMB2.315 billion and helped market development of RMB1.942 billion;
- Implemented the scientific and technological innovation action plan, organized and entered into 24 major scientific and technological special tasks, and carried out 28 major scientific and technological special research work;
- Undertook major national science and technology projects. During the Reporting Period, we carried out research work on 2 National Natural Science Foundation projects and 15 national key R&D projects;
- One major science and technology project was completed and passed the acceptance check. Other projects have achieved stage results, including: preparation of 36 technical standards, including 7 publications; application for 79 invention patents, including 22 authorizations; application for 108 other intellectual property rights, including 52 authorizations; publication of 91 scientific papers, including 22 articles included in EI (Engineering Index) and SCI (Science Citation Index);
- Completed all of the research work for 3 projects of “Ultra-ultra-low emission technology and equipment integration and application”, “High-voltage and large-capacity flexible DC transmission key technology research and engineering demonstration application”, and “Industrial park multi-user interactive power distribution system key technology research and demonstration”, and submitted their results.



## QUALITY CONSTRUCTION

With the steady increase in the number of intellectual property rights of the Company, the continuous improvement of technological autonomy, and the gradual enhancement of core competitiveness, the Company has gradually improved knowledge, patent, and copyright protection and management measures to effectively protect legitimate rights and interests.

During the Reporting Period, the protection of intellectual property rights carried out by the Company mainly included:

- Strengthened system management, formulated and published guidance and management measures for the legal protection of intellectual property rights, and provided guidance and institutional basis for the comprehensive protection of intellectual property rights;
- Strengthened process management, avoided infringement risks in all links, agreed on ownership of rights, applied for copyright in a timely manner, and dynamically monitored infringements, formulated response strategies in a timely manner, and used legal means to resolve disputes;
- Strengthened personnel management, agreed on confidentiality obligations and non-competition obligations when necessary, and clarified legal responsibilities;
- Strengthened secret measures and strictly regulated the dissemination and leakage of intellectual property rights;
- Strengthened legal review, entered into contracts and conducted legal review for intellectual property licenses, transfers, or equity contributions.

### 3. CARRYING OUT INTERNATIONAL COOPERATION

Adhering to the organizational mission of “World Energy, Energy China” and the corporate spirit of “Win-win and Long-Term Development”, the Company continues to accelerate the pace of “Going Global”, deeply integrates into the “One Belt and One Road” construction, and cooperates with the partners in energy sector of the world. In the in-depth development of international cooperation in the areas of power interconnection, infrastructure construction, and energy resource development in countries along the “One Belt and One Road”, the Company actively promotes Chinese standards, builds communication bridges, and demonstrates corporate responsibility.

## QUALITY CONSTRUCTION

The Company has always insisted on implementing projects to improve local people's livelihood, create job opportunities, and share the results of cooperation and development with people in the country we operate to achieve mutual benefit and win-win results. During the Reporting Period, the major overseas projects implemented by the Company include but not limited to:

- Carrying out the construction of the investment project of the Sukiknari (SK) Hydropower Station in Pakistan. The total installed capacity of the power station is 873MW, which can provide 3.08 billion kWh of annual power generation;
- The BOT project of 2×600MW coal-fired power station in Hai Duong, Vietnam realized grid-connected power generation. This project is by far the largest single investment project of a Chinese company in Vietnam;
- Completed the construction of the Nilem Jerem Hydropower Project (N-J) Hydropower Project in Pakistan, with a total installed capacity of 969MW, and the clean hydropower generated will be input to the National Grid of Pakistan;
- The 2×660MW coal-fired power station project in Hubu, Pakistan was officially put into commercial operation. This project is a key project of the "China-Pakistan Economic Corridor", and also the EPC general contracting project for overseas supercritical coal-fired power plants with the largest installed capacity of the Company.

### 4. PROTECTION OF CUSTOMER RIGHTS

While constructing high-quality projects, the Company attaches great importance to customer needs and feedback, takes customers as the center, and continuously meets customer needs, strengthens customer care, closes customer relationships, and improves customer satisfaction, so that customers and the Company can establish a sustainable win-win and mutual benefit. relationship. The Company formulated and implemented the *Administrative Measures for the Review of Contracts for Major Domestic Projects* and the *Customer Relationship Management Measures for the Domestic Market*, established and improved an institutionalized, standardized and normalized customer relationship management mechanism, and strengthened management in areas such as customer information, customer communication and customer needs. In response to project complaints, we continued to strengthen compliance supervision to timely control the problems in project management. We guide, supervise, and coordinate with relevant enterprises to formulate response measures to ensure that the concerns of all parties are properly responded. Besides, we also make special regulations on the confidentiality of customer information to ensure the security of customer information. During the Reporting Period, the Company did not experience any leakage of customer privacy in the domestic market.

