

联想控股

LEGEND HOLDINGS

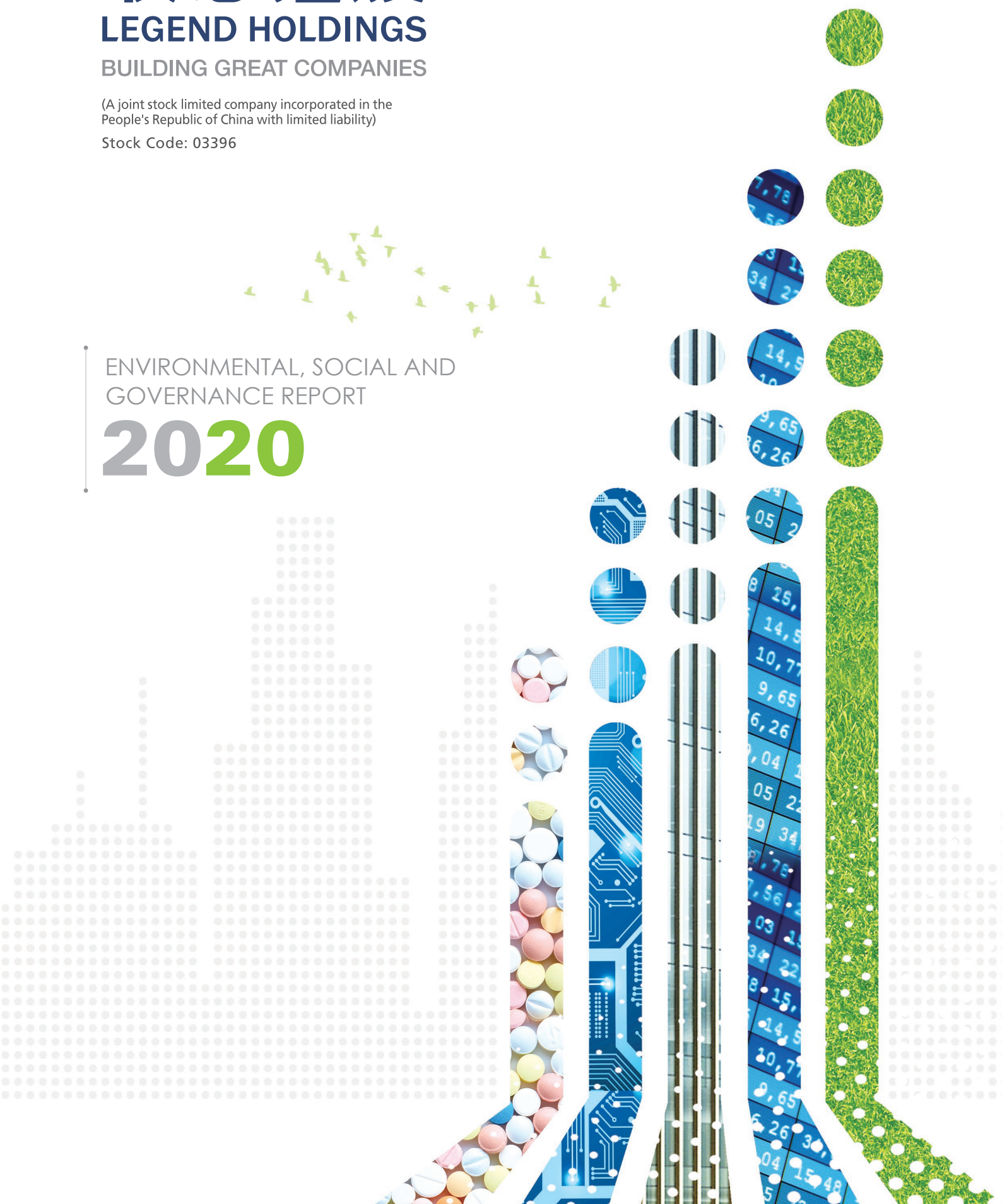
BUILDING GREAT COMPANIES

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

Stock Code: 03396

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

2020



联想控股
LEGEND HOLDINGS

Building Great Companies

becoming a respected and
trusted global holding company



CONTENTS

ABOUT THE REPORT	2
SCOPE	
REPORTING GUIDE	
REPORTING STANDARDS	
RESPONSIBILITIES OF THE BOARD	
CORPORATE CULTURE AND MANAGEMENT	4
“MODELING” TRAINING PROGRAM	
SUSTAINABILITY STRATEGY AND GOALS AND MANAGEMENT	8
SUSTAINABILITY STRATEGY AND GOALS	
GOVERNANCE STRUCTURE	
COMMUNICATION WITH STAKEHOLDERS AND MATERIALITY ASSESSMENT	9
TALENT PHILOSOPHY	10
COMPLIANCE WITH LABOUR PRACTICES	
EQUAL OPPORTUNITY EMPLOYMENT	
TALENT RETENTION	
TALENT DEVELOPMENT AND TRAINING	
HEALTHY WORKPLACE AND CARING FOR OUR EMPLOYEES	
HEALTH AND SAFETY	
OPERATING PRACTICES	26
SUPPLY CHAIN MANAGEMENT	
PRODUCT AND SERVICE RESPONSIBILITY	
INTEGRITY IN THE INDUSTRY	
OUR ENVIRONMENT	32
ENVIRONMENTAL PERFORMANCE OF SUBSIDIARIES	
ASSUMING SOCIAL RESPONSIBILITY	44
SUPPORTING EDUCATION	
FOSTERING STARTUPS	
PROMOTING SOCIAL INTEGRITY	
SOCIAL INVESTMENT	
JOINING THE EFFORTS TO FIGHT AGAINST THE PANDEMIC	
APPENDIX I: COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS HAVING A SIGNIFICANT IMPACT ON THE GROUP	57
APPENDIX II: KPIS IN ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF HONG KONG STOCK EXCHANGE	58

ABOUT THE REPORT

SCOPE

The Environmental, Social and Governance ("**ESG**") Report (the "**Report**") aims to provide investors and other stakeholders with disclosures regarding the efforts of Legend Holdings Corporation ("**Legend Holdings**" or the "**Company**") and its subsidiaries (the "**Group**") on corporate culture and management, employee development, supply chain management, environmental protection, product responsibility and social welfare initiatives.

To identify those subsidiaries that have significant impacts on the environment and society, the Company adopts the relative materiality principle based on the proportions of the contributions of those subsidiaries to the total equity attributable to equity holders of the Company and their risks of environmental health, safety and quality ("**EHSQ**"). The following subsidiaries in different business segments have been identified as the disclosure scope of the Report at each ESG aspects, including Lenovo Group Ltd. ("**Lenovo Group**", a company listed on the Stock Exchange of Hong Kong Limited, stock code: 00992), Banque Internationale à Luxembourg S.A. ("**BIL**"), Levima Advanced Materials Corporation ("**Levima Advanced Materials**"), Raycom Info Tech Park ("**Raycom**"), the venue where the properties and the headquarters of Legend Holdings are located and the properties jointly managed by Raycom Property Investment Co., Ltd. ("**Raycom Property**") and Raycom Technology Co., Ltd., the subsidiaries of the Company. The above subsidiaries

and their property assets contributed about 60% of the total equity attributable to equity holders of the Company. Besides the separate ESG report published by Lenovo Group (please refer to Lenovo Group Environmental, Social and Governance Report 2020/21 on the website of the Stock Exchange Hong Kong Limited for details), the ESG performance and performance information of the Company and the above subsidiaries and their property assets have been highlighted in the Report.

Unless otherwise stated, the information contained in the Report covers the period from January 1 to December 31, 2020 (the "**Reporting Period**").

REPORTING GUIDE

The Group strictly complies with the relevant laws and regulations. Details of the laws and regulations having significant impacts on the Group are set out in Appendix I to this Report. To further respond to the key concerns of stakeholders and to enhance the quality of reporting, this Report has been prepared in full compliance with the Environmental, Social and Governance Reporting Guide ("**ESG Reporting Guide**") in the Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by the Stock Exchange, the contents of which are indexed in Appendix II to this Report. The data and information contained in the ESG Report were sourced from the formal documents and statistic reports of the Company and the aforesaid subsidiaries.

¹ Levima Advanced Materials was listed on the Shenzhen Stock Exchange in December 2020 under the stock code 003022. The relevant result information are comparable with that of Levima New Materials for previous years.

An electronic version of this ESG report is published on the Company's website (<https://www.legendholdings.com.cn>) and the website of the Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>). Details on corporate governance and financial data are contained in other relevant sections of the Company's 2020 Annual Report. The capitalized terms and expressions used in this Report shall have the same meanings ascribed to them in the definitions section of the Company's 2020 annual report. If there are discrepancies between Chinese and English version of this Report, Chinese version shall prevail.

REPORTING STANDARDS

This Report follows the 'comply or explain' provision of the ESG Reporting Guide issued by the Stock Exchange and has been prepared on the basis of the reporting principles of materiality, quantitative, balance, and consistency.

RESPONSIBILITIES OF THE BOARD

The Board of Directors of Legend Holdings is responsible for developing the Company's sustainability strategy, and balancing the needs and interests amongst significant stakeholders. The Board is committed to realising the long-term interests of the Company's shareholders, the society and the environment. In addition, the Board assesses and identifies the risks associated with sustainability, and ensures the improvement and implementation of an appropriate and effective risk management and internal monitoring system. The Company, under the leadership of the Executive Directors, ensures that the decisions made on any significant matters all strictly comply with the legal and regulatory requirements of the regions in which the businesses operate. In addition, Legend Holdings has developed its internal constitution, policies and procedures by referring to international and local laws, regulations, standards and best practices, and requires all employees to actively comply with the requirements and fulfil their responsibilities.

The Board of Directors of the Company is fully responsible for overseeing the management and implementation of the Company's ESG-related policies and for ensuring the truthfulness, reliability and integrity of the data and information disclosed. This report was approved by the Board in March 2021.



CORPORATE CULTURE AND MANAGEMENT

Corporate culture has a profound and comprehensive implication for an enterprise. A well-aligned match between culture and strategy is key to the long-term development of an enterprise. As an investment company that values its employees as its core assets, Legend Holdings regards it of vital importance to maintain a shared philosophy and vigorous morale within the Company.

The corporate culture of Legend Holdings evolves from its course of development and consists of core values, methodology and manifestations. The core values and methodology of Legend Holdings are drawn from past successful practices and are proven to be effective and generally applicable in the course of development.



The Company's management and cultural sediment form its core competitiveness and lay a strong foundation for its sustainable development and continuous establishment of excellent businesses.

Core values are the key beliefs upheld by Legend Holdings over the long-term development, and represent the essence of its culture.

● Corporate interests first

Prerequisite for realization of other interests

Whenever there is a conflict of interests, corporate interests should always be prioritized over other interests; and personal interests should be aligned with those of the team; while team interests should be aligned with those of the Company as a whole.

● Truth

Be practical and realistic

Be honest and accountable and be able to match one's deeds to one's word

● Ambition

Aim high, go beyond immediate interests

Go beyond past experience, be imaginative, be creative

Surpass one's limits and strive for ambitions realization

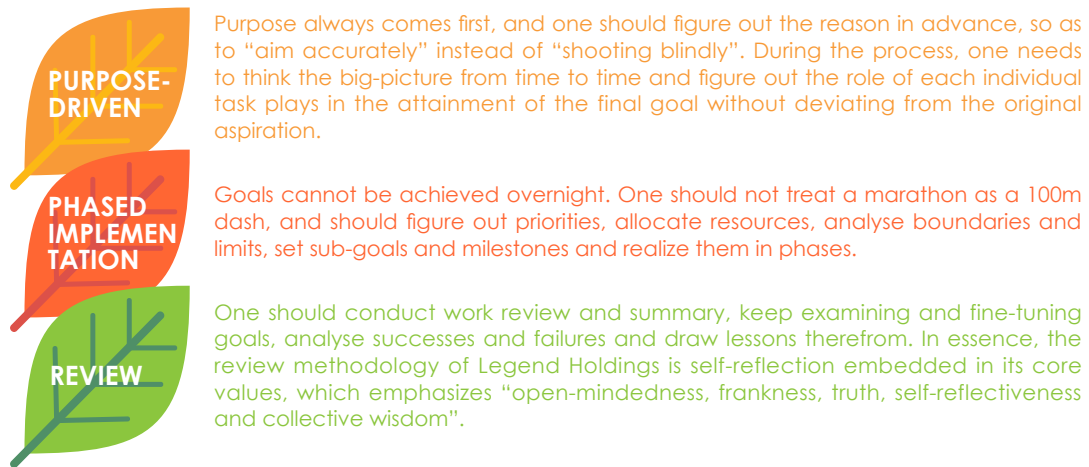
● Employee-oriented

Appreciate employees' efforts

Respect employees' needs

Create opportunities for employees' development

For Legend Holdings, the methodology is the way how its people think and solve problems under the guidance of its core values.



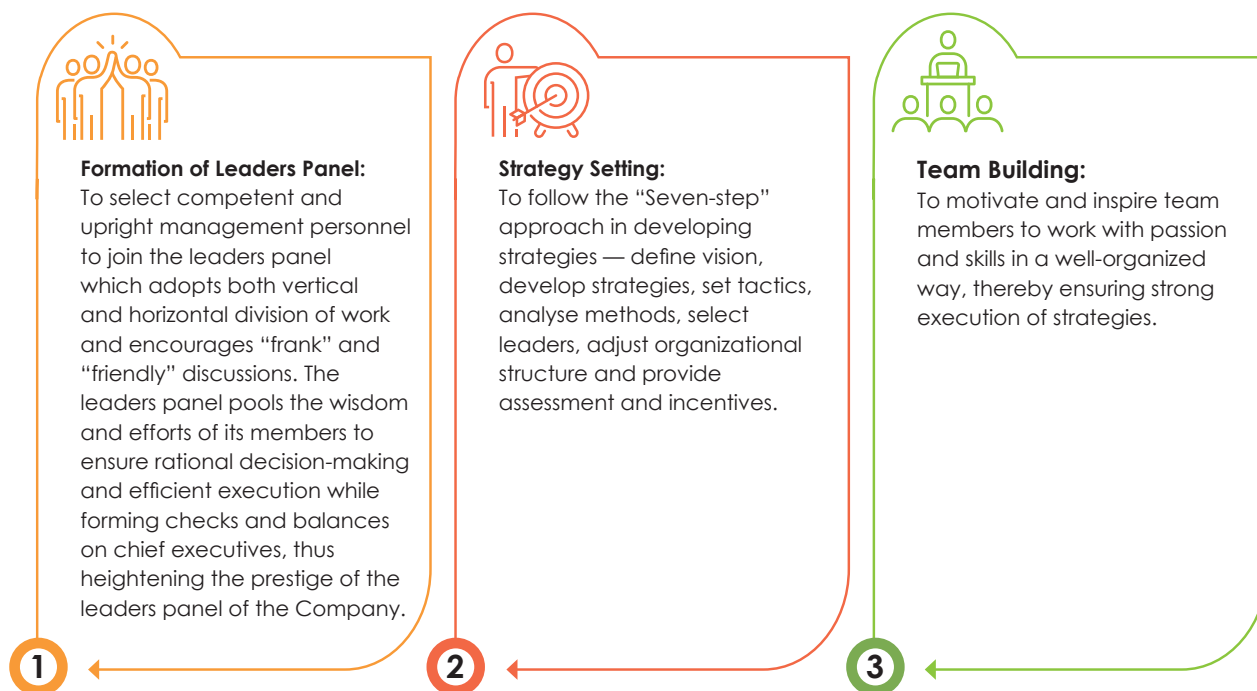
The manifestations of corporate culture, which are under the guidance of the Company's core values and methodology, are closely in line with the business characteristics of the Legend Holdings as an investment company.



CORPORATE CULTURE AND MANAGEMENT

Legend Holdings' management framework is divided into two aspects: operational and fundamental. The fundamental aspect consists of mechanisms, systems, corporate culture and the "Three Elements of Leadership" of Legend Holdings.

"Three Elements of Leadership": Legend Holdings' management philosophy can be summed up as "Formation of Leaders Panel", "Strategy Setting" and "Team Building".





