



**東風汽車集團股份有限公司**  
**DONGFENG MOTOR GROUP COMPANY LIMITED\***  
Stock Code: 489



# **2020 Environmental, Social and Governance Report**

\* For identification purposes only

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## ABOUT THIS REPORT

This report represents the fifth environmental, social and governance (hereinafter referred to as the “ESG”) report issued by Dongfeng Motor Group Company Limited, which focuses on the disclosure of relevant information on the environmental, social and governance performance of the Group for the period from 1 January 2020 to 31 December 2020 (Reporting Period).

### ***Guiding Principle***

This report has complied with all the “non-compliance-based interpretation” provisions set out in the Environmental, Social and Governance Reporting Guide issued by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) and has been made with reference to the latest revised disclosure requirements effective from 1 July 2020. The contents of this report are determined based on a set of systematic procedures. Such procedures include: identifying and prioritizing key stakeholders, identifying and prioritizing ESG issues by materiality, determining the scope of this ESG Report, collecting relevant materials and data, compiling the report based on relevant information, and reviewing information in the report.

### ***Scope and Boundary of the Report***

The ESG related policies, statements, implementation of policies described, and the data performance quantified in this report mainly cover the headquarters, subsidiaries, joint ventures, associated corporations (including those companies in which equity interests are, directly or indirectly, held through subsidiaries, joint ventures, associated corporations) of Dongfeng Motor Group Company Limited. Among which, a small part of the data covers the scope less than the above, and separate explanations will be given for any mention of Dongfeng Motor Corporation (formerly known as “Dongfeng Motor Corporation”), the parent of Dongfeng Motor Group Company Limited in certain parts hereof.

### ***Appellation Explanation***

For the convenience of wording and reading, any reference to the “Group”, “Dongfeng Motor Group” and “we” or “us” in this report refers to Dongfeng Motor Group Company Limited (hereinafter refer to the “Group”) and its subsidiaries, joint ventures, associated corporations (including those companies in which equity interests are held, directly or indirectly, through subsidiaries, joint ventures, associated corporations).



## ABOUT THIS REPORT (Continued)

Set out below are other definitions:

Research & Development Centre	Dongfeng Research & Development Centre (Branch)
Dongfeng Passenger Vehicle	Dongfeng Passenger Vehicle Company (Branch)
Dongfeng Commercial Vehicle	Dongfeng Commercial Vehicle Co., Ltd.
Dongfeng Honda	Dongfeng Honda Automobile Co., Ltd.
Dongfeng Honda Engine	Dongfeng Honda Engine Co., Ltd.
Dongfeng Liuzhou Motor	Dongfeng Liuzhou Motor Co., Ltd.
Dongfeng Nissan	Dongfeng Nissan Passenger Vehicle Company
Dongfeng Automobile	Dongfeng Automobile Co., Ltd.
Dongfeng Cummins	Dongfeng Cummins Engines Co., Ltd.
Equipment Company	Equipment Company, Dongfeng Motor Co., Ltd.
Zhengzhou Nissan	Zhengzhou Nissan Motor Co., Ltd.
Peugeot Citroën Automobile	Dongfeng Peugeot Citroën Automobile Co., Ltd.
Dongfeng Parts and Components	Dongfeng Parts and Components (Group) Co., Ltd.
VOYAH	VOYAH Motor Science and Technology Company (Branch)
Dongfeng Motor	Dongfeng Motor Co., Ltd.
Dongfeng Special Commercial Vehicle	Dongfeng Special Commercial Vehicle Co., Ltd.
Dongfang Dingxin Power System	Dongfang Dingxin Power System Technology Co., Ltd. <sup>1</sup>
Dongfeng Mould	Dongfeng Mould Stamping Technology Co., Ltd.

### ***Source of Information and Reliability Assurance***

The information in and the cases presented by the report are mainly derived from the Group's statistical reports and relevant documents. The Group undertakes that this report does not contain any false information or misleading statement and accepts responsibility for the contents hereof as to authenticity, accuracy and completeness.

<sup>1</sup> Former Dongfeng Getrag Transmission Co., Ltd.



## ABOUT THIS REPORT (Continued)

### ***Confirmation and Approval***

This report was approved by the Board on 29 March 2021 after confirmed by the management.

### ***Access to and Feedback for this Report***

This report is available for inspection in both Traditional Chinese and English. Based on the consideration of environmental protection, we recommend reading the electronic version of the report which can be obtained within the “Financial Statements/ESG Information” category of Dongfeng Motor Group Company Limited at the website of Hong Kong Stock Exchange or at the official website of the Company.

We hold the opinions of stakeholders in high regard and we are glad to answer any readers who get in touch with us via the following contacts. Your opinions will be helpful for us to further improve this report as well as enhance the overall environmental, social and governance performance of the Group.

### ***Contacts***

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## Chairman's Statement

I am very glad to present to all of you the 5<sup>th</sup> ESG report of Dongfeng Motor Group Company Limited to share with you our ESG performance in 2020.

2020 was a very challenging, difficult and extremely unusual year. The sudden outbreak of COVID-19 has severely impacted the automobile industry, which experienced profound adjustments for three consecutive years and lasting changes in the competitive situations and landscape of the industry. Facing the severe and complicated business environment, as well as arduous reform and development tasks, the Group adhered to the strategic positioning of “striving to become an excellent enterprise providing users with all-round automobile products and services of high quality”, focused on the annual working principle of “treating pain points, solving difficulties, removing obstacles, strengthening weaknesses, improving foundation and quality”, worked together to advance hand in hand, and made every effort to fight the battles of epidemic prevention and control, work and production resumption, production and operation, and reform as well as development.