## ANTI-CORRUPTION

In strict compliance with laws and regulations such as the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, *Several Provisions on the Clean Practice of Leaders of State-owned Enterprises*, *Interim Provisions on the Prohibition of Commercial Bribery*, *Implementation Measures on Investigating and Handling Corruption Cases and Reporting to the Discipline Inspection and Supervision Team of the State-owned Assets Supervision and Administration Commission (Trial Implementation)*, and *Guiding Opinions of the Party Committee of the State-owned Assets Supervision and Administration Commission on Strengthening the Prevention and Control of Integrity Risks of Central Enterprises*, we have formulated and implemented internal systems such as the Measures for Strengthening the Education of Anti-corruption and Promoting Leaders, and the Implementation Measures for the Prevention and Control of Integrity Risks, and established a complete integrity management system.

In 2020, the Company has worked hard to formulate a number of new systems of anti-corruption supervision, carried out anti-corruption ideological education, and implemented supervision and inspection of violations and special rectification work, committed to rigorously developing the construction of a clean government culture, and comprehensively monitored the prevention and control of corruption risks.

Formulate a number of new systems of anti-corruption supervision	<ul style="list-style-type: none"> <li>We have developed the internal systems such as the <i>Implementation Measures for the Discipline Inspection and Reporting</i>, <i>Supervision and management regulations of 'three majors and one significance' decisions of the Company</i>, and <i>Measures for the Implementation of the Three Talks of Company Leaders</i>, and fully optimized the discipline inspection and supervision letter and visit reporting process, strengthened the commercial bribery prevention and control management level, strictly supervised and enforced disciplines in accordance with regulations and disciplines, and established a comprehensive, authoritative and efficient supervision system.</li> </ul>
Carry out anti-corruption training	<ul style="list-style-type: none"> <li>We conducted a series of warning education series activities with the theme of "Ring the alarm and constraint oneself", and subsidiaries launched a special study of disciplined regulations, watched a warning educational film, and visited the warning education base;</li> <li>We have opened up the "Integrity" column in our website, publicized the latest spirit and laws and regulations of integrity construction. We also promoted the content of "Integrity" in a timely manual through WeChat, formed "Website and WeChat" education model, we publicized integrity culture through various channels and various forms;</li> <li>We held the "Disciplinary lecture of Energy China" and implemented all staff training. Focusing on the difficulties of discipline inspections and new requirements for the new situation, we organically combined the knowledge and professional capabilities. We introduced experience on the supervision and management of major supervision and project supervision, and conducted lectures on the quality analysis of violation of laws and violation of regulations.</li> </ul>
Implement supervision and inspection	<ul style="list-style-type: none"> <li>Continued to carry out supervision and inspection, paid close attention to important festivals and key times, and strengthened inspections on official vehicles, business entertainment, and leaders' performance benefits;</li> <li>Accepted reports of violations of discipline and regulations through multiple channels. Received letters and visits reports and clues of problems through calls, letters, visits and the Internet, and promptly accepted, investigated and dealt with them;</li> <li>Organized inspections and supervisions of 9 subsidiaries and 5 headquarters departments, found out and corrected deviations, provided timely feedback, urge rectification, and promoted standardized governance.</li> </ul>

Year	2020	2019	2018
Number of anti-corruption publicity and education training	6,918	3,302	2,072
Total number of participants in anti-corruption publicity, education and training	114,218	128,391	122,172

# COMMUNITY INVESTMENT

## 1. CARRYING OUT TARGET POVERTY ALLEVIATION

2020 is the closing year of poverty alleviation. The Company adheres to the tenet of “True Poverty Alleviation, Real Poverty Alleviation”, gives full play to its own advantages, and integrates the entire Company’s strengths to carry out target poverty alleviation with an innovative work model. We continue to increase investment in targeted poverty alleviation, and we have helped Xilin, Guangxi and Zhenba, Shaanxi, successfully win the battle against poverty through a multi-dimensional poverty alleviation model including industry, employment, consumption, and infrastructure construction.

During the Reporting Period, in order to further promote the implementation of targeted poverty alleviation, the main measures adopted by the Company include:

- Increase the intensity of targeted assistance and invest assistance funds for infrastructure construction, industrial poverty alleviation, education assistance, technical training, etc., to help Xilin County and Zhenba County get rid of poverty;
- Increase consumption poverty alleviation efforts. Our subsidiaries actively support the sales of agricultural and sideline products in designated poverty alleviation counties, and the amount of consumption poverty alleviation increased by more than 50% over the previous year. Besides, we helped the brand building of local agricultural products and enhanced the value of agricultural products;
- Promote “blood-making” poverty alleviation models such as industrial poverty alleviation, education poverty alleviation, employment poverty alleviation, and solve the prominent problems of “two no worries and three guarantees”.