入模子

“MODELING(入模子)” TRAINING PROGRAM

Since Legend Holdings initiated its strategic investment business in 2010, the Company has always been actively sharing its own cultural values, work methodology and management experience with investee companies, in order to align their cultural concepts with the Company's cultural concepts. As one of the important means to spread Legend Holdings' corporate culture, "Modelling" training program has been held for 10 years in 20 sessions, and has trained 1,165 persons, among which more than half of whom are from our investee companies. The program usually lasts four days and is mainly designed for new employees of Legend Holdings and the senior managers of its investee companies. The training not only involves corporate culture and management experience, but also includes a series of competitions, seminars, dialogues exchanges aimed at enhancing mutual understanding and

collaboration between the staff of the Company and its subsidiaries. The attention and participation from the management of Legend Holdings are also important drivers for the success of the program. These learning processes and experiences are of great significance for managers and employees at different levels to understand and inherit Legend's corporate culture. In addition, the Company also organized regular activities, such as "Xin Huo Hui (薪火匯)", to call on subsidiaries' human resources and corporate culture teams to conduct studies and discussions, to help them to explore the methods and rules to build their own culture, and develop their "subculture (亞文化)" based on Legend Holdings' corporate culture, in order to ensure its culture building will play a positive role in the Company's strategy and business development.



During the Reporting Period, the new management of Legend Holdings continued to promote the Company's core values and methodology as guidance, have a clear understanding and have made a good use of the "three elements of leadership". The new

management have continuously improved various human resources and business management systems, enhanced corporate governance level, so that a solid cultural foundation can be set for the new strategic cycle of the Company.

SUSTAINABILITY STRATEGY AND GOALS AND MANAGEMENT

SUSTAINABILITY STRATEGY AND GOALS

The Company has established its business development philosophy centring on “With the mission of serving the nation and society through developing successful businesses across industries, Legend Holdings is committed to becoming a respected and trust-worthy global holding company, with equity in leading enterprises in multiple industries and international influence”. This is also the Company's commitment to sustainable development as an international enterprise.

To achieve this vision, the Company has developed the following environmental sustainability strategy to review and manage the impact of the Group's business on the environment and the society. The Company has integrated sustainability into each of its investments and business segments, with the aim of embracing the Group's sustainability philosophy from the top down, from internal management and employees to external stakeholders, and has incorporated sustainability into work and daily life. The Board is fully aware of the importance of sustainability to the Group's long-term development and sets forth an important objective of creating long-term value for stakeholders.

GOVERNANCE STRUCTURE

The Board of Directors of Legend Holdings is the Group's highest governing body of sustainability issues. To enhance the management of the sustainability issues and policies of the Group, the Sustainability Task Force (“**Task Force**”) has been established under the Board. With the Secretary of the Board appointed by Executive Directors as the convenor, the Task Force is jointly comprised of staff from all relevant departments of the Company (including Human Resources Department, Legend Management Institute, Audit Department, Listing Affairs Department, Public Relations Department and Party Committee Office) and liaison officers from its subsidiaries.

The Task Force assists the Board in guiding and monitoring the Group's sustainability policies and objectives, continuously explores sustainability trends in the capital markets at home and abroad, and communicates and explores sustainability issues and matters internally and externally and submits them to the Board for discussion. The Task Force periodically collects ESG data, conducts materiality assessments, recommends the scope of disclosures in this Report for confirmation by the Board, assists the Board in the preparation of this Report, and reports to the Board



COMMUNICATION WITH STAKEHOLDERS AND MATERIALITY ASSESSMENT

and its Audit Committee on the Group's own possible ESG-related risks in time for joint discussion and materiality assessment by the Board. The Task Force also regularly reviews the Group's sustainability strategy and goals, reports to the Board and makes appropriate recommendations for adjustments, in a bid to meet the changing expectations and requirements of stakeholders.

Legend Holdings believes that communication with stakeholders is an important part of achieving sustainable development. The Company attaches great importance to the concerns and interests of all stakeholders. By reviewing the stakeholders and contents that may be affected by each aspect of the operation, the Company identified important stakeholders and appropriate communication channels to determine the materiality of related sustainability issues.

Through continuous communication with stakeholders via questionnaires, performance evaluations, business exchanges and other communication channels, Legend Holdings regularly assessed the materiality of different sustainability issues to stakeholders. Results of these assessments helped us to identify the major issues that needed to be disclosed in this Report.

In preparing this Report, the Company reviewed the material issues identified from the materiality assessment in 2018 and as there were no significant changes to the Company's business and organisational structure during the Reporting Period, we determined that the issues were still applicable during the Reporting Period.



PARTICIPATING STAKEHOLDERS	MATERIAL ISSUES
<ul style="list-style-type: none"> • Employees • Subsidiaries • Investors/shareholders • Suppliers • Business partners 	<ul style="list-style-type: none"> • Corporate governance • compliance with laws and regulations • risk and crisis management • communication with stakeholders • investment return • privacy • labour standards and practices • talent management • on-the-job training • internal communication • energy efficiency • waste disposal and recycling • charity and public welfare • community work



TALENT PHILOSOPHY

Legend Holdings endeavours to put its values, namely people-oriented and investing in people into practice. The Company stresses on having a "Mutual Commitment" with its employees, and incorporates individual employee's pursuit into its long-term development. Through sharing the growth with its employees, the Company turns the commitment into a joint undertaking. Legend Holdings strictly abides by various policies and regulations on the protection of employee rights, practices equal employment, improves compensation and welfare, and earnestly fulfils corporate responsibility towards employees.

COMPLIANCE WITH LABOUR PRACTICES

The Company strictly abides by the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China and other relevant laws and regulations of the regions where the Company's businesses operated. The Company formulated relevant internal regulations and implementation rules, and standardised labour contract management by signing labour contracts with 100% of its employees. During the Reporting Period, the Group did not receive any incidents of non-compliance with relevant laws and regulations that have a significant impact on the Group.

In order to fully comply with labour-related laws and regulations, the Company has formulated the Code of Conduct and the Code of Ethics for Employees, requiring each employee to clearly understand his/her respective responsibilities and to consciously follow the ethical standards stipulated in the relevant policies in his/her day-to-day work. In the meantime, the Company has drawn up the Employee Handbook based on the duties and professional ethics of our employees to define employees' conduct from corporate culture, corporate rules (bottom lines and

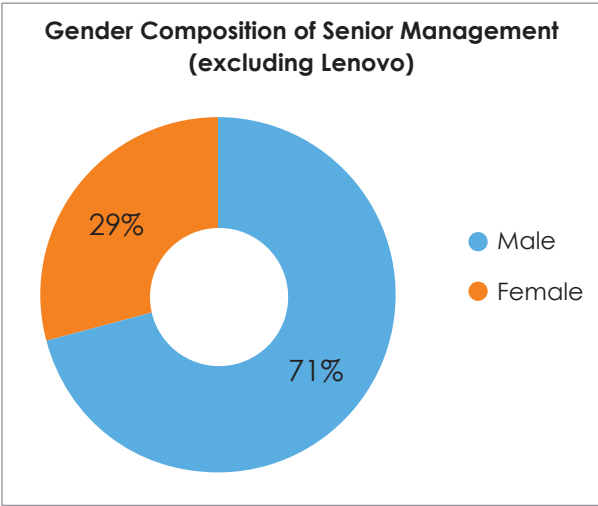
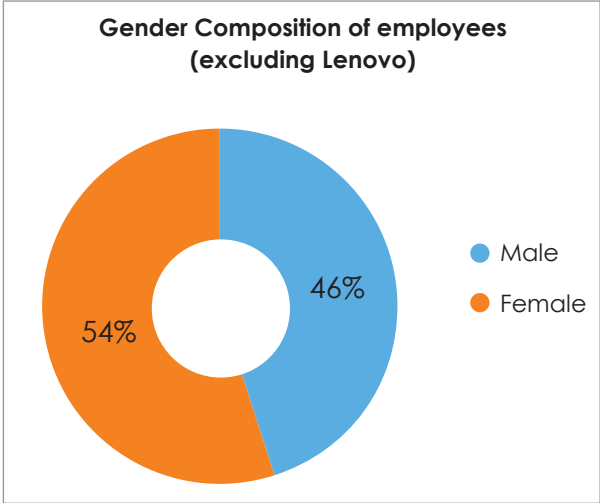
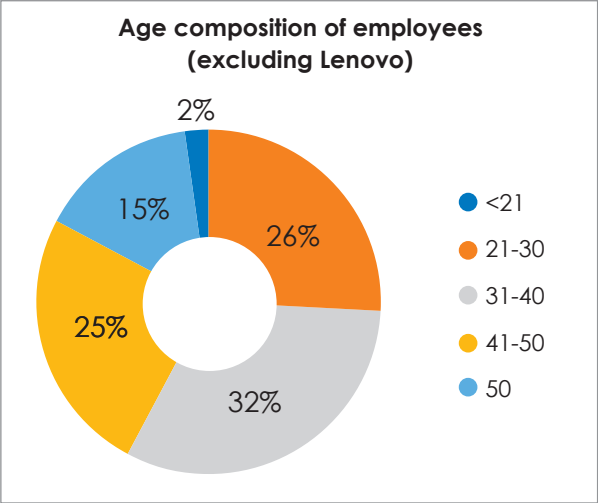
regulations that employees cannot violate), work style and processes requirements, etc. Newly recruited employees will receive a copy of the Employee Handbook, and learn about the corporate culture and code of conduct in their orientation. Meanwhile, employees can also access the Employee Handbook on the Company's website to know their professional ethics. The Company held the "Rebuilding the Culture" campaign, such as the cultural conference, which enabled employees to truly and completely understand the values that the Company pursues, to behave in a self-discipline and self-confidence way according to the Company's requirements, and to integrate the corporate values into employees' personal professional conduct.

EQUAL OPPORTUNITY EMPLOYMENT

Adhering to fair and equal employment, Legend Holdings respects and protects human rights, bans the use of child labour and forced labour, and seriously meets international human rights conventions and labour standards. Based on job qualifications, the Company recruits employees of different ages, genders, cultural backgrounds, races and nationalities. Neither applicants nor employees will be subject to unfair treatment due to their age, gender, nationality, etc. During the Reporting Period, the Group neither received any irregularities or complaints that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, nor did the Company receive any irregularities or complaints that have a significant impact on the Group relating to illegal child labour and forced labour.



As of December 31, 2020, Legend Holdings (excluding Lenovo) and its subsidiaries had a headcount of 18,113, of which 4,840 were overseas employees. The following shows the breakdown of the number of employees by type:



TALENT PHILOSOPHY

LEVIMA ADVANCED MATERIALS

Apart from strictly complied with the relevant national industry standards as required by Legend Holdings, Levima Advanced Materials also revised and reissued the Recruitment and Employment Management Measures, Vacation Management Measures, Labour Contract Management Measures, Training Management Measures and so forth in accordance with its actual needs during the Reporting Period. Levima Advanced Materials signed labour contracts with all of its employees, standardised compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, and resolutely prevented the uses of child labour and forced labour. In addition, Levima Advanced Materials listened to its employees by building and maintaining communication channels with them (such as employee suggestion boxes and suggestion mailboxes), and followed up and supervised the handling of hot issues that were of concern to them. These measures have effectively facilitated the implementation of relevant work. A foundation was set up to actively offer humanistic care and provide financial aid to employees in need.

BIL

In full compliance with Luxembourg Labour Law and the core conventions of the International Labour Organization, BIL has developed the applicable Code of Conduct, covering forced labour, child labour, working hours, overtime pay, minimum wage, contractors and temporary employees. Meanwhile, BIL was constantly updating and upgrading its personnel management process to ensure more comprehensive, transparent and effective recruitment management.

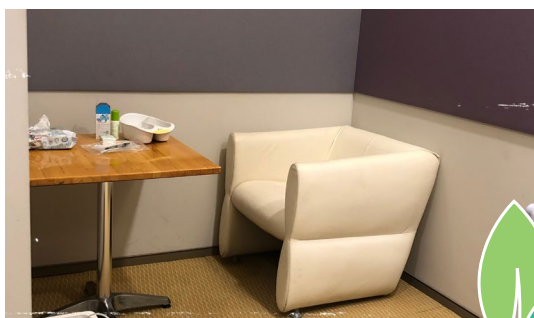
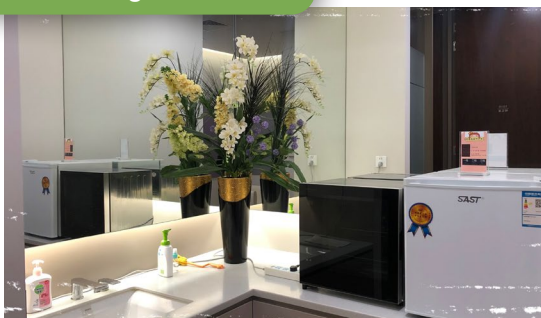


CARING OUR FEMALE EMPLOYEES

The Company creates an equal and good working environment for its female employees in strict accordance with the Special Provisions on Labour Protection of Female Employees. Given that male and female employees receive equal pay for equal work, the Company provides labour insurance, medical treatment and other benefits for its female employees during their pregnancy, maternity leave and breastfeeding leave. Female employees enjoy 128 days of paid maternity leave, gift money for childbirth and one-hour breastfeeding leave per day. The Company has equipped with breast-feeding

rooms, providing nursing mothers with care and safety. The Company offers a half-day leave for female employees and sends them specially selected gifts on the International Women's Day. Female employees have special-purpose medical screening items in their physical examinations to ensure maximum protection of their physical health. In addition to considering the health and safety of female employees, Legend Holdings continuously increases the possibilities of career development for female employees and organises training for them irregularly. The Group's (excluding Lenovo), female employees accounted for 54% of the workforce, while female senior executives accounted for 29% of all the senior executives.

Nursing Room



Female Employee Activities



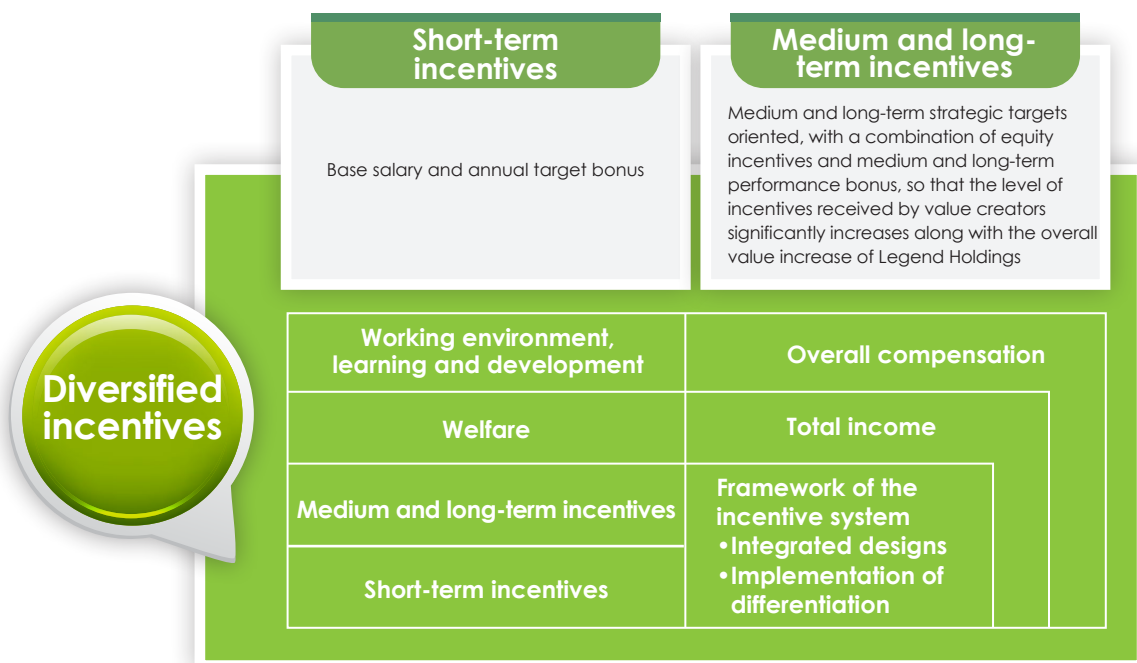
TALENT PHILOSOPHY

TALENT RETENTION

Legend Holdings acknowledges that a top-notch professional team with high efficiency is vital to the strategic and business development of a first-class investment holdings company. To attract and retain top-notch talents, the overall remuneration level has to be fairly competitive in the market. Therefore, the Company has established a general remuneration system, with market competitiveness and are compatible with the business features of the Company, for its core management members and general employees.

DIVERSIFIED INCENTIVES MEASURES

Legend Holdings has an all-round diversified incentive mechanism, comprising both short-term incentives (i.e. basic salary plus target bonus) and medium and long-term incentives (including equity incentives and cash). Short-term incentives: consist of basic salary and annual target bonus, are based on the relative value of each job function. Medium and long-term incentives are medium and long-term strategic targets oriented, with a combination of equity incentives and medium and long-term performance bonus, so that the level of incentives to be received by value creators increases along with the overall value increase of Legend Holdings.



In addition to monetary incentives, Legend Holdings also motivates the employees with moral incentives. For the purpose of praising excellent performance and creating a truth-seeking and energetic organizational atmosphere, Legend Holdings has set up grants and awards, such as Legend Holdings Awards, Professional Contribution Awards, Tripartite Joint Action Awards and Excellent Subsidiary Awards.