This year, we overcame difficulties together with the fight against COVID-19. The Group actively participated in epidemic prevention and control, made full deployment on epidemic prevention and control to ensure the health and safety of employees, donated various kinds of relief supplies, organized employees to join the frontline of anti-epidemic, and actively planned for resumption of production and work to win the dual-line battle of “fighting epidemic and stabilizing operation”.

During the year, we undertook our mission bravely and made steady progress. In terms of corporate governance, we deeply grasped the requirement of high-quality open development, actively adjusted and optimized the structure of joint venture business, strived to consolidate the operation foundation, and steadily promoted the sustainable and healthy development of operation. In terms of products and services, we actively integrated the brand value concept of “quality, intelligence and happiness” into all links of the whole value chain, striving to empower consumers with quality products and services to live a better life. In terms of enhancing the corporate competitiveness, development and sustainability, we further improved its independent innovation system, created new leading advantages in the commercial vehicles, enhanced the core capabilities of independent passenger vehicles, and made new progress in seizing the commanding heights in new energy vehicles industry.

During the year, we protected the environment and insisted on green development. We adhered to the goal of “creating an environment-friendly and resource-saving enterprise”, implemented the concept of “manufacturing vehicles in green manners and producing green and energy-saving vehicles”, and incorporated green development into its corporate strategy. We carried out the construction of a high-end brand for self-owned new energy vehicles, focused on the construction of a green production system, comprehensively deepened the pollution prevention and protection campaign of “blue sky, clear water and clean soil”, and built a green development model featuring the coexistence of people, vehicles and the nature.

During the year, we actively fulfilled our responsibilities and joined hands with peers. In terms of social welfare, we actively participated in poverty alleviation and made continuous contributions to industry development, educational progress and social harmony to convey love and warmth to more people. In terms of win-win cooperation, we firmly established the market concept and customer awareness to continuously create value for customers, and strived to improve the environmental and social performance of suppliers to promote the sustainable development of the supply chain. In terms of employee growth, we integrated humanistic care into corporate culture, continuously improved the scientific incentive mechanism and talent development system, fully mobilized the subjective initiative of all employees, and strived to achieve the mutual growth of employees and the Group.

In the new development process, we will take “high-quality development with more solid foundation and visible effects” as our development goal, actively build our own brand, continuously enhance the comprehensive effects of reform, and accelerate the building of core competitiveness. We will stay true to our original aspiration and keep our mission firmly in mind, accelerate the pace of building an excellent Dongfeng and a world-class enterprise, actively fulfill our due obligations and responsibilities, and join hands with all parties to strive for a better automobile life and mature automobile society in the new era!