### Case: Dedicated to infrastructure construction in poverty-stricken areas to help fight poverty

The Company actively make contributions to winning the battle against poverty and makes full use of its own advantages to help impoverished areas improve infrastructure construction. China Gezhouba Group Company Limited (中國葛洲壩集團有限公司), a subsidiary of the Company entered into a contract to build the Tianlin (Lucheng) to Xilin (Dianguijie) Expressway through the mode of PPP, with a total investment of RMB28.06 billion. As of the end of 2020, a total of RMB8.215 billion has been invested. The implementation of the project has greatly promoted local employment. The project employed a total of 2,738 local laborers in Guangxi Zhuang Autonomous Region, including 635 laborers in Xilin County, Guangxi. Besides, our subsidiaries also called on their employees to give priority to the purchase of daily necessities from the poor households in the poor villages. The purchase of local agricultural products in the cafeteria reached RMB3.02 million, which provided a strong support for poverty alleviation in poverty-stricken villages and the income of poor households reaching the standard.

## COMMUNITY INVESTMENT

### 2. DEVOTING TO SOCIAL PUBLIC WELFARE

The Company always actively make devotions to social public welfare, relief of socially disadvantaged groups, and earnestly fulfill social responsibilities. We have organized and carried out charity donation activities under the policies and requirements such as *Law of the People's Republic of China on Public Welfare Donations* and the *Notice on Strengthening the Management of External Donations by Central Enterprises* and *Supplementary Notice on the Management of External Donations by Central Enterprises* and other policies and requirements. Besides, based on the principles of voluntariness, clear property rights, and carry out within the abilities, the Company formulated and implemented the *Measures for the Administration of External Donations of China Energy Engineering Corporation Limited* to further improve the management of public welfare services and expand the social impact of public welfare projects.

#### **Case: Carrying out the public welfare activity of voluntary blood donation of "Going for love, fighting the epidemic with ardent blood"**

In June 2020, in order to alleviate the severe shortage of blood supply in Wuhan during the epidemic, China Gezhouba Group Company Limited (中國葛洲壩集團有限公司), a subsidiary of the Company, organized a public welfare activity of voluntary blood donation of "Going for love, fighting the epidemic with ardent blood". In the activity, we called on employees in Wuhan to actively participate in the voluntary blood donation activity if they are in good health and conditions. In two days, more than 300 employees have blood donation, with a total of 80,000 ml of blood denotation. We have taken practical actions to help normalize the epidemic prevention and control work in Wuhan.

#### **Case: Carrying out the activity of "Helping Students with Love and, warm southern Anhui"**

In order to let more students with financial difficulties in families feel the care of the society, in September 2020, Northwest Electric Power Design Institute Co., Ltd. of China Power Engineering Consulting Group (中國電力工程顧問集團西北電力設計院有限公司), a subsidiary of the Company, launched the activity of "Helping Students with Love and, warm southern Anhui" at Central Primary School in Qinglong Township, Ningguo City, Anhui Province. At the activity, we sent a customized autumn school uniform for each student, so to send love and warmth to the children, let them to truly feel the care from the society, and strengthen their belief in growth and success.

## COMMUNITY INVESTMENT

### Case: Carrying Out Voluntary Activities on the Theme of Green and Energy Saving

In order to deepen the concept of energy conservation and environmental protection, fully implement energy conservation and emission reduction, and build green construction demonstration projects, China Energy Engineering Group Eastern Construction and Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司), a subsidiary of the Company, has carried out a theme volunteer activity of “Youth and Green Action to Build a Beautiful Shaoxing” in the PPP project department of Yuedong Road, Shaoxing in March 2020. During the activity, volunteers shoveled the soil with spades, planted osmanthus saplings after planting, planting seedlings, soiling, pounding, and watering. They used practical actions to contribute to the city’s energy saving and emission reduction and expressed their desire to love life and care for the environment.

### 3. FACILITATING OVERSEAS COMMUNITY DEVELOPMENT

While advancing the development of international project business, the Company also actively promotes localized operations, actively fulfills corporate social responsibilities, and promotes people-to-people bonds. Through disaster relief donations, education assistances, localized employments, the Company strives to promote the improvement of local living standards and promote the common development with local communities, so to make the project results truly benefit the local people.