These awards encourage teams and individuals, who make important contributions to the growth of the Company, to be dedicated to their work and excellent in performance, and to practice the corporate culture. The awards program is carried out once a year. Each department recommends the candidates, and the Company Management selects winners through evaluation.

DIVERSIFIED WELFARE SYSTEM

Legend Holdings has established a sound welfare system for the employees. With respect to the basic benefits, the Company offers various vacations, such as paid annual leaves, paid sick leave, and Spring Festival leave. There are social insurance benefits such as basic pension, basic medical insurance, unemployment insurance, work injury insurance, maternity insurance and housing provident fund that are mandatory under relevant laws. Employees are also entitled to medical leave in case of illnesses or non-work-related injuries. Employees who suffer from work-related injuries are entitled to benefits as mandatory under relevant national or local regulations.

Apart from the statutory welfare required under relevant PRC laws and regulations, Legend Holdings, based on business efficiency and employees' actual needs, constantly increases employee benefits and provides employees with diversified supplementary welfare benefits and commercial insurances, including high-end medical insurance, supplementary medical insurance, critical illness insurance, accident injury insurance, life insurance and a medical care fund. It is the Company's aim to ease the medical burden of employees and leave all their worries behind. In the meanwhile, Legend Holdings also sets up a competitive enterprise annuity plan for employees to ensure and enhance their basic living standard after retirement. The annuity fund is well managed to hedge against inflation and to seek value appreciation.

TALENT DEVELOPMENT AND TRAINING

Legend Holdings attaches great importance to the development of employees, and is committed to providing employees with a promising career development path, and a sound training and development system for their promotion.

CAREER DEVELOPMENT PATH FOR EMPLOYEES

Legend Holdings advocates professional improvement and designs multiple career development paths for employees based on the characteristics of different positions. With various career development paths in place, we help employees identify their status quo and future development directions, so that they can focus their efforts and incorporate their personal growth into the long-term development of the Company.



TALENT PHILOSOPHY

7-2-1 PRINCIPLE FOR TALENT DEVELOPMENT

Legend Holdings emphasizes the cultivation of talents and facilitates their growth through a variety of internal training methods, e.g. real-world practices, coaching from professionals and classroom trainings. We also follow the "7-2-1" principle for talent development:

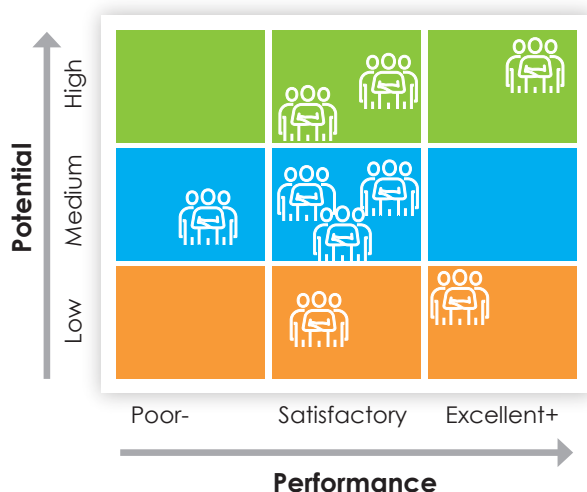
- 70% of employee capability enhancement comes from practices: Legend Holdings' strategic and business development provides employees with broad opportunities to practices. Heads of each business segment and department should assign challenging tasks, after taking individual capabilities and characteristics into account, to the employees to enhance their capabilities.
- 20% of employee capability enhancement comes from coaching: Legend Holdings has a coaching system in place, through which experienced executives or senior employees act as coaches, and provide personalized guidance for and experience sharing with employees in their course of career development.
- 10% of employee capability enhancement comes from trainings: In response to its business development and employee needs, Legend Holdings organizes and supports employees to attend all kinds of training programs so that they can improve competence and gain access to professional information.

During the Reporting Period, the Company organised ten sessions of professional learning exchanges, attracting more than 420 participants to share their views and to enhance their professional standards.



TALENT REVIEW

Through regular review on the quantity, quality and composition of its employees, the Company discusses and analyses key aspects of its talent management and appraises its employees on the basis of their performance and potential. The results of the review not only offer the basis for the formulation of talent development strategy, but also give clear guidance and help on the future growth of employees.



TRAINING AND EMPOWERMENT FOR SUBSIDIARIES

As a professional investment holding company, Legend Holdings also focuses on sharing its corporate culture, operation philosophy and management experience with investee companies.

To this end, Legend College of Management has been established. It takes advantage of industry connections and resources to actively set up a learning and communication platform to empower investee companies. In 2020, the college invited professionals from renowned companies, including Ernst & Young and Microsoft, to exchange their views with investee companies' human resources and corporate culture teams, aiming to improve their ability in organizing development and talents training activities to broaden their visions and enrich their experiences. More than 30 professionals from Legend Holdings and 12 investee companies participated in the studies and discussions under the theme of "Challenges and trends in human resources work due to the pandemic".



Investee companies' professional teams gathered at Microsoft's China headquarters to learn the practices of digital transformations of Microsoft's HR works



TALENT PHILOSOPHY

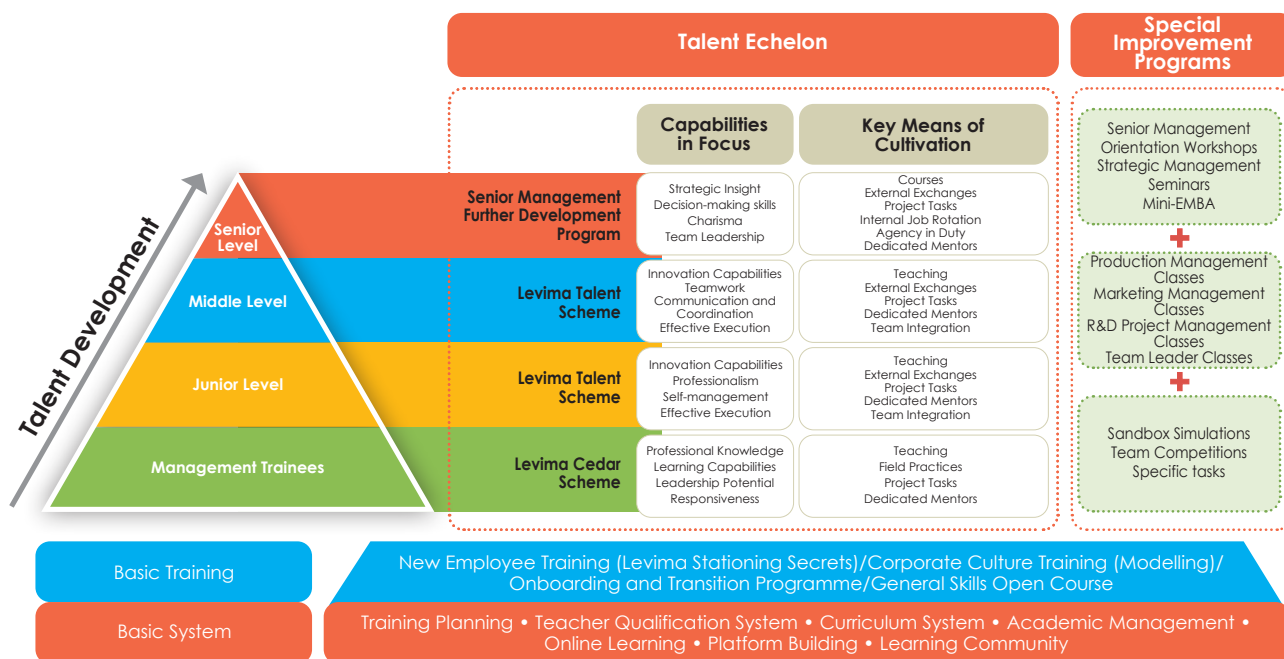
LEVIMA ADVANCED MATERIALS

Levima Advanced Materials, which attaches importance to talent training, organises training activities for employees who are at different levels and have different needs, with a view to enhancing the competence of its employees, enabling its employees to grow together with Levima Advanced Materials, and building a harmonious and stable labour-capital relationship. In order to enhance the knowledge and skills of its employees in carrying out their duties and improve their learning motivation, Levima Advanced Materials actively held training activities. It regularly organised training activities for new recruits, offered opportunities for further study for middle and senior management, and launched talent training programs for middle level/junior level management, such as Levima Talent Scheme and

Levima Star Scheme, and a growth program called Levima Cedar Scheme for trainees recruited from schools. In the meantime, Levima Advanced Materials organised various training activities in professional skills and management ability, such as operator trainings, rotation trainings for group leaders, trainings on special equipment and special operations, production equipment simulation trainings, learning sharings and internal open classes.

During the Reporting Period, Levima Advanced Materials kept exploring a supply chain-based talent training model and optimising the basic training system. It provided an average of 30 hours of training per person for senior management, 35 hours of training per person for middle management and 60 hours of training per person for junior level management.

Talent Development at a Glance



BIL

Talent development is at the core of the human resource policy of BIL, and also the foundation for forming its value creation and competitive advantages. To this end, BIL further strengthens the knowledge base of both current and new employees through designing career plans and providing corresponding training for them. The Luxembourg Bankers' Association ("ABBL") has formulated the Collective Bargaining Agreement for Bank Employees 2018-2020 for the purposes of regulating the labour relationships between Luxembourg-based banks and their employees, maximizing the protection and enhancement of the interests of its members and supplementing the provisions of relevant laws and regulations. The "Employability and Training Program" of the Agreement aims to maintain and preserve the current knowledge and skills of employees, guide BIL on how to assess and define the training needs of employees, and standardize the training resources

provided by the ABBL members. Based on this program, BIL provides customized training to employees and assists them in acquiring new knowledge and skills, thus optimizing the talent reserves, building and developing a highly-efficient workforce.

The spread of COVID-19 globally made training during the Reporting Period different from the previous face-to-face training. Online courses and virtual training became the preferred training method of BIL to meet employees' career development needs. During the Reporting Period, BIL provided no less than 30,330 hours of training for its 1,994 employees, including but not limited to internal e-learning like "Working from home", "Responsibilities and opportunities of work resumption and management" and "Safe work resumption", lectures like "Your customers need you" and "Adaptability", seminars and other targeted training.

HEALTHY WORKPLACE AND CARING FOR OUR EMPLOYEES

- From the perspective of environmental safety, organise safety escape training, 119 fire drills etc. to improve emergency survival skills of employees

- Optimise innovation and increase drinking water purification facilities, fitness equipment, mouthwash and other health facilities

- Organise fun-themed sport games, workplace image portrayals, rabbit-painting activities, etc.

- Celebrate staff's birthday and other festivals (International Women's day, Children's Day, Mid-autumn festival and Christmas, etc.)



- Personalize visiting plans and pay visits to employees after their child birth or during their sick leave, and express condolences to family members of deceased employees

- Enhance communication between the enterprise and the employees as well as their family members, harmonize the relationship between team members, and promote relationship between staff

- Host New Year's banquet to celebrate Lunar New Year, award outstanding staff promote exchanges within the Legend Holding's family

TALENT PHILOSOPHY

COMPREHENSIVE HEALTH-CARE PROGRAM

Each year, Legend Holdings organizes comprehensive physical examinations for employees. In addition, we have established a health service system with green channels for hospital visits, health

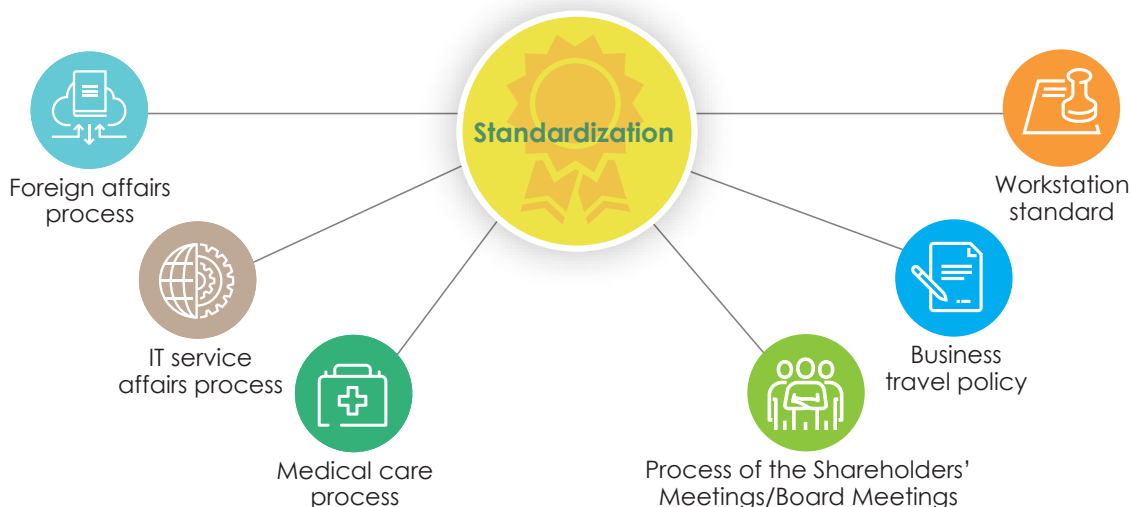
and disease prevention consultation. At the same time, we organized healthcare events from time to time. Legend Holdings also provides medical insurance for employees' underage children and spouses who have no medical insurance cover and thus ease the employees' worries.



HEALTHY AND SAFE WORKING ENVIRONMENT

Legend Holdings continued to strengthen the management of administrative process and to optimize the standards and models of employee services. At the same time, Legend Holdings constantly paid attention to the working environment

health index, and increased the number of air purifiers and the frequency of inspections to create a safe and healthy working environment. The annual air quality level (PM2.5) was below 35 in our offices. There are spacious and well-illuminated tea rooms in our offices which cater employees with afternoon tea refreshments and snacks.



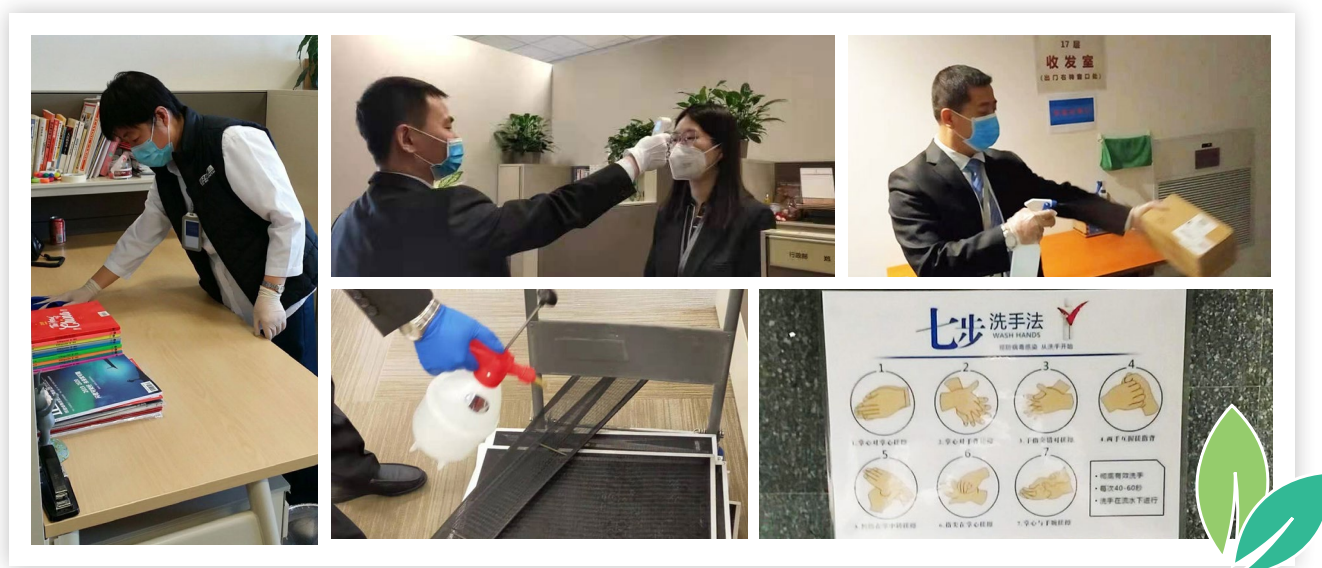
LEGEND HOLDINGS JOINS HANDS WITH SUBSIDIARIES TO FIGHT AGAINST THE PANDEMIC

In order to team up with its subsidiaries to combat the massive outbreak of COVID-19, Legend Holdings has built a safe and efficient office environment from three aspects: "act swiftly-coordinate preventive and control measures", "pull together-offer help to those in need" and "fulfil responsibilities-take actions".