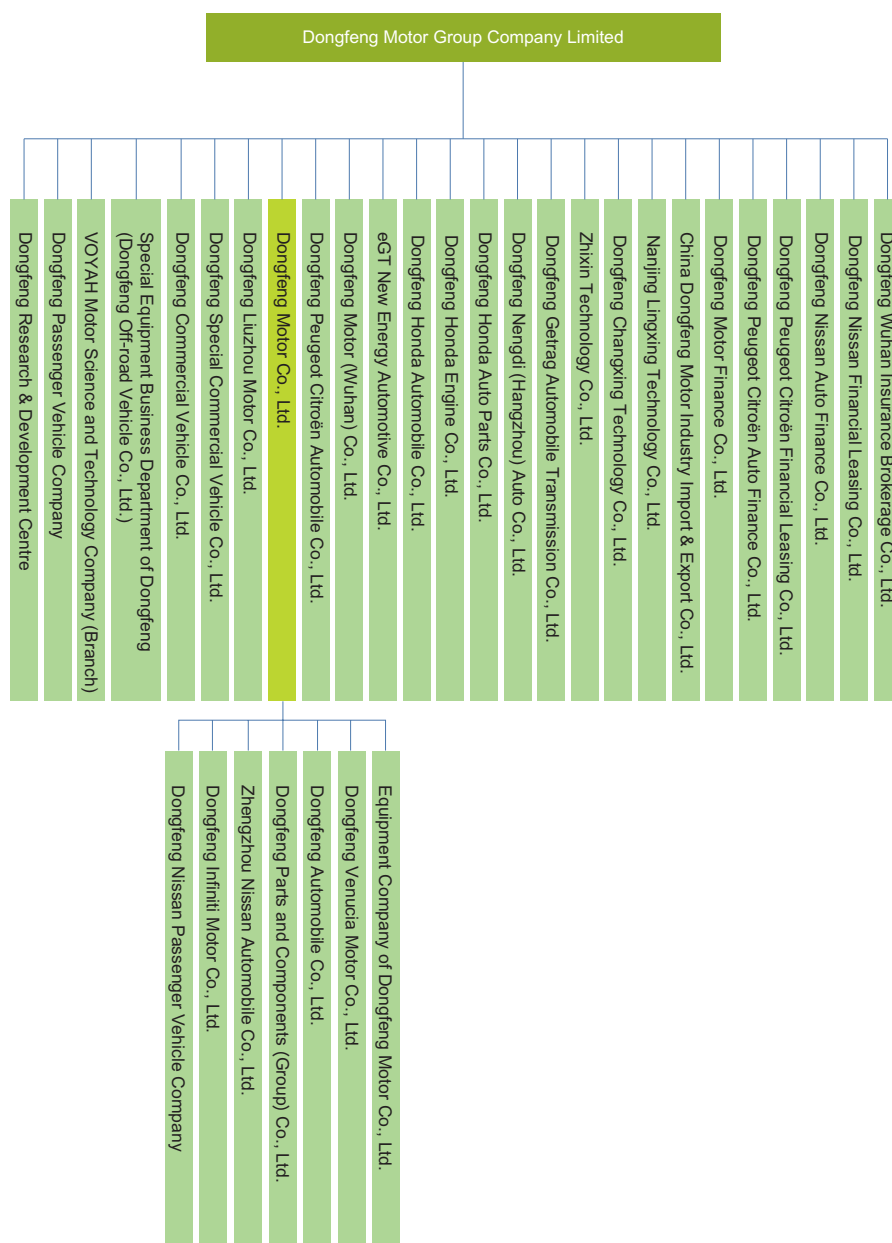
**Zhu Yanfeng**  
Chairman

# Walking into DFG

## Corporate Profile

Dongfeng Motor Group Company Limited was established in Wuhan City of Hubei Province in the People's Republic of China (PRC) in 2001 and listed on the Hong Kong Stock Exchange in 2005, with a stock code of "00489". The Group's businesses cover full-series commercial vehicles, passenger vehicles, new energy vehicles, key assembly, auto parts, vehicle equipment and automotive-related businesses. The Group's business bases are distributed in more than 20 cities in mainland China, such as Wuhan, Shiyan, Xiangyang and Guangzhou. Based on the basic principle of customer needs, the Group moved forward steadily with dedication, made efforts to make the environment greener and the society more harmonious to continuously fulfill our responsibilities for the environment, society and investors.

Please see below for our organizational structure:





## Walking into DFG (Continued)

### 2020 Highlights



#### Pandemic Aspect

Since the commencement of the production of anti-pandemic vehicles on 25 February 2020, various units of the Shiyan Base have been called to work together, and all employees of the Shiyan Base have resumed work earlier than other cities in Hubei Province.

Since April 2020, 2,000 first-tier suppliers and more than 700 dealership outlets have basically resumed work, which has led to the resumption of employment

A total of 13 donations were carried out, with donations worth

Total investment in anti-pandemic and disaster relief

**15** days

Over **220,000** people

RMB**0.105** billion

**54,516**  
person-times



#### Governance Aspect

Accumulatively carry out integrity education and training

Cumulative number of participants in integrity education and training

Newly authorised patents

Patent application

**1,402** times

**76,213**  
person-times

**1,737**

**4,332**



#### Environmental Aspect

Photovoltaic power generation

Comprehensive energy consumption for every RMB10,000 production value decreased compared to 2019

Greenhouse emissions for every RMB10,000 production value decreased compared to 2019

**9,082**  
tonnes of standard coal

**5.8%**

**6.4%**



#### Social Aspect

Total number of participants of training increased compared to 2019

Investment of RMB262.37 million to eliminate noise of the job position

Total investment capital of community activities

Total number of hours spent by personnel of community activities

**38.57%**

**273**

RMB**16.41** million

**17,400** hours

## Anti-Pandemic Feature

In 2020, at the year of Gengzi, a COVID-19 epidemic raided the land of Hubei, spreading across the country and affecting the hearts of people across the country. Facing the urgent epidemic, the Group thoroughly implemented the spirit of keynote speeches and instructions on epidemic prevention and control, and fully supported and cooperated in winning the battle of defending Wuhan and Hubei.

For internal employees, we quickly deployed internal epidemic prevention measures after the outbreak to protect and care for every Dongfeng person; after the outbreak was contained, we took the lead in resuming work and production, and made every effort to catch up with our economic goals, which achieved the combined progress of stable production and operation with normalized epidemic prevention and control work.

For the general public, we quickly dispatched resources to support the frontline after the outbreak of the epidemic, went deep into the frontline of communities to guarantee the basic livelihood of residents, organized a number of material donations, and went all out to win the battle against the epidemic.

### DFG Internal “Fight Against COVID-19” Diary

“When the heroic city resume to function as usual, Dongfeng people at everywhere also returned to their jobs. Dongfeng people have no hesitation looked back and have a firm attitude to transform their vision and willingness for life into their commitment to their positions and work and their desire for value creation. When the extraordinary experiences become memories, and when the challenging year of 2020 comes to a close, Dongfeng people unite as one and hold hands to make it become a common memory that we will never forget and deserve to remember.”

#### January

Rapid deployment

**On 12 January**, the COVID-19 Control Headquarters of Dongfeng Motor Corporation issued the Notice on Relevant Work of Recent Epidemic Prevention and Control, required to resolutely implement the epidemic prevention guidelines of “accurate information, stable action, good door control, management of people, determination of expression and courage to take on” and adhere to the epidemic information reporting system. We did a good job in tracking and tracing management of employee information, third-party personnel information, visitors information and parts logistics information.