#### Case: Rescue the disaster victims

During the construction of the Bale Power Station Project, China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司), a subsidiary of the Company, also actively rescued the disaster victims. In September 2020, continuous heavy rains occurred in the Rajang River Basin of Antawau Village, Malaysia, and houses in many villages along the banks of the river were flooded, and the living supplies of residents were swept by the flood. The project department quickly extended a helping hand, assembled a rescue team, brought living supplies, and took a speedboat to rescue and comfort the affected villagers. This rescue operation helped the villagers restore their production and life and enhanced the friendship, which was praised by the local people.

## COMMUNITY INVESTMENT

### Case: Participation in the student assistances

The China-Laos Railway Power Supply Project of China Energy Engineering Group Zhejiang Thermal Power Construction Co., Ltd. (中國能源建設集團浙江火電建設有限公司), a subsidiary of our Company, pays attention to the study and life of local students while overcoming the impact of the epidemic and working hard to promote the “Belt and Road” project. The project department came to the local school to carry out condolences and student assistances, to impart learning and life knowledge to local students, to help students grow better, and to get closer to the local villagers.

The EPC General Contracting Project in Masbate, Philippines of China Energy Engineering Group Northeast No. 2 Electric Power Engineering Co., Ltd. (中國能源建設集團東北電力第二工程有限公司), a subsidiary of our Company, paid attention to the local education, purchased and donated a batch of learning materials and living materials through the local education department and the market to the local poor children, and donated special love funds to provide educational materials and living materials for local children, which solved their urgent needs.

The Khulna Power Plant Project in Bangladesh of China Energy Engineering Group Northeast No. 3 Electric Power Engineering Co., Ltd. (中國能源建設集團東北電力第三工程有限公司), a subsidiary of our Company, has carried out festival activities with local schools and communities many times, and donated money and materials to the owner’s primary school of Khulna Power Plant, continuously enhancing the understanding and relations between the community and the enterprise.



Student assistances carried out by the China-Laos Railway Power Supply Project

## COMMUNITY INVESTMENT



Donation of supplies to local poor children by EPC General Contracting Project in Masbate, Philippines



Donation of money and materials to the owner's primary school of Khulna Power Plant by the Khulna Power Plant Project in Bangladesh



## COMMUNITY INVESTMENT

### Case: Promoting employment in the place of our operation

The Boya Project in Indonesia undertaken by China Energy Engineering Group Zhejiang Thermal Power Construction Co., Ltd. (中國能源建設集團浙江火電建設有限公司), a subsidiary of our Company, is the largest pithead power station project under construction in Indonesia. The project hired a large number of local personnel to participate in the construction and services of the project, creating thousands of jobs for local residents. During the construction process, Chinese employees trained local employees through the model of “teach, help, and lead”, which improved the local employees’ work skills, increased their economic income, and made contribution to the promotion of economic and social development of Indonesia.



Chinese employees impart professional skills to local employees of the Boya project in Indonesia

## FUTURE PROSPECTS

In 2021, at the beginning of the “14th Five-Year Plan”, the Company is full of hope and fighting spirit. We will base ourselves on the new development stage, implement the new development concept, integrate into the new development pattern, and strive to start a new journey of building a world-class enterprise with global competitiveness. While promoting stable business growth and accelerating the high-quality development, we will also fully fulfill our ESG responsibilities, work hard together, seek sustainable development with all stakeholders, and contribute more to the construction of a better society.

**We will promote new changes with new ideas**, strengthen the sustainable strategic layout of the new era, firmly grasp the major opportunities in the world’s unprecedented changes in a century. We will emancipate the mind, open up ideas, actively seek changes, seek new opportunities, and be brave to create. We will also keep pace with the times, be upright, and strive to create and lead high-quality development

**We will lead new practices with new ideas**, integrate sustainable development awareness into corporate governance, promote the improvement of ESG governance mechanisms, clarify responsibilities at all levels, and ensure the efficient promotion and effective implementation of ESG work in all aspects of the Company from the board of directors, management to various departments and subsidiaries. We will continue to strengthen the communication and linkage with all stakeholders, organically integrate the development demands of multiple parties with the strategies of the Company, and create a win-win situation for all parties.

**We will promote new development with new business formats**, keep in mind the development concept of “green water and green mountains are golden mountains and silver mountains”, and continue to improve the management standards of environmental and social risks, carefully review and actively respond to environmental and social issues such as climate change, ecological protection, and production safety. We will strengthen supervise, optimize strategy, operate steadily, promote grassroots governance and employee training, and implement green, safe, and sustainable risk prevention and control work bit by bit.