Firstly, in order to ensure the orderly and safe resumption of work for employees, Legend Holdings prepared both on-site and offsite working at the beginning of the outbreak. Despite a shortage of resources, the company bought sufficient masks, gloves, temperature detection guns and other anti-pandemic supplies. In addition, the company arranged pest control¹ in the workplace and ensured the operation of information systems for off-site workers. After the resumption of work, the Company has formulated specific safety measures to eliminate the risk of environmental infection in various aspects, including disinfection and ventilation of the workplace, body temperature monitoring, separation of wastes, and disinfection of express parcels, in order to provide employees with anti-pandemic supplies to enhance their personal protection and safety.

Secondly, in order to support its subsidiaries at home and abroad to fight against the pandemic, Legend Holdings coordinated resources and arranged the purchase of anti-pandemic supplies for its subsidiaries, including Hankou Bank, Lakala, Levima Advanced Materials, Better Education and Legend Star. Faced with the severity of the pandemic outside China, Legend Holdings sent masks to overseas employees of the International Investment Department despite the strict requirements for exporting anti-pandemic supplies. Thirdly, in order to fulfil its corporate social responsibility, Legend Holdings actively cooperated with the Beijing Centre for Disease Prevention and Control, the government of Haidian District, Zhongguancun sub-street/police station, CAS Holdings, Raycom and other relevant departments to complete the collection, summarisation and reporting of all sorts of information during the pandemic. In addition, Legend Holdings also assisted BIL in donating supplies to the government of Luxembourg, so as to help it overcome the difficulties and challenges posed by the pandemic.

Legend Holdings built a safe and efficient office environment amid the pandemic and fully supported its subsidiaries in the fight against the pandemic, thus fulfilling its corporate social responsibility entirely.



¹ the elimination of flies, mosquitoes, rats and cockroaches and some other pests

TALENT PHILOSOPHY

CARING FOR OUR EMPLOYEES

Legend Holdings is committed to passing on the Company's people-oriented care to all employees and creating a warm and happy working atmosphere through offering employees with a variety of cultural and recreational activities, as well as helping employees who are in difficulty time.

CARE AND ASSISTANCE PROGRAM FOR EMPLOYEES

Legend Holdings provides employees with cash gift for their marriage and giving birth, financial aid for their general injuries and diseases, and condolence money for the death of employees or their immediate family members. In 2018, Legend Holdings issued the Subsidy Measures for Employees in Difficulties.

Employees can apply for financial aid from the Company in case the employees themselves, their spouses, children or parents have critical illnesses and their family cannot afford the medical expenses, or their family is in serious difficulty due to material losses from natural disasters, accidents and other special causes. In this way, the Company can effectively address the urgent needs of employees, and express our care for our employees.

CULTURAL AND RECREATIONAL ACTIVITIES FOR EMPLOYEES

Legend Holdings encourages employees to participate in energetic cultural and sporting activities so as to enrich their spare time and raise their sense of belonging and unity.

Sports and health

Sport activities like badminton and tennis events are organised regularly, while fun sports days are organised from time to time so that our employees can enjoy the happiness of working and living healthily.



Thematic activities

Legend Holdings organises themed activities at every festival, including the tree-planting activity at the National Tree Planting Day, the moon-cake baking activity at Mid-Autumn Festival, and the gift-giving activities at Children's Day and Christmas. Through all these activities, the Company shares its care with its employees.



HEALTH AND SAFETY

Legend Holdings realises that the health and safety of its employees is of paramount importance, and devotes to creating a healthy working environment for employees. The details of employees' work process are reflected at the Employee Handbook, including information security, office environment and resources, and office rules. Legend Holdings also arranges traffic accident insurance for each employee. Each subsidiary, after taking its business characteristics into consideration and observing relevant laws and regulations, sets up a series of working procedures and safety mechanisms to safeguard the personal and property safety of the employees. During the Reporting Period, the Group did not receive any irregularities or complaints that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards.

RAYCOM

In order to standardise medical leave management for its employees who have long-term illnesses or are injured for non-work reasons, properly look after the company's employees who are on sick leave to safeguard the company's interests and protects the

rights and benefits of Raycom and its staff members, The Management Measures for Medical Leave for Employees in Raycom has been prepared. Its employees have been granted medical leave normally ranging from 3 to 24 months based on employees' total length of service and their length of service at the company. When an employee suffers from special diseases such as cancer, psychiatric illnesses or paralyses and cannot recover within 24 months, their medical leave can be appropriately extended upon approval by Raycom and its labour authority.

Falling object is one of the risk sources, Raycom not only summed up the corresponding solutions and published relevant information on its website and official WeChat account. It also added a video surveillance system that fully covers the exterior walls of buildings to record the source of a falling object. This ensures fast accountability in the event of objects falling or being thrown out of a window. As long as Raycom identified the major sources of hidden risks of falling objects and summed up related solutions to address the issues, relevant details would be announced on the website of Raycom and through its official WeChat account.



Video surveillance system

TALENT PHILOSOPHY

LEVIMA ADVANCED MATERIALS

Levima Advanced Materials, a manufacturer of new chemical materials, carries out the policy of "Prevention Foremost and Combination of Prevention and Treatment" for the prevention and treatment of occupational diseases, and determines the main responsibility for the prevention and control of occupational diseases, so as to thoroughly control and eliminate occupational diseases. Levima Advanced Materials has formulated and implemented occupational disease prevention and control systems, including the "Three Simultaneities System for Construction Projects", the "Occupational Hazard Inspection and Evaluation Management System" and the "Occupational Health Monitoring and Filing System". The specific occupational health control measures are as follows:

- Prioritise the use of new technologies, new processes, new facilities and new materials that are conducive to occupational health to reduce occupational hazards at source;
- Regularly inspect the working environment to ensure that the concentration level of harmful substances in the environment is below the limits of health standards;
- Improve the occupational health monitoring files and follow health monitoring opinions.
- Regularly organise occupational health training to raise employees' awareness of health and safety, etc.



Levima Advanced Materials is committed to creating a strong atmosphere conducive to safe production and letting the concept of safety development take root in the hearts of the people. Pursuant to the requirements of the safe production standard system and on the basis of its hierarchical risk control and hazard identification management system, Levima Advanced Materials has formulated a number of work safety management rules, including the Provisions on Potential Hazard Identification and Management, the Provisions on Safety Management of Special Operations, and the Emergency Plan for Work Safety Accidents. These established work safety management systems together with a long-term effective mechanism for identification and management of potential hazards in work safety further strengthen the company's capabilities to

respond to emergency. In the past three years, Levima Advanced Materials reported zero work-related fatalities.

During the Reporting Period, Levima Advanced Materials organised four training sessions about occupational safety and health for a total of 3,016 participants. The main contents of the training were the establishment of the dual system, operation safety procedures, emergency plans of "protection against thunder, flood, explosion and heat in summer" and "freeze protection, fire prevention, slip resistance and poison prevention in winter", occupational health, fire fighting skills, monitoring safety and others. The training pass rate was 100%, and the learning period was 26 hours.



BIL

As BIL understands that health is the foundation of all work, it actively creates a working environment that is conducive to the safety and health of employees. BIL collaborated with the Occupational Health Association for the Tertiary and the Financial Sector to provide health checkups for employees over the age of 40. Meanwhile, the bank actively held sports and cultural activities based on the principles of "creativity, collaboration and care", with an aim to improve the physical and mental health of its employees through these activities. At the same time, BIL has set up a social fund to provide in-service

employees with special assistance, including spectacles, contact lenses, dental surgery, inpatient service and other treatments.

In addition to ensuring that employees are free from physical illness or injury, the bank is concerned with their psychological and emotional well-being. A team of "caregivers" was established to help monitor the psychological problems of its employees. The team communicates closely with in-service employees anonymously, and follows up any major incident (e.g. death, suicide, etc.) and accompanies employees. To this end, the team has also established prevention and management processes to minimise risks and incidents.

OPERATING PRACTICES

SUPPLY CHAIN MANAGEMENT

Legend Holdings firmly believes that its business success is inseparable from the performance of its suppliers. Therefore, it requires its subsidiaries to implement standardised management of suppliers according to their own conditions, so as to ensure stable business relationships with them.

RAYCOM

In order to manage the potential risks in the supply chain, Raycom conducts annual review over fixed suppliers with suppliers' performance in abiding by laws and regulations, product quality and delivery timeliness as the main evaluation factors, and carries out routine work related practices in accordance with the "Tender Management Measures" to manage the daily work with suppliers.

LEVIMA ADVANCED MATERIALS

Levima Advanced Materials has established an equal, fair and effective long-term cooperation relationship with its partners with a sincere and responsible attitude. It actively boosts the sustainability of partners and pushes them to fulfil their responsibilities for common growth and mutual success. While ensuring that all supply chain management measures strictly comply with local laws and regulations, Levima Advanced Materials also chooses suppliers that can offer reasonable prices, make timely deliveries and warrant the quality and quantity of products, through scientifically evaluating the suppliers' performance, maintaining moderate competition among suppliers and establishing strategic partnerships with suppliers.

Specifically, Levima Advanced Materials requests that suppliers should be legitimate companies, obey its management rules and undergo its inspections. It reviews and approves an applicable short list of suppliers based on the characteristics of materials it needs. Suppliers on the short list should be selected from the Qualified Supplier List. If Levima Advanced Materials needs to purchase new goods, it can add

new suppliers into the short list in accordance with the Supplier Management Measures after surveys and investigations. A supplier will be finally selected from the short list according to the Supplies Procurement Management Measures and Bidding Management Measures. In addition, through the website of the National Enterprise Credit Information Publicity System, Levima Advanced Materials checks the suppliers' basic information, administrative penalty information and abnormal operation information, and updates its file data in time.

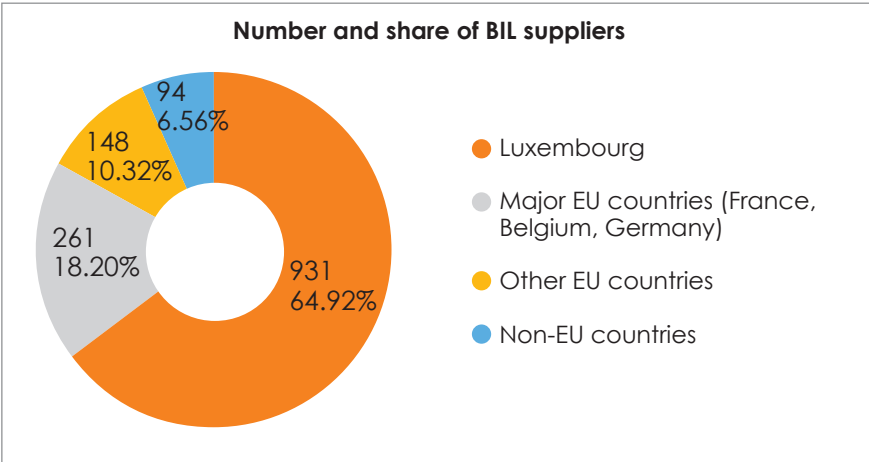
Moreover, in order to reduce possible environmental risks in the supply chain, the type of environmentally-friendly products and services to be procured will be agreed in a contract, which is generally determined during technical exchanges and negotiations, and is eventually specified in the Technical Agreement to be signed with suppliers.

BIL

BIL encourages suppliers to adopt the best practices in human rights, health and safety, and environmental protection. BIL will send guidelines on how to respect and comply with laws and regulations related to human rights, labour, health and safety, ethics and the environment to its suppliers. If suppliers give a reply, it means that they will consciously abide by these principles. It includes an audit article in the supplier agreement, specifying that an audit should be performed in the place where the supplier operates if necessary. In addition, in order to ensure that suppliers comply with regulatory requirements and reduce the risk of engaging suppliers, BIL has developed the Outsourcing Regulations, which explicitly prohibits the outsourcing of strategic functions related to its core business to any third party for the purpose of mitigating the operating risk.

BIL drafted the Outsourcing and Cloud Computing Policies during the Reporting Period to ensure that it meets the guidelines of the European Banking Authority and the requirements of regulators.

BIL encourages its business offices to take the products of their local suppliers as the first choice, a move that will not only promote local employment and economic development, but also reduce the environmental impact of the procurement and transportation process. During the Reporting Period, BIL's headquarters had 1,434 suppliers, most of which came from Luxembourg. The specific number of suppliers is shown below.



PRODUCT AND SERVICE RESPONSIBILITY

As an investment company, Legend Holdings insists on the philosophy of "With the mission of serving the nation and society through developing successful businesses across industries, Legend Holdings is committed to becoming a respected and trusted global holding company. So, in the segments it invests, the Company ensures that its subsidiaries engaged in the manufacturing of products and food comply with the local laws and regulations in the whole lifecycle covering development, production, sales, utilisation and recycling of products. Legend Holdings strives to improve the leadership in its environmental friendly products and minimise the impact of its products on the environment by paying attention to a range of technological improvements for energy efficiency, materials, packaging, etc. During the Reporting Period, the Group did not receive any incidents of non-compliance with relevant laws and regulations that have a significant impact on the Group relating to providing and using its products and services (including but not limited to information and labelling, promotional newsletters (such as advertising, promotional sales and sponsoring), customer privacy and intellectual rights).

LEVIMA ADVANCED MATERIALS

Levima Advanced Materials is a supplier of advanced material products and solutions focusing on the research and development, production and sales of advanced polymer materials and specialty chemicals. It is a high-tech enterprise and a national-level "Green Factory", and has been listed as one of the top 100 private petroleum and chemical enterprises in China for many years. In accordance with the Product Quality Law of the People's Republic of China, the Metrology Law of the People's Republic of China and other laws and regulations, Levima Advanced Materials formulated product quality standards, standardised product packaging labels and carried out product inspections to ensure that product quality meets customer needs. For product testing, it laid down product execution standards in accordance with the Standardization Law of the People's Republic of China and the requirements of the State Administration for Market Regulation. The standards were made public on the "Public service platform for enterprises' standard information" to ensure that the product quality testing is carried out in accordance with the standards.

OPERATING PRACTICES

As a high-tech enterprise in Shandong, Levima Advanced Materials attaches great importance to the protection of intellectual property rights. In addition to the Intellectual Property Management Measures it developed, a department responsible for the management of intellectual property rights has been set up to clarify the specific intellectual property that should be protected, including trade secrets, patents, trademarks and copyrights, as well as the relevant confidentiality provisions, etc.. During the Reporting Period, Levima Advanced Materials strictly enforced the Intellectual Property Management Measures to ensure effective protection and safeguarding of its intellectual property rights.

Levima Advanced Materials is committed to providing customers with high-quality products and services. It received 4 complaints about products, deformed product packages and late delivery during the Reporting Period. Levima Advanced Materials has properly communicated with customers and reached a consensus on the handling of the complaints.

BIL

With a firm belief that customer satisfaction is a key pillar of the business, BIL aims to continually improve customer satisfaction and take every opportunity to enhance the engagement, responsibility, listening and responsiveness of all employees. At the same time, BIL adopts a multi-channel strategy to provide customers with convenience, including the around-the-clock BILnet platform which offers both online and mobile banking services, telephone banking and 41 branches. BIL tries its best to provide the disadvantaged groups with more convenient services, such as the barrier-free access for people who are wheelchair-bound and others with reduced mobility, and provision of presentations and learning courses on how to use electronic device for people who are less familiar with such device.

In addition, to get more valuable comments and suggestions from customers, BIL analyses the customer feedbacks received by the account managers and the opinions given by customers in the satisfaction

surveys to tailor the services and products that meet the customers' demands. During the Reporting Period, BIL received 428 complaints about products and services, which included complaints relating to the current account, payment and ATM services, payment (transfer, automatic transfer, cheque, etc.), mortgage, investment, etc. In order to regulate the handling of customer inquiries and complaints, BIL has developed a complaint handling policy which defines the duties of the complaint handlers and the matters to be monitored and reported so as to take effective remedial actions and respond quickly. Going forward, BIL will continuously improve its products and services in response to complaints and hold every employee to the highest standards.

Specifically, in terms of product quality inspection, the business processes and regulations office is mainly responsible for sorting out and improving the processes of the bank's cross-domain work and publishing them regularly on the Intranet, in order to enhance employees' understanding of the activities organised and participated in by the bank and record the content of their cross-domain work. Meanwhile, its intranet contains the operation process of providing services for customers and meeting their requirements, which can be divided by 'value chain' into design, sales and execution, and finally after-sales service. In addition, BIL also encompasses and classifies its overall businesses through a 'process model' framework that is shared by various business units such as audit, risk and compliance.