**On 23 January**, the Group announced the establishment of the headquarters office for the prevention and control of COVID-19 epidemic (the “Prevention Office”), coordinated, guided and deployed the Company’s epidemic prevention and control work. The Company issued the Guiding Opinions on Donating to the Fight against COVID-19 and made the first batch of donations.

**On 24 January**, the Notice on Care for Relevant Employees during the COVID-19 Epidemic was issued, with the requirement for all units to strengthen the caring for employees during the epidemic.

#### February

Caring and assistance

**From 3 to 4 February**, the Group issued the Notice on Using Trade Union Funds to Help and Cease the Living Difficulties of Employees Caused by COVID-19 Epidemic, provided assistance to employees and their families who have difficulty in living due to the COVID-19, and prepared the Electronic Manual on Prevention and Control of COVID-19 Epidemic and distributed it to all employees.

**From 8 February to 10 February**, the Group actively promoted the activities of caring for confirmed/suspected employees, and made full use of various resources and mobilized the efforts of various parties in combination with the relevant policies of “four concentrations” in Hubei Province and Wuhan City. The Company endeavored to help the confirmed employees realize collection of all receivables and early treatment, allocated RMB500,000 special anti-epidemic fund to the trade unions of 13 grass-root units with severe epidemic situation for special work such as epidemic prevention, control and condolences.

**On 23 February**, the labor union of the Group mobilized female workers organizations at all levels and female cadres of the Company to care for and help confirmed female workers, pregnant women workers, families of sick female workers, and female workers with single parent difficulties. The Company has accurately assisted women workers of pregnancy and childbirth to contact maternity hospitals for safe transportation, admission to hospital for production of 18 persons, admission to treatment of 6 persons and 5 persons with special needs and psychological care.

## Anti-Pandemic Feature (Continued)

### March

Resumption of  
work and  
production

**On 8 March**, the Group printed and distributed the Notice on Conducting Supervision and Inspection of Epidemic Prevention and Control during Resumption of Work and Production, clarified the scope, method and key contents of supervision and inspection, and formulated the guidance list for supervision and inspection of epidemic prevention and control during resumption of work and production.

**On 11 March**, the operation and management department of the Group worked centrally at the management committee of development zones and was responsible for the work related to supplier resumption, including request for resumption of work, summary and collation of relevant data, as well as application for personnel and vehicle certification and supplier epidemic prevention and resumption supervision, etc.

**From 17 March to 18 March**, the electronic version of the Manual on Enterprise Resumption of Work, Production and Epidemic Prevention was prepared and distributed to all units of the Company. We implemented the spirit of the Notice of Wuhan Prevention Index on Regulating Return to Work for Employees in the Province and prepared and issued the Notice on Return of Headquarters of Dongfeng Motor Cooperation.

**On 23 March**, "Dongfeng series" fight against the epidemic and resumed work and production. 12,632 employees of Dongfeng Honda and 2,328 employees of Dongfeng Passenger Vehicle had applied for personnel permits to promote the resumption of work and production of 229 tier-1 suppliers of "Dongfeng series" in Wuhan Development Zone and drive the recovery of the industrial chain of Wuhan automobile industry.

### April to May

Normal  
prevention  
and control

**On 6 April**, the prevention office of the Group (the Company office) issued the Notice on Strengthening the Management of Employee Epidemic Prevention and Control during the Full Recovery Period, requiring all units to properly respond to the new situation of epidemic prevention and control. We Focused on the "five categories of personnel", and achieved the "Grasping with both hands, hard with both hands" of epidemic prevention and control as well as production and operation.

**On 10 April**, as of 12: 00, the Group achieved the epidemic situation of "four zero", namely zero new confirmed cases, zero existing confirmed cases, zero asymptomatic cases and zero overseas imported cases. The Company achieved initial results in epidemic prevention and control.

**On 12 April**, the prevention office of the Group (the Company office) organized employees of various functional departments in the headquarters to carry out nucleic acid tests in batches, assisting and guiding Overseas Business Departments to formulate the "Emergency Plan for Overseas Epidemic Prevention and Control of Dongfeng Motor Corporation".

**From 7 May to 13 May**, the prevention office of the Group (the Company office) promoted the implementation of the Company's normalized epidemic prevention and control work, and issued requirements on the normalized epidemic prevention and control work; the Company organized meetings on prevention and control, in which each member unit arranged for normalized epidemic prevention and control and resumption of work and production.



## Anti-Pandemic Feature (Continued)

### Dongfeng Passenger Vehicle: Caring and Sympathy Warm the Heart

During the epidemic prevention and control period, Dongfeng Passenger Vehicle tracked the information of physically abnormal personnel every day, and timely reported, coordinated and solved the difficulties of the abnormal personnel. "Isolation is not separation of love". Dongfeng Passenger Vehicle tracked the ideological trends of the personnel on duty in a timely manner, delivered anti-epidemic supplies such as protective clothing, fruit and milk, solved the concerns of employees, and conducted psychological counseling work to fully show the organization's caring.

In addition, Dongfeng Passenger Vehicle integrated resources from various parties through the network and the superior labor union to solve the difficulties such as car using, travel and inspection services for 3 family members of male employees waiting for delivery, 1 female employee waiting for delivery and 1 female employee during lactation period. We are the "families" of employees and actively provide effective assistance to female employees during pregnancy and lactation.