**We will build new advantages with new technologies**, continue to increase investment in scientific and technological researches and developments. We will continuously improve innovation capabilities, optimize scientific and technological project management systems, improve scientific and technological innovation efficiency, achievement conversion rate, increase core technology research, and gradually establish technological leadership, and truly achieve high-quality innovation and transformation.

**We will practice new responsibilities with new initiatives** and give back to the society with more sincere enthusiasm. We will fully combine our own advantages, fulfill our social responsibilities, help poor people, provide economic assistance and infrastructure support to backward areas, create more jobs and training opportunities, and help more people move towards a better life.

Standing at the new starting point of the new era, we will not forget our original aspirations and forge ahead to ensure that the “14th Five-Year Plan” has a good start. We will work hard to start a new journey of building a world-class enterprise with global competitiveness, and strive to become a world-class enterprise with a brand-new look and image.

# APPENDIX

## ESG INDEX

Aspects	Contents	Disclosure location (Page)
A1 Emissions	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p><i>Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations.</i></p> <p><i>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</i></p> <p><i>Hazardous wastes are those defined by national regulations.</i></p>	20
	Key Performance Indicator A1.1 The types of emissions and respective emissions data.	20-21
	Key Performance Indicator A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	20-21
	Key Performance Indicator A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	20-21
	Key Performance Indicator A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	20-21
	Key Performance Indicator A1.5 Description of measures to mitigate emissions and results achieved.	20-21
	Key Performance Indicator A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	20-21

## APPENDIX

Aspects	Contents	Disclosure location (Page)
A2 Use of Resources	General Disclosure	20
	Policies on the efficient use of resources, including energy, water and other raw materials.	
	<i>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</i>	
	Key Performance Indicator A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	23
	Key Performance Indicator A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	23
	Key Performance Indicator A2.3 Description of energy use efficiency initiatives and results achieved.	23
A3 The Environment and Natural Resources	Key Performance Indicator A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	23
	Key Performance Indicator A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
	General Disclosure	24
	Policies on minimising the issuer's significant impact on the environment and natural resources.	
B1 Employment	Key Performance Indicator A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	16-18, 24
	General Disclosure	26
B1 Employment	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	
	Key Performance Indicator B1.1 Total workforce by gender, employment type, age group and geographical region.	27-28
	Key Performance Indicator B1.2 Employee turnover rate by gender, age group and geographical region.	27

## APPENDIX

Aspects	Contents	Disclosure location (Page)
B2 Health and Safety	General Disclosure	29-32
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to providing a safe working environment and protecting employees from occupational hazards.	
	Key Performance Indicator B2.1 Number and rate of work-related fatalities.	Planning for future disclosure
	Key Performance Indicator B2.2 Lost days due to work injury.	Planning for future disclosure
	Key Performance Indicator B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	29-32
B3 Development and Training	General Disclosure	33
	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	
	<i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	
	Key Performance Indicator B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Planning for future disclosure
	Key Performance Indicator B3.2 The average training hours completed per employee by gender and employee category.	Planning for future disclosure
B4 Labour Standards	General Disclosure	26
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to preventing child and forced labour.	
	Key Performance Indicator B4.1 Description of measures to review employment practices to avoid child and forced labour.	26
	Key Performance Indicator B4.2 Description of steps taken to eliminate such practices when discovered.	No non-compliance occurred during the Reporting Period

## APPENDIX

Aspects	Contents	Disclosure location (Page)
B5 Supply Chain Management	General Disclosure	37
	Policies on managing environmental and social risks of the supply chain.	
	Key Performance Indicator B5.1 Number of suppliers by geographical region.	37
	Key Performance Indicator B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	37
B6 Product Responsibility	General Disclosure	38, 41
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
	Key Performance Indicator B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	Key Performance Indicator B6.2 Number of products and service related complaints received and how they are dealt with.	41
	Key Performance Indicator B6.3 Description of practices relating to observing and protecting intellectual property rights.	38-39
B7 Anti-corruption	Key Performance Indicator B6.4 Description of quality assurance process and recall procedures.	38
	Key Performance Indicator B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	41
	General Disclosure	42
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to bribery, extortion, fraud and money laundering.	
	Key Performance Indicator B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Planning for future disclosure
	Key Performance Indicator B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	42

## APPENDIX

Aspects	Contents	Disclosure location (Page)
B8 Community Investment	General Disclosure	43
	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	
	Key Performance Indicator B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	43-48
	Key Performance Indicator B8.2 Resources contributed (e.g. money or time) to the focus area.	43-48



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