Apart from that, BIL requires all employees not to disclose the personal details of the group's customers or staff members through communication channels unauthorised by the bank, such as instant messaging platforms and social media websites. To better respond to ever changing customer requirements and customise commercial products, BIL will collect the personal data of their customers during its daily operations. However, the General Data Protection Regulation (EU) 2016/679 forbids the sharing of information with any third party without authorisation by the related customer to protect the basic human rights in personal data privacy.

BIL maintained close cooperation with sustainable finance teams of the Association of the Luxembourg Fund Industry (ALFI) and the Luxembourg Bankers Association (ABBL). The bank provided its clients with a wide range of ESG products, such as SRI-labelled funds and ESG funds, and did its utmost to provide tailor-made ESG solutions for clients who signed discretionary contracts. BIL teamed up with an asset management company during the Reporting Period to obtain ESG data and ratings. Accordingly, it tweaked its securities selection process to integrate ESG into all the traditional investment products and services.

The bank has begun to include ESG factors into its liquidity reserve portfolio. In June 2020, BIL introduced a minimum proportion of social, green and sustainable bonds in its investment portfolio guide. This minimum proportion will be built up gradually according to the following timetable. The minimum proportion is 5% at the end of 2021, 7.5% at the end of 2023 and 10% at the end of 2025. The portfolio considering ESG factors accounted for 7.1% of the sustainable assets as at 31 December 2020.

INTEGRITY IN THE INDUSTRY

Legend Holdings conducts its business with the highest ethical standards and professional spirit. All employees are required to strictly comply with the laws and regulations of the PRC and other regions where the portfolio companies are located. It has zero tolerance for any form of bribery and corruption. The Company laid down the Anti-Corruption Management Policy, the Code of Ethics for Employees and other internal control rules, so as to guarantee the law-abiding and compliance operation of the Company and guard against individual corruption behaviour. The Company also requires its subsidiaries to act with ethics and integrity to ensure that there is no bribery and corruption. During the Reporting Period, the Group did not receive any incidents of non-compliance with relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.

The Company sets an anti-corruption whistleblowing mailbox according to the Anti-Corruption Management Policy released during the Reporting Period. Besides, a telephone, a website and a channel on the official WeChat account were added to reinforce the way and increase the efficiency to collect clues. If an employee finds any fraudulent or unethical practice in the business of the Company, or his/her interests are infringed upon due to the Company's violation of relevant laws and regulations and code of conduct, he/she can complain and report such misconduct via the aforesaid whistleblowing channel. The Company has a dedicated officer to handle the complaint or report subject to the permission of laws and regulations and in compliance with effective investigation. The Company keeps strictly confidential the personal information and all the data provided by the informer, and prohibits any retaliation against the informer in any form. Relevant personnel will be held accountable in case of a retaliation.

The Company pays consistent attention to cultural development and employee education in an attempt to prepare in advance for any possible offences. The Company has had "conclusive requirements" in place since 1990, which set forth certain unchallengeable bottom-lines for the employees including "strictly forbidden to take advantage of their work to seek personal gains". In addition, in order to raise the employees' sense of integrity, the Company requires all new recruits to attend the training course on the Code of Ethics for Employees and other on-boarding training, and further expands the training contents in the form of case studies on a regular basis. The Company requests all employees to sign the Integrity Commitment Letter and adds the "Integrity Cooperation Agreement" to the procurement contract. The Company also requires its subsidiaries to revise and improve their anti-fraud systems and secondary systems. An anti-fraud communication and sharing platform has been established to enhance the professional competence and professionalism of employees in the anti-fraud system through professional lessons, offline trainings, online sharings, etc.

OPERATING PRACTICES

In December 2020, the Audit Department of Legend Holdings took the lead in organising a two-days campaign of "2020 training for risk control, internal audit and anti-fraud lines of Legend family". Around 50 employees from the risk control, internal audit and anti-fraud lines of CAS Holdings and Legend Holdings' subsidiaries gathered together to share their experience in risk controls, internal audit and anti-fraud work. The first part of the campaign is a sharing session among external experts, in which two prosecutors from the No. 4 Branch of the Beijing Municipal People's Procuratorate gave a presentation to publicise laws. The prosecutors gave lectures on the importance of criminal compliance, criminal risk for managers, criminal risk prevention and so forth for attendees. They elaborated on the determination of crimes that frequently occur, such as bribery involving non-state functionaries and units, duty encroachment, and embezzlement, using typical cases. Suggestions on risk prevention were put

forward so as to accurately identify compliance obligations and carry out management. In addition, attendees raised questions and exchanged views and answers on the idea of anti-fraud work, identification and prevention of fraud risk areas within the company, methods of collecting evidence in anti-fraud investigation, etc. The second part of the campaign is about the sharing of experience and cases on risk control, internal audit and anti-fraud among employees of CAS Holdings and Legend Holdings, which can help enhance the practical audit skills. The topics were "Effective use of public security resources in anti-fraud work", "Exchange of internal audit practices in procurement", "Relationship between anti-fraud and personal career value", "Park managers take advantage of their position to seek illegal gains", "Internal control management practices of property companies" and "Enforcement cases of the securities regulatory system in the private equity industry".



2020 Training for risk control, internal audit and anti-fraud lines of legend family

RAYCOM

Raycom included "integrity clauses" in its contracts. It promises not to engage in any commercial bribery and other misconducts that violate the integrity agreement and not to harm the other party's interests for obtaining improper benefits. If Raycom Property's in-service employees are found to commit commercial bribery that violates the integrity agreement, it can be reported via a relevant channel.

LEVIMA ADVANCED MATERIALS

During the Reporting Period, Levima Advanced Materials updated the Internal Control Handbook and continuously improved its internal control system, which, together with the rules and regulations management system, the integrated management system and so forth, constitutes its internal management and control system. Documents of the internal management and control system are updated annually and issued for implementation, in order to continuously improve its internal management and control measures and provide systematic safeguards for integrity building. Levima Advanced Materials was listed on the Shenzhen Stock Exchange in December 2020. Its audit committee consists of three directors, more than half of whom are independent directors. One of the independent directors is an accounting professional who acts as the convenor to oversee the design and execution of Levima Advanced Materials' compliance work, ensuring that all operations comply with the specific requirements of laws and regulations. In addition, the audit department of Levima Advanced Materials is responsible for implementing the internal control system and the rules and regulations management system, and reports the audit results to the Audit Committee.

Moreover, Levima Advanced Materials included anti-commercial bribery clauses in its regular contract management, established a dedicated anti-bribery work system, which encompassed a special mailbox for bidding, as well as legal and auditing supervision, etc. If Levima Advanced Materials receives complaints and reports from internal and external units about its employees' misconducts, the audit department will immediately conduct an investigation. Meanwhile, it will regularly inspect the practices of all units and departments, and perform special internal audit activities and conduct annual assessment on upstream and downstream customers on a regular basis to continuously improve the environment of integrity.

Levima Advanced Materials has also formulated the "Integrity Management Measures" to standardise the conduct of employees at all levels to prevent corruption and ensure the healthy construction and business operations. In addition, during the Reporting Period, Levima Advanced Materials updated its own "Anti-Fraud Management Measures" based on the "Anti-Fraud Management Policy" issued by Legend

Holdings, which standardises the responsible division, workflow and punitive measures for anti-fraud work, and publicise them on its Intranet to require all subsidiaries and employees to follow them. Furthermore, Levima Advanced Materials launched the "Corporate compliance and integrity and self-discipline" course in two phases on its internal online training platform, Levima Cloud School, with the total video duration of about one hour and 20 minutes. The course was presented by in-house legal officers, which is mainly about the explanation of the laws and regulations involved in the operation process and the risk areas related to integrity and self-discipline in the actual work process. Cases were listed for practical discussions. All employees of Levima Advanced Materials can take the course through mobile phones, computers, etc. at any time.

BIL

BIL upholds the strictest standards of transparency. Since 2012, BIL has been a signatory to the Charter of the International Capital Market Association. All its employees must abide by the Code of Conduct for BIL group, the Anti-Bribery and Corruption Regulations of BIL group, the Code of Ethics for BIL group, and the Financial Crime Prevention Regulations of BIL group. They are also subject to very strict procedures, whether it involves tax transparency, fight against money laundering, and combating of terrorism financing. In order to ensure that employees at all levels have a deep understanding of and comply with the procedures, BIL provides relevant training to employees and arranges regular policy reviews to ensure the applicability of the procedures.

During the Reporting Period, BIL updated its regulations on the prevention of bribery, extortion, fraud and money laundering, including but not limited to the Anti-Money Laundering Regulation No. 12/02, the provisions on anti-money laundering in the 5th EU Anti-Money Laundering Directive and the law relating to establishing a central data retrieval system for international bank accounts and safe deposit boxes, etc. BIL actively oversaw the amendment of relevant laws and regulations to ensure strict compliance with the requirements. During the Reporting Period, 102 hours of training on anti-corruption were organised through the bank's online platform (WebEx).

OUR ENVIRONMENT

The environment is the basis of human survival and one of the important issues for the sustainable development of an enterprise. The Group are committed to environmental protection, energy conservation and emission reduction and reasonable and efficient utilization of resources and energy in day-to-day operational activities and ensure that every subsidiaries strictly observe local environmental laws and regulations and relevant industry emission standards in the regions where they operate. The Group is committed to constantly improving environmental management and measures, including establishing a complete environmental emergency response system for specific business, providing feasible supports for prevention and control of environmental accidents, and improving factory production processes and equipping resource recycling system to effectively reduce energy consumption. In addition, the Group has also formulated and implemented more detailed environmental protection policies in line with the local conditions of subsidiaries in all strategic investment segment, made gradual development of environmental sustainability policies, so as to achieve the harmony among economic, social and environmental benefits.

As Legend Holdings makes strategic investments on all fronts, the environmental impact of the Group's activities has also become an increasingly important factor considered by investors. In order to better respond to the needs of investors, the Group will highlight in this Report the efforts at the environmental level made by Legend Holdings' financial services arm (BIL), investment property (Raycom), strategic investment (Levima Advanced Materials), as well as Lenovo Group¹ in the IT sector.

As climate change is increasingly affecting the world, Legend Holdings acts in an "environmentally responsible" manner and continuously supports diversified and effective energy conservation and emission reduction measures in various investment activities, in a bid to reduce the carbon footprint of operations. During the Reporting Period, the Group did not receive any incidents of non-compliance with relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

ENVIRONMENTAL PERFORMANCE OF SUBSIDIARIES

RAYCOM

Raycom, the location where Legend Holdings is headquartered, is centrally managed by Raycom Property. Accordingly, disclosures relating to Raycom includes Raycom Property and Legend Holdings' head office.

ENERGY CONSERVATION AND EMISSION REDUCTION

The impact of Raycom on the environment is not significant. Nevertheless, in order to reduce greenhouse gas emissions, the Group, as a responsible corporate citizen, installed 1,200 energy-efficient LED lights in Building C and replaced 429 lights in the public area of Building A with LED fixtures during the Reporting Period. Therefore, electricity consumption in the public areas of Building A have dropped from 2.62 million kWh in 2019 to 2.41 million kWh in 2020, an overall reduction of up to 8%.

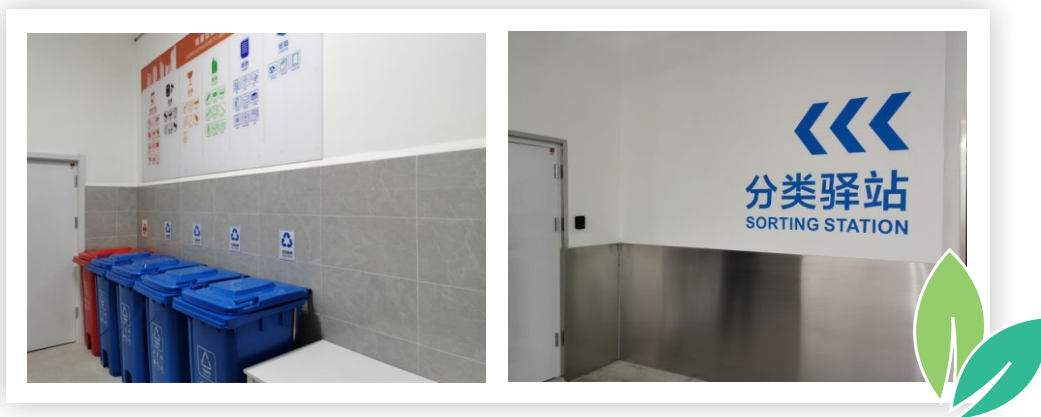
WASTE MANAGEMENT

In order to effectively manage the hazardous waste of Raycom, such as batteries, ink cartridges and waste lamps containing mercury, etc., Raycom has signed a solid waste disposal agreement with Beijing Eco-Island Science and Technology Co., Ltd. According to relevant notices, policies and guidelines such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste, the Notice on Strengthening the Management of Chemical Hazardous Substances, the Notice on Strengthening the Environmental Management of Waste Electrical and Electronic Equipment, and the Administrative Measures for the Prevention and Control of Environmental Pollution Caused by Electronic Waste, harmful waste such as mercury-containing lamps is centrally collected and managed, and qualified third party is engaged to regularly transfer waste for disposal. Please refer to the summary of environmental performance data below for details on the recycling management of non-hazardous and hazardous waste.

¹ Please refer to the Lenovo 2020/21 Environmental, Social and Governance Report published on the website of the Hong Kong Stock Exchange for ESG-related contents

In addition, Raycom began to sort wastes, in order to actively respond to the call of the Regulations on the Management of Domestic Waste in Beijing. Raycom completed the renewal of the classification dustbins in the commercial area and car yard in June 2020. The number of dustbins placed in different points: Three kinds of coloured dustbins in 11 points and two kinds of coloured dustbins in eight points for Building A; three kinds of coloured dustbins in 19 points and two kinds of coloured dustbins in 20 points for Building

B; three kinds of coloured dustbins in 31 points and two kinds of coloured dustbins in 14 points for Building C. In total, there are three kinds of coloured dustbins in 61 points and two kinds of coloured dustbins in 42 points. The construction of the "Sorting Stations" was completed in October, which can maximise the sorting of waste generated in the property and achieve the objective of reducing the amount of domestic waste.



Sorting Station-sorting dustbins

EFFICIENCY OF RESOURCE USE

Raycom attaches great importance to the reasonable and efficient use of resources and energy to actively fulfil environmental responsibilities. In accordance with relevant laws and regulations, Raycom formulated the Environmental Energy Efficiency Plan. Running water and water-consuming equipment was repaired and replaced by it in a timely manner through real-time monitoring of water consumption and inspection of sanitary ware. Besides, Raycom also adjusted its heating operation strategy based on the weather conditions on a weekly basis and performed sophisticated management. Winter temperature reached the lowest level in recent years during the Reporting Period, and the heat consumption is almost the same as the previous year. It shows the efforts made by Raycom in energy conservation. Moreover, Raycom arranged indoor temperature measurement and adjusted the water supply temperature according to the temperature measurement results to avoid overheating and excessive energy consumption.

During the Reporting Period, Buildings A and C in Raycom achieved the LEED-EB Platinum certification and Building B received a Three-Star Green Building Operation Label. Although Raycom sources its water from the municipal pipeline and has no issues in sourcing water fit for purpose, the Group is still committed to building itself into a water-friendly enterprise. Employees were requested to turn off the taps in a timely manner after getting water. Efforts were stepped up to inspect water use points in buildings, and the problems such as water dripping, flooding and leakage will be solved in time if any. Due to a reduction in water consumption in offices amid the pandemic, the total water consumption in Raycom was 198,400 tonnes during the Reporting Period, a saving of over 22% compared to 255,000 tonnes in 2019.