## Anti-Pandemic Feature (Continued)

### Dongfeng Commercial Vehicle: Shouldering Mission Responsibility and Quickly Starting Preparation for Resumption of Work and Production

With the launch of the production of small-scale emergency anti-epidemic vehicles of Dongfeng Commercial Vehicle, Dongfeng Special Commercial Vehicle quickly started the preparation for resumption of work and production. However, epidemic prevention and control remains the top priority in critical periods. Dongfeng Special Commercial Vehicle refined the epidemic prevention and control work plan and developed all-round prevention and control guidelines to ensure safe and precise resumption of work.

- In terms of assisting the employees to return work, Dongfeng Special Commercial Vehicle completed the reply for 71 people's return work application in accordance with the requirements of Notice on the Work of Employees' Return Work to Hubei and Wuhan in Shiyan and Xiangyang Base during the COVID-19;
- In terms of anti-epidemic supplies preparation, Dongfeng Special Commercial Vehicle purchased anti-epidemic supplies such as masks, disinfectant, sprayer, temperature measuring instruments and protective clothing in advance through various pipelines. The Company also conducted sterilization and antivirus key areas such as production and operation sites, office areas and toilets to ensure the health and safety of employees who are put into emergency production;

We attached great importance to both production and epidemic prevention and control. During this period, Dongfeng Special Commercial Vehicle carefully arranged and formulated and implemented relevant management measures and systems in the five aspects of "personnel, machinery, materials, law and environment", respectively.

- Formulating plans for classified management of personnel during the epidemic and plans for the use of commuter vehicles and air conditioners during the epidemic;
- Scientifically formulating plans for the preparation, distribution and use of epidemic prevention materials based on the planned needs for the three weeks after the resumption of work;
- Formulating the Notice on Meeting Arrangement during the Epidemic Period, the Notice on Business Activities during the Epidemic Period and other relevant systems to avoid the risk of infection caused by personnel gathering and reduce the risk of contracting viruses;
- Formulating disinfection plans for production areas, office areas and living areas to comprehensively ensure the health and safety of employees' working and living environment and provide strong guarantee for production.



## Anti-Pandemic Feature (Continued)

### Ying Yong, Party Secretary of Hubei Province, Conducted Investigations on Epidemic Prevention and Control and Resumption of Work and Production

On 12 April, Ying Yong, Party Secretary of Hubei Province, attended the Group's investigation on epidemic prevention and control and resumption of work and production. Ying Yong praised core technologies such as modeling, configuration, autonomous driving, powertrain and new energy and three-electric vehicles of our own brand and expected that Dongfeng would continue to provide good supply chain support to ensure the stable operation of production and operation, and develop and master core technologies to enhance core competitiveness.

At the entrance of the general assembly workshop of Dongfeng Passenger Vehicle, Ying Yong took a temperature measurement and entered the factory in an orderly manner after passing a 1-meter-long disinfection carpet. The production capacity of Dongfeng Passenger Vehicle has basically resumed to its pre-epidemic level, with 100% employees returning to work. On the site of the final assembly workshop, all production lines were operating in an orderly manner and employees were busy along the production lines, creating a vibrant atmosphere.

### DFG External "Epidemic Prevention" Diary

"As an important anti-epidemic force of logistics and transportation, the Dongfeng fighters under masks are fighting on the battle field of anti-epidemic and combating at the front line of resumption of work and production of enterprises. In this battle of epidemic prevention and control without smoke of gunpowder, Dongfeng people insisted on running against time and fighting against the epidemic. In particular, Dongfeng people in Wuhan, the epicenter, did their part to protect the hometown and Wuhan in their own way."

#### January Supporting Frontline

**On 23 January**, the Group issued the Guiding Opinions on Donations to the Fight against COVID-19 and carried out the first batch of donations, with a donation of RMB10 million to Wuhan Charity Federation.

**On 24 January**, Dongfeng travel group set up an emergency convoy of 500 persons under the unified dispatch of the government to spare no effort to support epidemic prevention and control.

**On 25 January**, the Group's COVID-19 Prevention and Control Command organized and coordinated the donation of materials: 1. coordinating Dongfeng Honda and Dongfeng Passenger Vehicle to donate protective clothing, goggles and medical masks to Dongfeng travel for use by emergency convoy; 2. issuing the notice of initiative to donate protective clothing, goggles and medical masks to Peking Union Medical College Hospital, and all units in Wuhan responded positively and raised supplies urgently.

#### February Overcoming Difficulties Together

**On 6 February**, the youth league committee of Dongfeng Liuzhou Motor set up a youth strike team for epidemic prevention and control and set up an isolation zone to serve the lives of the isolated youth, serving more than 10,000 person-times and distributing more than 700 person-times of daily necessities.

**On 14 February**, the eighth donation activities was carried out with a total of RMB70.42 million donated by the Company.

**On 25 February**, the first batch of 565 production personnel for anti-epidemic vehicles of Dongfeng Commercial Vehicle commenced to work, and the vehicle factory started the overtime production of emergency anti-epidemic vehicles orders, producing 22 anti-epidemic vehicles on the same day. On 5 March, the overtime production of emergency vehicle orders for epidemic prevention increased to more than 100 units per day.



## Anti-Pandemic Feature (Continued)

### March Volunteer Services

**On 1 March**, the Group had a total of 45 Young Party members service team for epidemic prevention and control as well as young volunteer service team, with a total of 27 team members put into frontline anti-epidemic work.