OUR ENVIRONMENT

The environmental performance data of Raycom¹ are summarized as follows:

Emissions	Type	Unit	2020	2019	2018	2017
Greenhouse Gas Emissions	Scope 1 (Direct Emissions) ²	tCO ₂ e	424.52	108.90	107.66	106.32
		tCO ₂ e/m ²³	4.84 x 10 ⁻³	1.69 x 10 ⁻³	1.57 x 10 ⁻³	1.18 x 10 ⁻³
	Scope 2 (Indirect Emissions) ⁴	tCO ₂	20,454.51	24,821.63	24,533.30	23,690.84
		tCO ₂ e/m ²	0.24	0.38	0.36	0.26
Air Pollutant Emissions ⁵	Nitrogen Oxides (NOx)	kg	33.23	32.49	41.54	25.63
		kg/m ²	3.79 x 10 ⁻⁴	5.03 x 10 ⁻⁴	6.07 x 10 ⁻⁴	2.85 x 10 ⁻⁴
	Sulphur Oxides (SOx)	kg	0.477	0.70	0.70	0.40
		kg/m ²	5.43 x 10 ⁻⁶	1.08 x 10 ⁻⁵	1.03 x 10 ⁻⁵	4.00 x 10 ⁻⁶
	Carbon Monoxide (CO)	kg	225.03	369.92	304.60	142.44
		kg/m ²	2.56 x 10 ⁻³	5.73 x 10 ⁻³	4.45 x 10 ⁻³	1.59 x 10 ⁻³
	Dust (PM)	kg	2.15	2.09	2.73	1.57
		kg/m ²	2.45 x 10 ⁻⁵	3.19 x 10 ⁻⁵	3.99 x 10 ⁻⁵	1.80 x 10 ⁻⁵
Non-hazardous Waste	Construction Waste	t	5,000.00	4,000.00	6,000.00	6,700.00
	Domestic Waste	t	1,800.00	1,800.00	1,600.00	1,643.00
	Paper	sheets	629,100.00	717,500.00	620,500.00	600,000.00
Hazardous Waste	Discarded Tubes with Mercury	pieces	2,620	2,069	1,708	1,384
	Discarded Batteries	piece	1,284.00	2,424.00	2,214.00	2,540.00
	Waste oil from cleaning air-conditioning systems	L	380.00	266.00	Not Disclosed	
	Ink cartridge	Cartridges	126	96		

¹ As the headquarters of Legend Holdings is located at Raycom, the environmental performance key performance indicators of Legend Holdings' headquarters are included in that of Raycom.

² For calculation, please refer to Requirements of the greenhouse gas emissions accounting and reporting – land transportation enterprise and industrial greenhouse gas emissions accounting and reporting other industries issued by the National Development and Reform Commission of the People's Republic of China; and Greenhouse gas inventory guidance – direct emissions from mobile combustion sources issued by the United States Environmental Protection Agency (USEPA). The 2017 and 2018 Scope 1 greenhouse gas and air pollutant emissions in came from the vehicles and diesel backup generators owned by Raycom. 2019 Scope 1 greenhouse gas and air pollutant emissions came from vehicles owned by Raycom. The 2020 Scope 1 greenhouse gas and air pollutant emissions came from the operation of passenger vehicles and standby diesel generators and the use of cooling agents in Raycom.

³ Square meters is calculated according to the non-rented area of Raycom. The non-rented area during the reporting period is 87,745.28 square meters

⁴ The 2020 electricity emission factors came from the "Notice on 2018 Annual Carbon Emissions Reporting and Accounting and Preparation of Emissions Monitoring Plan" issued by the Ministry of Ecology and Environment in 2019. Scope 2 emissions came from Raycom's purchased electricity.

⁵ The air pollutant emissions are calculated mainly according to non-road mobile source air pollutant emission inventory preparation technical guide and Road vehicles air pollutant emission inventory preparation technical guide issued by the Ministry of Ecology and Environment of the People's Republic of China. NOx, SOx, CO and PM emissions in 2017 and 2018 came from the operation of vehicles and diesel backup generators owned by Raycom. NOx, SOx, CO and PM emissions in 2019 came from the operation of vehicles by Raycom. NOx, SOx, CO and PM emissions in 2020 came from the operation of vehicles diesel backup generators owned by Raycom.

Resource used	Type	Unit	2020	2019	2018	2017
Energy	Purchased Electricity	MWh	33,526.48	35,283.06	34,873.20	33,675.68
		MWh/m ²	0.38	0.55	0.51	0.38
	Petrol	L	–	47,112.00	45,369.00	34,511.00
		L/m ²	–	0.73	0.66	0.38
	Diesel	L	–	1,200.00	1,200.00	1,200.00
		L/m ²	1,200.00	1.75 x 10 ⁻²	1.75 x 10 ⁻²	1.33 x 10 ⁻²
	Natural Gas	GJ	27,925.00	–		
		GJ/m ²	0.32			
Water	Tap Water	m ³	198,416.00	255,080.00	253,759.00	244,815.00
		m ³ /m ²	2.26	255,080	3.71	2.72
Packaging Materials	Not Applicable ⁶					

⁶ Raycom does not involve the use of packaging materials for finished products, and therefore this is not applicable.

LEVIMA ADVANCED MATERIALS

While upholding its core values of "Pragmatic and Enterprising", "Innovative and Focused", and "Sharing for Win-win", Levima Advanced Materials positively fulfils its social responsibilities and promotes energy conservation and emission reduction through real actions to become an environmentally friendly enterprise. In addition to improving its productivity, Levima Advanced Materials, through technological innovations in production processes, industrial organization, industrial layout and management pattern, leads the green industries with green technologies, actively participates in fostering an industry ecosystem to promote healthy growth and continuous progress for the industry. Levima Advanced Materials is dedicated to creating more valuable products and services for the society, its customers and partners. Levima Advanced Materials has also effected the sustainable development concept featured with shared win-win results.

ENVIRONMENTAL MONITORING SYSTEM

Based on the actual demands in conducting environmental protection work, Levima Advanced Materials established an environmental monitoring and management system covering the whole plant and established the Health and Safety Environment (HSE) department. The department is headed by a

senior vice president of Levima Advanced Materials and all the operation divisions are manned by environmental staff responsible for the operation of environmental facilities, environmental monitoring and wastewater discharge. To strengthen wastewater treatment, Levima Advanced Material strictly complies with relevant national and industrial standards, such as the Standard for Pollution Control on the Storage and Disposal Site for General Industrial Solid Wastes and the Measures on the Management of Hazardous Waste Manifests. Besides, Levima Advanced Material regularly revises its thematic policies, such as the HSE Supervision and Management System and the Management Rules for Safe Production Responsibility System Assessment, which include among others the Management Rules for Exhaust Gas, Management Rules for Radiation Safety, the Management Rules on Solid Waste, Management Rules on Environmental Protection Facilities, Management Rules on Environmental Monitoring, Management Rules on Wastewater, Management Rules on Environmental Risk and Potential Hazard Investigation. At the same time, Levima Advanced Materials ensures that responsibilities for environmental risks are rested with safety and environmental protection engineers or professional machinery and equipment administrators, with clearly defined supervisory responsibilities of HSE department staff.

OUR ENVIRONMENT

During the Reporting Period, Shandong Provincial Development and Reform Commission issued a notice requiring enterprises to set up online energy monitoring systems to upload key energy consumption data to national, provincial and municipal platforms for further monitoring. In its active response to this policy requirements, Levima Advanced Materials set up a system construction project team immediately, organised relevant professional technical discussions, formulated technical plans, reached into technical agreements and sorted vendors in strict compliance with the internal tendering procedures. At the end of July 2020, Levima Advanced Materials Online Energy Monitoring System completed its development. In September, the system was connected to the provincial platform and started to upload and monitor energy data properly.

During the Reporting Period, Zaozhuang Municipal Bureau of Ecology and Environment listed Levima Advanced Materials as a key subject under its soil

pollution regulation in 2020. Levima Advanced Materials entered into a Letter of Undertaking on Soil Pollution Prevention and Control with Tengzhou Municipal People's Government and Mushi Town People's Government, respectively¹; as per the requirements, a third party shall be engaged to monitor soil and groundwater condition annually and disclose the results publicly; Levima Advanced Materials shall strictly control the discharges of poisonous or noxious materials and report the data to the bureaus of ecology and environment at municipal level on an annual basis.

ENERGY CONSERVATION AND EMISSION REDUCTION

Levima Advanced Materials continued to carry out "Leak Detection and Repair (LDAR)" throughout the entire plant and managed to reduce the emission of volatile organic compounds by 2,300.39kg/year during the Reporting Period, representing a year-on-year decrease of over 400%.

图片	装置	区域	设备/管线号	参考设备	标签号	扩展号	密封点编码	密封点类型	动静密封点	介质状态	1
	DMTO车间	反应再生区域	燃料气分液罐	燃料气分液罐	L-00001	1	DMTOC0-01-01-0001	法兰	静密封点	轻液	4
	DMTO车间	反应再生区域	燃料气分液罐	燃料气分液罐	L-00001	2	DMTOC0-01-01-0001	法兰	静密封点	轻液	4
	DMTO车间	反应再生区域	燃料气分液罐	燃料气分液罐	L-00001	3	DMTOC0-01-01-0001	法兰	静密封点	轻液	4
	DMTO车间	反应再生区域	燃料气分液罐	燃料气分液罐	L-00001	4	DMTOC0-01-01-0001	法兰	静密封点	轻液	4
	DMTO车间	反应再生区域	燃料气分液罐	燃料气分液罐	L-00001	5	DMTOC0-01-01-0001	阀门	动密封点	轻液	4
	DMTO车间	反应再生区域	燃料气分液罐	燃料气分液罐	L-00001	6	DMTOC0-01-01-0001	阀门	动密封点	轻液	4

Leak Detection and Repair Efforts at Levima Advanced Materials

At the beginning of the Reporting Period, Levima Advanced Materials confirmed the implementation of the air emission standard for boilers, DB 37664-2019 Emission Standard of Air Pollutants for Thermal Power Plants, which cut the emission limit of nitrogen oxides from 100mg/m³ to 50mg/m³, and that of soot from 10mg/m³ to 5mg/m³. During the Reporting Period, due to the increased usage of desulphurisation and

denitrification agent and the renovation of the desulphurisation tower, the total emissions of air pollutants from Levima Advanced Materials fell more than 5% from the previous year, with total nitrogen oxide emissions, total sulphur dioxide emissions and total soot emissions down 36.8%, 13.6% and 21.4% respectively.

¹ Tengzhou City is under the administration of Zaozhuang City, while Mushi Town is under the administration of Tengzhou City.

WASTE MANAGEMENT

Levima Advanced Materials conducted the identification, storage, plan application and handling measures on hazardous waste to ensure they were all legally and appropriately handled. By adjusting the operation of the vinyl acetate ("VA") refining system in the ethylene vinyl acetate ("EVA") copolymer plant, Levima Advanced Materials increased VA recycling volume while reducing the generation of waste VA subject to different product brands and production conditions. The VA refining volume decreased from 1,571.32 tonnes in 2019 to 1,298.26 tonnes during the Reporting Period, a year-on-year decline of 273.06 tonnes or 17.4%. After being processed by the The sludge from the treatment of the sewage treatment station at Levima Advanced Materials, wastewater is categorized as general waste according to the environmental assessment. It is temporarily placed at the sludge depository at the wastewater treatment station and is taken to boilers for incineration once a month. Levima Advanced Materials entrusts qualified third party agencies with the disposal and comprehensive utilization of boiler slag and flue-gas gypsum. Domestic wastes are placed at a designated place and are collected together. Local environmental authorities will clear and conduct harmless treatment in time and regularly sterilize and clear the waste storage place to prevent the breeding of bacteria and the transmission of diseases.

EFFICIENCY OF RESOURCE USE

Pursuant to the "ISO5001 Energy Management System Requirements and Usage Guidelines", Levima Advanced Materials continued to optimize its energy management system and review its energy conservation feasibility strategies and measures so as to identify opportunities to improve the efficiency of resource utilization. Meanwhile, Levima Advanced Materials made constant efforts to take water conservation measures. It adopted technologies of the wash water for the 2# scrubber ("T1401") and the spraying water for the quench tower of the dimethyl ether/methanol to olefin ("DMTO") plant to save water costs. The scrubber is used to remove a small amount of oxygenated compounds from the reaction gas in the process. Thus, to avoid blockage of the T1401 packing caused by purified water and to improve its washing effect, the plant has been using deoxygenated water as the wash water. In order to further reduce water costs, Levima Advanced

Materials modified the T1401 wash water system in April 2020 and replaced the deoxygenated water with condensation water as the wash water for T1401. Since the project became operation in June, the deoxygenated water consumption in the plant has dropped by 72t/h from 113t/h to 41t/h.

According to policy requirements from the government, Levima Advanced Materials and its relevant departments discussed and formulated plans and measures to reduce the consumption of coal. To meet the task of coal reduction, Levima Advanced Materials decided to "improve the calorific value of coal burned with coal gangue", "stop using circulating steam turbines", "optimise operations" and "improve the operating efficiency of boilers". During the Reporting Period, the production management centre, supply and logistics department, public works department and other relevant departments of Levima Advanced Materials implemented those measures and tracked the effectiveness to conduct timely inspection and rectification. Levima Advanced Materials has achieved the coal consumption target of the year.

RESPONDING TO HEAVY AIR POLLUTION WEATHER

As a response to heavily polluted weather caused by extremely adverse weather conditions and other factors, Levima Advanced Materials has formulated the "Contingency Plan for Heavily Polluted Weather" based on actual situations to ensure the general public health and provide a scientific guidance to production and life. At the same time, Levima Advanced Materials submitted a list of emergency emission reduction for heavily polluted weather (2020-2021) as required by the Zaozhuang Municipal Bureau of Ecology and Environment. Under the contingency condition of the heavily polluted weather, Levima Advanced Materials strictly implements measures in the contingency plan and discloses relevant information on the electronic screen and bulletin board in time to ensure that employees are aware of the arrangements and reduce negative impact on their health. In October 2020, Levima Advanced Materials revised the "Contingency Plan for Heavily Polluted Weather". In November 2020, Levima Advanced Materials further completed the newly added technological transformation of the enterprises' vehicles access control system on the list of emergency emission reduction to better cope with heavily polluted weather.

OUR ENVIRONMENT

The environmental performance data of Levima Advanced Materials are summarized as follows:

Emissions	Type	Unit	2020	2019	2018	2017
Greenhouse Gas Emissions	Scope 1 (Direct Emissions) ¹	tCO ₂ e	634,423.05	615,271.00	640,430.68	580,908.10
		tCO ₂ e/revenue (millions of RMB)	106.96	108.44	107.73	119.14
	Scope 2 (Indirect Emissions) ²	tCO ₂ e	472,624.95	432,067.00	432,867.00	384,091.90
		tCO ₂ e/revenue (millions of RMB)	79.68	76.14	72.81	78.77
Air Pollutant Emissions ³	Nitrogen Oxides (NOx)	t	86.66	134.54	144.38	166.35
		t/revenue (millions of RMB)	1.46 x 10 ⁻²	2.37 x 10 ⁻²	2.43 x 10 ⁻²	3.41 x 10 ⁻²
	Sulphur Oxides (SOx)	t	23.73	27.45	23.91	77.56
		t/revenue (millions of RMB)	4.00 x 10 ⁻³	4.84 x 10 ⁻³	4.02 x 10 ⁻³	1.59 x 10 ⁻²
	Carbon Monoxide (CO)	kg	2.15	419.65	625.37	666.15
		kg/revenue (millions of RMB)	3.62 x 10 ⁻⁴	7.40 x 10 ⁻²	0.11	0.14
	Dust (PM75) ⁴	t	6.96	8.78	5.64	13.61
		t/revenue (millions of RMB)	1.16 x 10 ⁻³	1.55 x 10 ⁻³	9.49 x 10 ⁻⁴	2.79 x 10 ⁻³
	Dust (PM10)	kg	61.53 ⁵	20.34	34.36	36.82
		kg/revenue (millions of RMB)	1.04 x 10 ⁻²	3.58 x 10 ⁻³	5.78 x 10 ⁻³	7.55 x 10 ⁻³

¹ The data are calculated with reference to the Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions of China's Petrochemical Enterprises (Trial) and Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions of China's Power Generation Enterprises (Trial) issued by the National Development and Reform Commission of the PRC. Scope 1 greenhouse gas emissions came from Levima Advanced Material's fuel combustion (coal, diesel (diesel generators, vehicles), natural gas (canteens), dimethyl ether/methanol to olefins (DMTO) units that produce fuel gas and torch emissions), emissions from combustion of torch and emissions from industrial processes (continuous burnt flue gas emissions from DMTO units, emissions from EO units, desulphurized calcium carbonate emissions). The data disclosed for 2020 are estimated emissions and will be revised and disclosed in the following year after being verified by a third party. The data for 2019 have been updated after being verified.

² The data are calculated with reference to 2011-2012 Regional Power Grid Average CO₂ Emission Factors in China Guidelines and the Requirements of the greenhouse gas emissions accounting and reporting — industrial enterprises in other industries (trial) published by the National Development and Reform Commission of the People's Republic of China. Scope 2 emissions came from Levima Advanced Material's purchased heat/electricity.

³ The data are calculated with reference to the Technical Guide for the Preparation of Air Pollutant Emission Inventory for Road Vehicles. NOx, SOx, CO and PM10 are emitted by the engineering equipment and passenger vehicles of Levima Advanced Materials.

⁴ The scope of the data covers dust (PM75) generated during the production of Levima Advanced Materials during the ESG Reporting Period. Dust (PM10) mainly comes from vehicle emissions.

⁵ The significant increase in the data over previous reporting periods is mainly due to the addition of non-road mobile sources, i.e. engineering machinery.

Emissions	Type	Unit	2020	2019	2018	2017
Discharge and Emissions from Other Pollutants	Wastewater Discharge	t	2,671,392.00	2,353,937.00	2,229,284.00	2,094,778.00
		t/revenue (millions of RMB)	450.38	414.86	374.98	429.61
	Chemical Oxygen Demand (COD)	t	286.03	270.83	309.54	394.75
		t/revenue (millions of RMB)	4.82×10^{-2}	4.77×10^{-2}	5.21×10^{-2}	8.10×10^{-2}
	Ammonia Nitrogen	t	5.52	3.87	3.16	2.20
		t/revenue (millions of RMB)	9.31×10^{-4}	6.82×10^{-4}	5.32×10^{-4}	4.51×10^{-4}
Non-hazardous Waste	Not Applicable ⁶					
General Waste	Wastewater Treatment Sludge	t	528.65	1,389.00	686.00	875.00
		t/revenue (millions of RMB)	8.91×10^{-2}	0.24	0.12	0.18
Hazardous Waste	VA Refined Residual Liquid, Waste Lubricating Oil, Waste Initiator, Waste Packaging, etc.	t	1,502.1	1,976.50	1,706.54	1,401.91
		t/revenue (millions of RMB)	0.25	0.35	0.29	0.29
Resource used	Type	Unit	2020	2019	2018	2017
Energy	Purchased Electricity	MWh	534,461.66	488,598.00	492,357.00	458,356.00
		MWh/revenue (millions of RMB)	90.11	86.11	82.82	94.00
	Coal	t	238,160.89	247,644.83	246,426.00	225,084.00
		t/revenue (millions of RMB)	40.15	43.65	41.45	46.16
	Diesel	L	53,936.26	66,107.86	23,977.00	21,004.00
		L/revenue (millions of RMB)	9.09	11.65	4.03	4.31
	Petrol	L	26,055.38	34,447.10	20,969.00	24,579.00
		L/revenue (millions of RMB)	4.39	6.07	3.53	5.04
Water	Tap Water ⁷	m ³	5,037,629.00	4,525,987.00	4,611,066.00	3,892,639.00
		m ³ /revenue (millions of RMB)	849.32	797.67	775.62	798.33
Packaging Materials	FFS Film	t	826.81	791.35	628.00	728.42
	Polypropylene packaging bag	piece	9,881,875	-		
	EOD packaging bag	piece	2,146,074			
	Phosphated barrel	piece	2,029			
	Intermediate Bulk Container	piece	2,026			
	120L plastic barrel	piece	14,657			
	200L plastic barrel	piece	35,895			

⁶ During the Reporting Period, non-hazardous waste was less important than other hazardous waste and pollutants. So, no data about non-hazardous waste were disclosed.

⁷ Levima Advanced Material's water is sourced from the municipal pipeline network, and has no problems in sourcing water fit for purpose.

OUR ENVIRONMENT

BIL

Banque Internationale à Luxembourg (BIL), which recognises the importance of environment protection, is committed to reducing its impact on the environment, striving to reduce energy consumption and waste generation, and continuously monitoring energy and water consumption and waste generation. BIL demonstrates its ambition for sustainable development in the strategic plan "Create Together 2025", in which BIL also sets out its carbon footprint objectives for its banking business.

ENERGY CONSERVATION AND EMISSION REDUCTION

Energy consumed at the headquarters of BIL is mainly electricity and natural gas. In addition to installing more energy-efficient LED lamps for outdoor lighting, BIL headquarters also worked hard to use less electrical appliances and IT equipments, reducing power consumption by approximately 12% from last year. Moreover, BIL replaced the control switches with sensor switches for lights in the toilet cubicles, which will save 8,100kWh of electricity every year. Apart from these, BIL used 30% more gas during the Reporting Period than 2019 due to Luxembourg government's proposal to use 100% outdoor air heating and ventilation equipment as efforts to combat COVID-19.

The Commercial Transportation Policy prepared by BIL encourages employees to use teleconferencing or video conferencing to reduce their frequency of air, train or car travels. In addition, BIL also subsidizes employees' annual public transportation to encourage them to use public transportation.

WASTE MANAGEMENT

BIL encourages a paperless workflow. The main non-hazardous wastes generated in the daily operations of BIL are paper, food and glass. In terms of the use of paper and ink cartridges, BIL equipped its printing system with double-sided printing function to reduce paper usage, as a result reducing one third of printers during the Reporting Period. In the meantime, BIL gradually reduces the use of brochures, and has achieved 100% paperless training. Furthermore, BIL has introduced an electronic signature system to enable clients to sign contracts remotely.

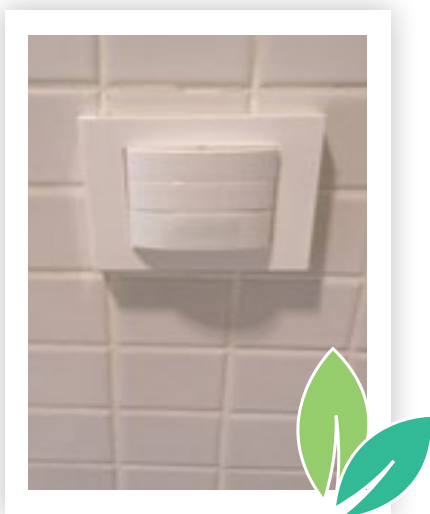
Since 2008, BIL has adopted the Super DrecksKëscht Fir Betriber labeling method for waste management. According to this method, wastes are sorted into 43 types for storage and disposal, thereby increasing the amount of recycled waste and minimizing the amount of produced waste. BIL examines and verifies whether the measures under this method have been fully implemented each year to correct mistakes and omissions in a timely manner, giving full play to its role in waste reduction measures.

During the Reporting Period, BIL embarked on a series of waste reduction projects, including replacing disposable plastic products with porcelain cups, water dispensers and reusable trays in order to follow the principle of circular economy. Due to the spread of COVID-19 pandemic, BIL has to use disposable tableware for safety reasons. Therefore, BIL has adopted the principle of the Consignee on all tableware to minimise the generation of disposable tableware.

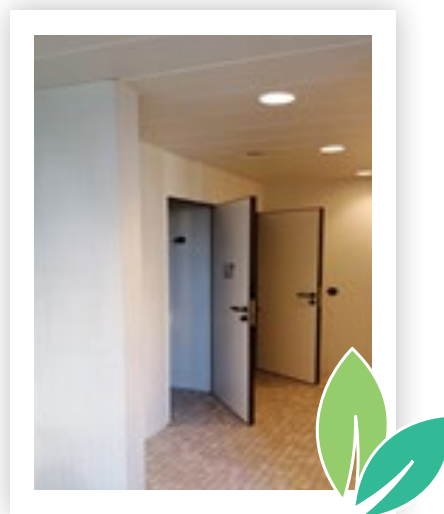
EFFICIENCY OF RESOURCE USE

For higher power efficiency of air conditioners, BIL remind employees to keep windows closed where possible through its intranet information. In addition, the windows of the BIL office building are also equipped with automatic sunshade curtains to isolate the office from solar heat and keep the temperature stable in offices. Since 2008, BIL has installed 110 measurement points to monitor the consumption of electricity, natural gas and water resources on an

ongoing basis. It prepares monthly monitoring data reports and compare them with past data to better identify and correct abnormalities, thus using resources more efficiently. In addition, the demand for office use dropped due to the pandemic, which further leads to a significant reduction of water consumption in sanitary cubicles for flushing and kitchens for food preparation. During the Reporting Period, the water consumed by BIL fell almost 9,500 m³, a decrease of approximately 35% from 2019.



Replacing ordinary switches with sensor switches



Reducing the use of sanitary cubicles

OUR ENVIRONMENT

The environmental performance data of BIL's headquarters are summarized as follows:

Emissions	Type	Unit	2020	2019	2018
Greenhouse Gas Emissions	Scope 1 (Direct Emissions) ¹	tCO ₂ e	18.10	17.31	19.02
		tCO ₂ e/m ²²	5.09 x 10 ⁻⁴	4.87 x 10 ⁻⁴	5.35 x 10 ⁻⁴
	Scope 2 (Indirect Emissions) ³	tCO ₂ e	5,354.55	5,670.13	5,880.35
		tCO ₂ e/m ²	0.15	0.16	0.17
Air Pollutant Emissions ⁴	Nitrogen Oxides (NOx)	kg	51.04	48.65	48.15
		kg/m ²	1.44 x 10 ⁻³	1.37 x 10 ⁻³	2.58 x 10 ⁻⁴
	Sulfur Oxides (SO ₂)	kg	0.11	0.11	0.12
		kg/m ²	3.26 x 10 ⁻⁶	3.10 x 10 ⁻⁶	1.36 x 10 ⁻³
	Carbon Monoxide (CO)	kg	11.58	11.35	9.16
		kg/m ²	3.26 x 10 ⁻⁴	3.19 x 10 ⁻⁴	2.78 x 10 ⁻⁵
	Dust (PM2.5)	kg	1.38	1.16	0.99
		kg/m ²	3.88 x 10 ⁻⁵	3.26 x 10 ⁻⁵	3.30 x 10 ⁻⁶
Non-hazardous Waste	Paper and Cardboard Boxes	kg			
	Paper and Cardboard Boxes Recycled		67,930.00	96,190.00	90,520.00
	Domestic Waste		69,390.00	86,100.00	85,580.00
	Food Residue				
	Food Residue Recycled		12,660.00	28,293.00	29,771.00
	Glass				
	Glass Recycled		8,610	14,860.00	13,360.00
	Mixed Packaging				
	Mixed Package Recycled		3,900	8,071.00	4,549.00
Hazardous Waste	Waste Bulbs and Lamps		30.00	117.00	72.00
	Ink cartridge	piece	2,245	5,600.00	Not Disclosed

¹ The data are calculated with reference to the Air Pollutant Emission Inventory Guidebook EMEP/EEA. Scope 1 greenhouse gas emissions came from vehicles owned and operated by BIL.

² square meters is calculated according to the net internal floor area of BIL's headquarter offices. The net internal floor area was 35,530 m² during the reporting period.

³ Scope 2 emissions came from BIL's purchased heat/electricity, natural gas and coal gas.

⁴ The data are calculated with reference to the Air Pollutant Emission Inventory Guidebook EMEP/EEA. NOx, SOx, CO and PM, emission came from the operation of vehicles owned by BIL's headquarters.

Resource used	Type	Unit	2020	2019	2018
Energy	Purchased Electricity	MWh	6,634.76	7,529.32	7,772.80
		MWh/m ²	0.19	0.21	0.22
	Natural Gas	m ³	371,698.00	285,305.00	304,396.00
		m ³ /m ²	10.46	8.03	23.30
	Coal Gas	m ³	5.5	87.00	178.00
		m ³ /m ²	1.55 x 10 ⁻⁴	2.45 x 10 ⁻³	2.15 x 10 ⁻³
Water	Tap Water ⁵	m ³	17,332.00	26,727.00	39,895.00
		m ³ /m ²	0.49	0.75	1.12
Packaging Materials			Not Applicable ⁶		

⁵ BIL's water is sourced from the municipal pipeline network, and has no problems in sourcing water fit for purpose.

⁶ BIL at its headquarters does not use packaging material for finished products, and thus, this is not applicable.

ENVIRONMENT AND NATURAL RESOURCES

As Legend Holdings is mainly engaged in investment business, businesses under its direct operation barely have any impact on the environment and natural resources. Nonetheless, the Company actively supports the green and sustainable development projects. Raycom has taken measures, including using energy-efficient LED lights and standardising waste sorting, aiming to reduce impacts on the environment and natural resources. Levima Advanced Materials has also promoted sustainable development through its technological innovations and online energy monitoring system to save energy and reduce emissions at the source. BIL has adopted various measures to reduce the use or waste of paper and disposable products to fulfill its environmental obligations.



ASSUMING SOCIAL RESPONSIBILITY



SUPPORTING EDUCATION

LEGEND PROGRESS CLASSES (聯想進取班) 2020 MADE ANOTHER GREAT ACHIEVEMENT “CLOUD-BASED OPENING CEREMONY” INTERLINKED TEACHERS AND STUDENTS FROM CHINA, HONG KONG AND MACAU

In the public welfare field of “Supporting Education”, Legend Holdings focuses on high school education. Over the past sixteen years, Legend Holdings successively set up several Legend Progress Classes in Beijing Yanqing No.2 Middle School, Guizhou Duyun No.2 Middle School, Gansu Huining No.2 Middle School, Sichuan Beichuan Middle School, and Ningxia Liupanshan High School, with a total investment of over RMB36 million covering all of the tuition fees and living expenses of over 2,600 poverty-stricken students for the three-year period of their high school education. The project supports these children to complete their high school and pursue their university dream without any burden.

During the reporting period, these Legend Progress Classes did not let the pandemic disrupt their studies for the examinations and they lived up to their expectations by achieving excellent results once again. The ratio of students who reached the score mark of the top-tier universities was as high as 98.6%, and nearly half (47.9%) of the students were admitted to “985” and “211” universities, including Tsinghua University, Xiamen University, Tongji University, Fudan University and other well-known universities. After three years of high school study, they are independent, confident, strong and brave enough. Our hearts were filled with joy and excitement as we saw them entering university.



In the 2020 College Entrance Examination, Legend Progress Classes achieved outstanding results again

ASSUMING SOCIAL RESPONSIBILITY



In 2020, due to the special requirements of the pandemic prevention and control, the opening ceremony of the new Legend Progress Classes was held online. Mr. Ning Min, Chairman of Legend Holdings, the charity team of the Company and our volunteers met with more than 600 teachers and students of Legend Progress Classes from Gansu Huining No. 2 Middle School, Guizhou Duzun No. 2 Middle School and Ningxia Liupanshan Senior High School online. Although thousands of miles apart, we never ceased to care for each other and miss each other.

“Legend Holdings has undertaken its corporate social responsibility at all times. Education is an important task of the Company in which we have made long-term investment and commitment. The three years in high school are a very important stage in your life and will determine how you take your first steps in life. I believe that through three years of hard work, our fellow students will definitely deliver a satisfactory result and express a glorious chapter in your life.”

— Mr. NING Min, Chairman of Legend Holdings Corporation

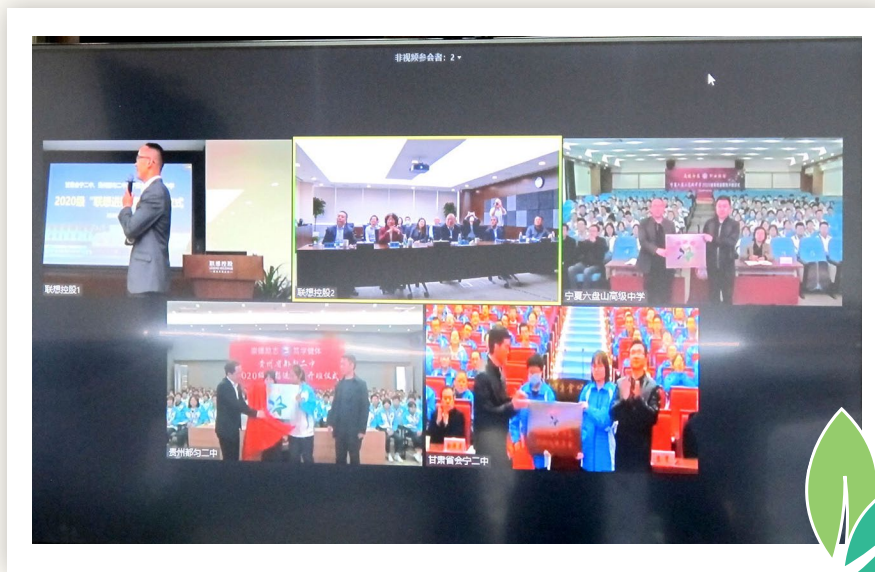


At the opening ceremony, Mr. NING Min, Chairman of Legend Holdings, told the students, “We are serious and practical about Legend Progress Classes”. Apart from financial supports, Legend Holdings hopes to help the children improve their overall ability, broaden their horizon, and cultivate them to be more confident and optimistic. As long as you can walk out of the mountains and become a useful person to the community through study, this is the meaning behind “Legend Progress Classes”.

ASSUMING SOCIAL RESPONSIBILITY



For over sixteen years, the Legend Progress Classes have provided students with tailored value-added services in addition to financial supports for their education. During the reporting period, the Legend Holdings Charity Foundation invited Mr. Xie, Director of the Academic Affairs Office of Beijing 101 Middle School, a key secondary school in Beijing, to share his teaching experiences with teachers and students in Gansu, Guizhou and Ningxia according to their requirements and characteristics. Mr. Xie has been teaching Year-3 graduating classes for a long time with extensive teaching experience. He addressed the topics that students were most interested in, such as how to plan their learning goals for the three years and how to study for the three years of high school, with real examples to solve any doubts. Students from the three schools were eager to ask questions and interact enthusiastically with Mr. Xie. The session was very beneficial.