**From 9 March to 10 March**, the Group and 20 subordinate units jointly donated RMB96.45 million (including RMB51 million in cash and RMB45.45 million in kind). The first batch of 7 negative pressure ambulances of Dongfeng Liuzhou Motor Co., Ltd. were dispatched to Shiyan City urgently.

**On 20 March**, all members of the Group's Young Party member service team for epidemic prevention and control were offline. Since 23 February, 209 batches of 601 discharged patients have been transported and isolated, with a total of 26.45 tonnes of materials delivered and 47 times cooperated for quarantine inspection (including nucleic acid testing).

### April Homage to Heroes

**On 8 April**, the Company carried out the 13th donation, with a total of RMB104.757 million of donations and materials.

**On 12 April**, the Group launched the "Anti-epidemic, making a donation" activity for employees of Dongfeng, and received donations of RMB5,241,500 from 81,267 employees, reaching RMB6,000,000 after contribution from the labor union. Of which, RMB58 million was donated to designated hospitals where the employees of Dongfeng received treatment, and RMB200,000 was used for condolences to confirmed employees.

## Anti-Pandemic Feature (Continued)

### Dongfeng Peugeot-Citroën: Volunteer Service to Help Win the Anti-Epidemic Battle

In this nationwide anti-epidemic battle, a number of outstanding volunteers emerged from Dongfeng Peugeot-Citroën. Faced with the danger of the virus around them, they resolutely participated in the community volunteer team, went backwards and forwards to carry out prevention and control propaganda, and made selfless contributions with many other volunteers to ensure the normal operation of the city.

#### Hero in Harm's Way and Porters of Material Supplies

- Employees of the Chengdu factory joined the "Diamond Volunteer Flee" to undertake the transportation of urgently needed materials and the transfer of doctors from the hospital. After the closure of Wuhan city and the suspension of public transportation, they bore the costs of oil and disinfection and protection during the transportation at their own cost.
- Employees of the technology and quality department participated in the volunteer work of logistics warehouse of Guanggu Sinopharm Group, transporting masks, goggles and other protective equipment for media personnel of various units across the country serving in the battle fields of fighting the epidemic in Wuhan.
- Employees of the manufacturing management department participated in the materials transfer work of Xiehe Hospital Western Hospital, and took the initiative to shuttle through the "closed" Wuhan city to deliver epidemic prevention and living supplies, and personally came to the door to provide the elderly couples with urgently

#### Sticking to the Plots Between Villages and Returning Home for Active Epidemic Prevention

- The staff of Xiangyang factory used a small horn to cooperate with village cadres in epidemic prevention and control propaganda work, issued propaganda manuals from house to house, and explained epidemic prevention methods with words that villagers could understand.
- The employee of Xiangyang factory made self-made disinfection water, carried up the sprayer on his back and organized disinfection of road surfaces between villages, covering more than 1,000 meters of main roads in the whole village and taking more than 1 hour for one compulsory disinfection. Among the village roads, he took the initiative to shoulder his responsibilities and became a well-known "the handsomest volunteer sterilizer in the village".

## Anti-Pandemic Feature (Continued)

### Dongfeng Peugeot-Citroën: Volunteer Service to Help Win the Anti-Epidemic Battle

#### The “Couple Profile” of Epidemic Prevention and Control

- One couple in Wuhan factory organized crowd-raising donations of over RMB23,000, explored supply sources of guarantee goods everywhere and took charge of the “one-stop” procurement, distribution and transportation. and donated 700 sets of protective clothing to Puren Hospital and Wuhan Union Hospital West Campus. They donated 35 sets of protective clothing and 3 protective glasses to Zhuankou Xianglong Community Committee. In addition, 20 barrels (20 kg per barrel) of 84 disinfectant solution and 30 barrels (20 kg per barrel) of medical alcohol were donated to Puren Hospital and West of Peking Union Medical College Hospital, Caidian People’s Hospital and Zhuanyang Community Health Service Center on Zhuanyang Street with the union of all parties to help fight the epidemic.



In this special battle against COVID-19, there were also countless outstanding employees from Dongfeng, who worked at the forefront of epidemic prevention and control, spared no fear in the face of danger, and spared no effort to contain the spread of the epidemic with practical actions.



## Anti-Pandemic Feature (Continued)

### Dongfeng Liuzhou Motor: Anti-Epidemic Model with Strong Strength

#### Production of Anti-epidemic Vehicles



After the outbreak of COVID-19, Dongfeng Liuzhou Motor was instructed to urgently produce 13 high-roof negative pressure ambulances to help Shiyuan. Dongfeng Liuzhou Motor immediately set up a special team to fight day and night for the production of anti-epidemic vehicles, regardless of conditions and costs, in order to ensure production on schedule and delivery. Through the simultaneous development of research and development, procurement and production, the Group successfully achieved delivery in only 10 days. During the epidemic, Dongfeng Liuzhou Motor supplied 600 popular ambulances and 260 sterile liquor trucks to 15 provinces, municipalities and autonomous regions, effectively supporting epidemic prevention and control.