Headmasters of Gansu Huining No.2 Middle School, Guizhou Duzun No.2 Middle School and Ningxia Liupanshan Middle School unveiled the plaque of Legend Progress Classes 2020

ASSUMING SOCIAL RESPONSIBILITY



A child who has felt the warmth of the world will also be gentle with it. In April 2012, the students graduated from the Legend Progress Classes took initiative to set up the Association of University Students from Legend Progress Classes (聯想進取班大學生聯合會). The Association brings together the graduates of the Legend Progress Classes from all over China. With the financial support from Legend Holdings and the voluntary donations from students, they carried out voluntary teaching activities during the winter and summer vacations to pass on the love and warmth they have received to more people in need. To date, such Association has visited more than 50 schools in the impoverished mountain areas and benefitted more than 3,000 primary school students.



Members of the Association of University Students from the Legend Progress Classes on the frontline of voluntary teaching

ASSUMING SOCIAL RESPONSIBILITY



FOSTERING STARTUPS

IGNITING THE SPARKS OF ENTREPRENEURSHIP, LEGEND HOLDINGS FORGES HEAD WITH BUSINESS STARTERS

In order to help the poverty-stricken population to improve their employment and entrepreneurship capabilities, and to promote innovation in public welfare, Legend Holdings also initiated the Leping Social Entrepreneur Foundation (北京樂平公益基金) and serves as a board member, with a cumulative donation of over RMB10 million to date. Being oriented toward groups such as low-income population, migrant workers and social innovation talents, the Foundation continues to carry out public welfare activities such as rural micro-finance, education and training, harmonious community building and "Ecological and Trusty Agriculture (生態信任農業)", helping them enhance their employability and alleviating them from poverty by teaching them practical occupational skills.

From energetic teenagers to young entrepreneurs, and from heroes who dare to sacrifice their lives to ordinary people who are full of love, Legend Holdings will do its best to support their dreams and light up their hopes. Upholding such primitive philanthropic concept of "good people, good deeds, good role models for society", Legend Holdings has been practising its responsibility and spreading goodwill through practical actions, joining hands with more businesses and countless ordinary and great people to help our community move forward towards a better future.

ASSUMING SOCIAL RESPONSIBILITY



PROMOTING SOCIAL INTEGRITY

WARM PEOPLE'S HEARTS THROUGH "MOIST INITIATIVE (濕潤行動)"

"Moist Initiative" is a dedicated public welfare program set up by Legend Holdings Charity Foundation in 2013. The initial aim of the program is to promote social justice and to moisten the air in society by providing rewards or assistance to ordinary people who have done good deeds.

Legend Holdings Charity Foundation is a non-public foundation initiated by Legend Holdings and was incorporated in March 2013 with the approval from Beijing Civil Affairs Bureau. Since its establishment, the Foundation has adhered to the philanthropic concept of "good people, good deeds, good role models for society", and has actively participated in social welfare undertakings to the best of its ability, focusing on systematic planning and long-term investment in areas such as "Fostering Start-ups", "Supporting Education" and "Promoting Social Integrity". With "Legend Progress Classes", "Legend Holdings Maternal Entrepreneurship Revolving Fund (聯想控股母親創業循環金)" and "Capital Heroic Models and Good Samaritans Fund (首都英模暨見義勇為基金)" as representatives, a number of public welfare programs have been created to fulfil our social responsibility and promote social development through practical actions.

As early as in 2004, Legend Holdings and Mr. LIU Chuanzhi jointly established the "Legend Capital Heroic Models and Good Samaritans Fund". The fund aims to inherit the nation's good tradition of honoring the heroic models and upholding their spirit of selfless dedication. Over the past sixteen years, the Fund has awarded and sponsored martyrs and their children, frontline police officers and good samaritans in the capital's political, legal and civil affairs systems more than 1,800 persons.

During the reporting period, Legend Holdings Foundation (聯想控股基金會) staff and volunteers provided some aid and financial assistance to ordinary people in the community who are eager to help others. Among them were rural teacher YE Haitao and MA Fuxing who, though disabled, had been teaching in villages for decades; CHEN Yongjun and GAO Jinke, drivers who sacrificed their lives to save others from drowning; CHEN Shifeng, a pipe-cleaning worker who was drowned to death when saving a drowning child; LAI Zhiwei, who got seriously injured for saving a girl at knifepoint; and SONG Yuwu, a truck driver who was paralysed because of catching a jumper with his bare hands without considering his own life. Legend Holdings through its own efforts hopes to pass on these people's courage and responsible commitment to more people so as to affect them.

ASSUMING SOCIAL RESPONSIBILITY



SOCIAL INVESTMENT

THE LEGEND STAR CEO SPECIAL TRAINING CLASS (联想之星創業CEO特訓班)

Legend Star holds the Legend Star CEO Special Training Program to implement China's national innovation and entrepreneurship strategy for business development. Legend Star CEO Special Training Program is a free public program co-sponsored by the Chinese Academy of Sciences and Legend Holdings in 2008. Through offering supports such as free trainings and entrepreneurship alliance, this program is committed to bringing up technological entrepreneurial leaders and in turn promoting the industrialization of technological achievements.

On 6 November, 2020, a total of 66 applicants registered for Legend Star membership, started their journey in the 13th session of Legend Star CEO Special Training Program. The lecturer team, led by Mr. LIU Chuanzhi, the founder and Honorary Chairman of Legend Holdings, is comprised of a group of field-specific and experienced entrepreneurs and executives. In the past thirteen years, through various platforms and events, Legend Star received more than 1,112 business starters who received free trainings related to business startup and management.



The 13th session of Legend Star CEO Special Training Program

ASSUMING SOCIAL RESPONSIBILITY



LEGEND STAR ENTREPRENEURSHIP ALLIANCE (聯想之星創業聯盟)

The "Entrepreneurship Alliance (創業聯盟)", sponsored by Legend Star in 2011, is a platform providing business starters with continuous services and shared resources. The alliance carries out a variety of regular contact, startup counselling activities to facilitate the growth and development of numerous startups. As of December 31, 2020, the "Entrepreneurship Alliance" had brought up 29 listed companies (of which 5 companies were listed on the Sci-Tech innovation board of the Shanghai Stock Exchange), and more than 50 NEEQS-listed enterprises. The aggregate valuation of all supported enterprises exceeded RMB960 billion, and leading to public fund raisings amounting to over RMB250 billion. The program has built up a sustainable Legend Star entrepreneurial ecosystem that provides in-depth services and products for business startups.



ASSUMING SOCIAL RESPONSIBILITY



BIL

BIL makes sure business operations under the bank follow its CSR (Corporate Social Responsibility) policy. The policy focuses on four main areas: arts and culture, education, innovation and health care. During the Reporting Period, BIL contributed 440 hours and €350,000 to the volunteer work in arts and culture area; 440 hours and €90,000 to the volunteer work in education area; 1,760 hours and €300,000 to the volunteer work in innovation area; 440 hours and €70,000 to the volunteer work in medical care area. The efforts of BIL in the following aspects are elaborated as follows:

Arts and Culture: In order to consolidate its position in Luxembourg economy, society and culture, BIL strongly supports and promotes the free expression of the arts.

Education: Education is not only vital to personal growth but is also a major driving force in development. BIL recognises the key role that education plays in the development of Luxembourg's skilled workforce. Thus, BIL is committed to training its employees by encouraging employees to take continuing education courses and innovative trainings.

Innovation: Innovation is one of the core values at BIL. Through its dedicated Innovation Centre, BIL hopes to develop a series of unique and quality services for retail and corporate clients. BIL has established partnerships with major local companies. One of its best-known activity is to support the innovation incubator which is favourable to the development of Luxembourg's economy and further foster a entrepreneurial ecosystem. In addition, BIL supports innovative projects with direct investment and organises regular meetings and events to promote fintech start-ups.

Healthcare: BIL supported non-government organisations with continuous efforts to help enhance the stability of these people's lives. During the Reporting Period from the outbreak of Covid-19 until the end of December, BIL acted proactively to provide considerate and specific aids to those in need.

During the Reporting Period, the BIL:



Provided 240 items of medical supplies to hospitals in Luxembourg



Donated to the Red Cross

ASSUMING SOCIAL RESPONSIBILITY



A substantial discretionary donation was made to the Robert Schuman Foundation to help Ms. Eva Ferranti and her seamstresses team to make medical protective suits



Relay for Life (relais pour la vie)



ASSUMING SOCIAL RESPONSIBILITY



Joining the efforts to fight against the pandemic

During the Reporting Period, in the face of the sudden outbreak of COVID-19, numerous Chinese enterprises stood firm in the fight against the pandemic, lost no time defending lives with courage, determination and cohesion, and made indispensable contribution in the COVID-19 combat for the nation. As one of the above, Legend Holdings, together with its subsidiaries, actively fulfilled its corporate social responsibility.

LEGEND HOLDINGS

Legend Holdings' labor union purchased agricultural products from Hubei, Hebei and other provinces to strengthen care for employees and support the economy of poverty-stricken areas, in the aim of implementing the central government's spirit of poverty alleviation and responding to the requirements of the superior labor union on poverty alleviation through consumption.

After Wuhan lockdown was lifted, the charity team of Legend Holdings visited Wuhan, interviewed and extended condolences to representatives of the sanitation workers, volunteers and deliverymen who made outstanding contributions in the fight against the pandemic. The team listened to and recorded their touching stories while sending the sincerest greetings and respects to them on behalf of the Company.



Legend Holdings' charity team visited and extended condolence to the representatives of the sanitation workers fighting against the pandemic in Wuhan

ASSUMING SOCIAL RESPONSIBILITY



LENOVO GROUP

Lenovo Group donated all IT equipment to two emergency hospitals in Wuhan, namely Huoshenshan Hospital and Leishenshan Hospital, immediately after the outbreak of the pandemic. Meanwhile, hundreds of engineers were sent to hospitals, disease control centers, emergency command centers and other frontline pandemic prevention facilities in hundreds of cities across China to provide on-site supports.



LEVIMA ADVANCED MATERIALS

Levima Advanced Materials actively supported the prevention and control of the pandemic. It donated funds and goods to charity organisations, such as the Tengzhou Charity Federation and Red Cross Society of China Shandong Zaozhuang Branch, with donations from Party members and employees. It offered help to overseas partners within its capacity by donating masks and sharing pandemic prevention and control experience. Levima Advanced Materials made accumulative donations of funds and materials for over RMB1.2 million through various channels.



Levima Advanced Materials donated RMB300,000 to the Tengzhou Charity Federation in Shandong Province for COVID-19 prevention and control

ASSUMING SOCIAL RESPONSIBILITY



Levima Advanced Materials donated anti-pandemic supplies worth RMB300,000 to the Red Cross Society of China Shandong Zaozhuang Branch



Levima Advanced Materials donated anti-pandemic supplies to Zaozhuang Children's Home in Shandong Province

Apart from the subsidiaries within the disclosure scope of this Report, the Company's other subsidiaries have also joined the fight against the pandemic. Its subsidiary Shanghai Neuromedical Center dispatched six medical workers to join the only social medical rescue team in Shanghai to rush to Wuhan for 46 days. Another subsidiary Joy Wing Mau Corporation Limited donated fresh fruits to the front line in Hubei and Shenzhen. Guozheng Microfinance, Co., Ltd., a subsidiary of Zhengqi Financial Holdings Corporation ("Zhengqi Financial"), donated RMB300,000 to the Hanyang Charity Federation in Wuhan, and Zhengqi Financial donated RMB200,000 and 2,000 masks to Bozhoulu Sub-district Office and Sanxiaokou Sub-district Office in Luyang District, Hefei City. China Eastern Air Logistics Co., Ltd., an affiliate of our Company, launched a green channel to ensure the transportation of anti-pandemic supplies with the fastest and best services.



Joy Wing Mau's 4 cold chain vehicles carrying 2,900 cartons of high-quality fresh fruits departed from its southern China distribution center to the Third People's Hospital of Shenzhen



N95 masks transported



Zhengqi Financial donated to front-line people fighting against the pandemic

APPENDIX I: COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS HAVING A SIGNIFICANT IMPACT ON THE GROUP

Aspect	Region	Title of laws/regulations having a significant impact on the company
Relating to waste gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non hazardous waste	PRC	Law of the People's Republic of China on Prevention and Control of Air Pollution Law of the People's Republic of China on Prevention and Control of Water Pollution National Ambient Air Quality Standards of the People's Republic of China Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution Standard for Pollution Control on the Storage and Disposal Site for General Industrial Solid Wastes Management Measures for Hazardous Wastes Movement National Hazardous Waste List Law of the People's Republic of China on Prevention and Control of Environmental Pollution Caused by Solid Waste Circular of the State Council on Issuing the Comprehensive Work Plan for Energy Conservation and Emission Reduction for the 13th Five-Year Plan Period Water Law of the People's Republic of China Notice on Strengthening the Management of Chemical Hazardous Substances Notice on Strengthening the Environmental Management of Waste Electrical and Electronic Equipment Administrative Measures for the Prevention and Control of Environmental Pollution Caused by Electronic Waste Safe Production Law Environmental Protection Law
	Luxembourg	Limitation of Emissions of Volatile Organic Compounds Law A-105 of the Grand Duchy of Luxembourg, Regulation (EU) No 525/2013 of the European Parliament and of the Council Law ITM-SST1505.2 of the Grand Duchy of Luxembourg Zero Single-Use Plastic Manifesto
Relating to: 1) compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare; and 2) preventing child and forced labour	PRC	Constitution of the People's Republic of China Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Law of the People's Republic of China on the Protection of Women's Rights and Interests (As Amended) Law of the People's Republic of China on Prevention and Control of Occupational Diseases Law of the People's Republic of China on Basic Medical Hygiene and Health Promotion
	Luxembourg	Luxembourg Labour Law — L.124-1 s, L.124-7 Law of the Grand Duchy of Luxembourg A-10, A-11, L.241-1s Labour Code of Luxembourg — L.251-1 s, L.342-1 s Criminal Code of Luxembourg, Para. 1, 382-1
Relating to providing a safe working environment and protecting employees from occupational hazards	PRC	Criminal Law of the People's Republic of China Law of the People's Republic of China on Safe Production Law of the People's Republic of China on Prevention and Control of Occupational Diseases Law for Supervision and Administration of Occupational Health in Workplaces Measures for the Supervision and Administration of Employers' Occupational Health Surveillance
	Luxembourg	Luxembourg Labour Law, Volume III, Chapters I and II Grand-ducal regulation of 27 June 2008 Luxembourg Labour Law Volume IV, Chapter I. Collective Bargaining Agreement (Chapters 33, 34 and 35)
Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	PRC	Advertising Law of the People's Republic of China Product Quality Law of the People's Republic of China
	Luxembourg	European Council Directive 2014/65 European Council Directive 2016/679 Luxembourg's Data Protection Regulation dated August 1, 2018
Relating to bribery, extortion, fraud and money laundering	PRC	Criminal Law of the People's Republic of China
		Company Law of the People's Republic of China
		Anti-Money Laundering Law of the People's Republic of China
	Luxembourg	Criminal Code of Luxembourg — 13 February 2011 European Council Directive 2015/849

APPENDIX II:

KPIs IN ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING

GUIDE OF HONG KONG STOCK EXCHANGE

General Disclosures and KPIs	Description	Relevant Page No.
Environment		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	"Our Environment", Appendix
KPI A1.1	The types of emissions and respective emissions data.	"Energy Conservation and Emission Reduction"
KPI A1.2	Greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	"Energy Conservation and Emission Reduction"
KPI 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)	"Energy Conservation and Emission Reduction"
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	"Environment and Natural Resources"
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	
Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) Policy; 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	"Compliance with Labour Practices", Appendix I
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) Policy; 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.	"Health and Safety", Appendix I
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	"Talent Development and Training"
KPI B3.2	The average training hours completed per employee by gender and employee category.	
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	"Equal Opportunity Employer", Appendix I
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	"Equal Opportunity Employment"
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Not Applicable ¹
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	"Supply Chain Management"
KPI B5.1	Number of suppliers by geographical region	
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) Policy; 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.	"Product and Service Responsibility", Appendix I
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	"Product and Service Responsibility"
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	
Aspect B7: Anticorruption		
General Disclosure	Information on: (a) Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	"Integrity in Practice", Appendix I
KPI 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	"Integrity in Practice"
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	"Assuming Social Responsibility"
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	

¹ This indicator is not applicable as the Group has also not received any irregularities or complaints that have a significant impact on the Group relating to illegal child labour and forced labour.

联想控股
LEGEND HOLDINGS
BUILDING GREAT COMPANIES