#### Chenglong Fleet Supporting Anti-epidemic in Hubei



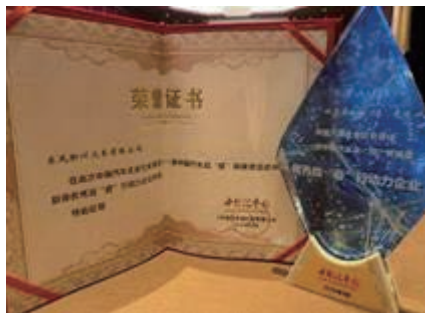
In the "most aggressive and critical stage" of epidemic prevention and control, commercial vehicles under Dongfeng Liuzhou Motor dispatched a fleet of H7 trucks to rapidly reach the epidemic area of Shiyuan and delivered 250 tonnes of medical protection and living materials to the epidemic area of Shiyuan. In addition, Chenglong intelligent dregs dumper team made all-out efforts to clear and transport to ensure the completion of Huoshenshan Hospital in Wuhan as scheduled, and helped Hubei win the battle of epidemic prevention and control.

#### Welcoming the Return of the Medical Team in Hubei



Since the outbreak of the epidemic, 110 medical professionals in Liuzhou have selflessly supported the medical treatment in Hubei. On 14 April 2020, the last batch (the fifth batch) of medical teams from Liuzhou to assist Hubei went back to Liuzhou with honors. As family members of Dongfeng Group in Hubei, the Dongfeng Fengxing brand under Dongfeng Liuzhou Motor sent a high-standard escort convoy to welcome the 44 anti-epidemic heroes returning to Liuzhou safely in the most cordial way.

- On 10 September 2020, in the China Automotive Corporate Social Responsibility and the "Epidemic" Hero Spectrum Event, which was sponsored by the China Automotive News and had been launched since May this year, Dongfeng Liuzhou Motor was awarded the title of Excellent Enterprise with Action Force against the Epidemics for its overcoming of various difficulties to meet the demand for vehicles from the frontline and actively participating in the fight against the epidemic.



Dongfeng Liuzhou Motor was awarded the title of Excellent Enterprise with Action Force against the Epidemic.

## Anti-Pandemic Feature (Continued)

### Dongfeng Changxing was Awarded the “National Advanced Collective Against Covid-19”

The year 2020 began with a sudden outbreak. Dongfeng Changxing, at the center of the storm, quickly built an anti-epidemic volunteer convoy of thousands of vehicles and thousands of people as at the date of closure in Wuhan. Dongfeng Changxing contracted for transportation services to 294 communities in the three districts of Hanyang, Qiaokou and Jiangnan in Wuhan, with the fleet size and service coverage accounting for one quarter of the city. They sent medical staff to and from work, sent sick residents for medical treatment, and provided food, medicine and meal delivery services to the lonely old people, the “empty nest elderly” and other people with mobility difficulties. During the epidemic, Dongfeng Changxing anti-epidemic volunteer fleet was on call, which was widely praised by the Wuhan government and community residents, and received 132 banners and 46 thank-you letters in total.



At the same time, Dongfeng Changxing actively participated in the task of transporting discharged patients to the isolation point from over 20 designated rescue hospitals of Huoshenshan, Leishenshan and Jinyintan, as well as the cabin hospitals. Regardless of difficulties and dangers, many drivers rushed forward and transported over 110 batches of cured patients, accumulatively. Dongfeng Changxing paid close attention to the needs of medical teams assisting Hubei, and noted that relevant medical teams had difficulty in using vehicles. Dongfeng Changxing coordinated vehicles as soon as possible to provide all-weather vehicle services for medical teams and designated hospitals assisting Hubei from Zhejiang, Shandong and Jiangsu. With the improvement of epidemic prevention and control and at the stage of resumption of work and production in Hubei by divisions, levels and categories, Dongfeng Changxing took advantage of its platform to develop and launch transportation service products such as customized buses and commuter vehicles for resumption of work in an emergency manner, supporting the resumption of work and production of over 300 enterprises.

## Anti-Pandemic Feature (Continued)

### Dongfeng Changxing was Awarded the “National Advanced Collective Against Covid-19”

In this battle against the epidemic, Dongfeng Changxing volunteer anti-epidemic drivers laid down their homes for everyone: some drivers lined up overnight to buy medicines for community residents; some drivers provided fixed-time services for special patients; due to the quarantine requirement of the epidemic, some employees were unable to reunite with their families for more than 2 months. It took 86 days from the establishment of a fleet on 23 January to the completion of the task on 16 April. Dongfeng Changxing, regardless of cost, travelled over 4.24 million kilometers and served over 350,000 person-times accumulatively. Meanwhile, none of employees of Dongfeng Changxing and car-hailing drivers was infected.



On 8 September, the national anti-epidemic work commendation assembly was held at the Great Hall of the People in Beijing, at which, Vanguard Individuals, Vanguard Groups, National Excellent Communist Party Members and National Advanced Basic-level Party Organizations were commended. Dongfeng Changxing Technology Co., Ltd. was awarded the honorary title of “Vanguard Group in the National Battle Against the COVID-19 Epidemic”.

## Governance: Undertaking our Missions Bravely and Making Steady Progress

### Steady Development

The year 2020 marked the conclusion of “13th Five-Year Plan” and, and the Group adhered to its strategic positioning of “striving to become an excellent enterprise providing users with all-round automobile products and services of high quality”, strengthened internal business risk control and audit work, comprehensively strengthened anti-corruption and compliance management, improved the level of legal and compliance operation and management, and maintained sound corporate operations.

### Operation and Management

The sudden COVID-19 outbreak in 2020 has severely impacted the production and operation, and the automobile market underwent profound adjustments for three consecutive years, resulting in profound changes in the competitive landscape and pattern of the industry. Facing the severe and complicated business environment and arduous reform and development tasks, we made every effort to fight the battles of epidemic prevention and control, work and production resumption, production and operation, and reform as well as development. We closely followed the annual working principle of “treating pain points, solving difficulties, relieving obstacles, strengthening weaknesses, improving foundation and quality”, coordinated the progress of epidemic prevention and control as well as reform and development. The overall operation basically met expectations and made steady progress in all aspects.

### Highlights Work in 2020

#### Operating Performance

In 2020, the Group’s sales of commercial vehicles amounted to 555,000 units, representing an increase of 18.5%, and successfully accomplished the goals set in the “13th Five-Year Plan”.

Dongfeng Commercial Vehicle broke new daily production records many times after the outbreak of the epidemic, with the annual sales volume reaching 221,000 units, surpassing the challenging target and representing a year-on-year increase of 18.9%, which stimulated the recovery of operation in Shiyan Base; Dongfeng Liuzhou Motor sold 85,000 vehicles in the year, representing a significant year-on-year increase of 46.2%, reaching a record high for the fourth consecutive year.





## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Highlights Work in 2020

#### R & D and Innovation

In 2020, the Group unswervingly promoted the innovation-driven strategy and accelerated the pace of market-oriented application of key and core technologies. Dongfeng Commercial Vehicle Longqing DDi13 engine was successfully launched. The high-efficiency version of Dongfeng Fengshen C15TDR engine achieved a thermal efficiency of 41.07%, and was awarded the Top 10 engines with “China Heart”.

A large number of innovative achievements represented by driverless vehicles were distributed to the market: Sharing-VAN 1.0 Plus, the first L4-class 5G autonomous vehicle in China, was massively produced and put into commercial operation; Dongfeng Sharing-Smart unmanned sweepers and unmanned patrol vehicles helped fight the epidemic; the first Dongfeng smart city – Sharing-City opened; Dongfeng autopilot pilot project settled in Wuhan Development Zone; Dongfeng commercial vehicle unmanned collection card was delivered and operated in Xiamen 5G smart port.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Highlights Work in 2020

#### Green Design

On 17 July, shouldering the dual missions of Dongfeng New Energy transformation and high-end proprietary brand, the VOYAH was officially launched and VOYAH Motor Science and Technology Company was established. VOYAH brand took “letting cars drive dreams and empowering a better life” as its mission and was positioned as “zero anxiety high-end smart electric brand”, adopting a market-oriented independent operation model. VOYAH had a new strategy, a new mechanism, a new business model and a new team, and explored an innovative and integrated development model of “mature automobile enterprise + new force in automobile manufacturing”.

On 18 December, VOYAH FREE, its first mass production vehicle, made its world debut in Shenzhen and announced that it would be launched in the third quarter of 2021. Starting from 2021, VOYAH will launch no less than one new mode of vehicle to the market each year. In the next 3–5 years, VOYAH products will cover segments such as sedan, SUV, MPV and crossover vehicles.



#### Poverty Alleviation

As a central enterprise, the Group firmly implemented the major decisions and deployments of the Party Central Committee and actively carried out the poverty alleviation work of “4 provinces and 8 counties and cities”. In January 2019, Jiangda County of Tibet was lifted out of poverty. In April 2019, Xingshan County of Hubei Province was lifted out of poverty. In December 2019, Gongjue County of Tibet was lifted out of poverty. In March 2020, Keping County of Xinjiang was lifted out of poverty. In April 2020, Fangxian County, Wufeng County and Enshi City of Hubei were lifted out of poverty. In May 2020, with the poverty alleviation and removal of poverty in Mashan County of Guangxi, “4 provinces and 8 counties and cities” supported by the Group and the parent company was lifted out of poverty.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### **Risk Control**

The Group attached great importance to and maintained sound and effective risk management and audit management of the Company. We conducted regular business risk assessment and special audit work. ESG issues such as new energy policy, environmental protection and energy conservation were included in our risk management and audit scope to further strengthen the overall risk management of the Group.

### ***Risk Management***

During the Reporting Period, the Group organized and carried out a comprehensive risk assessment for 2020, specified key elements such as the main responsible units, specific prevention and mitigation measures, control objectives, implementation time, etc., to further promote the risk management awareness of the Company, enhance the Company's ability to identify, handle and respond to risks. At the same time, the Group refined its risk tracking methods and tracked and evaluated the implementation of measures in response to significant and important risks on a quarterly basis, in order to promote the effectiveness of risk response solutions. The Group achieved effective integration with routine epidemic risk prevention and control.

In respect of ESG risks, the automobile industry, as a major contributor to carbon emissions, is very susceptible to the impact of national policies and industry-related policies. During the Reporting Period, the Group conducted risk analysis and formulation of mitigation measures on the risks of the new energy business and compliance risk of the Decision on Amendment to "Measures for the Parallel Administration of Credit Points for Average Fuel Consumption and New Energy Vehicles of Passenger Vehicle Enterprises" (i.e. the "double-credit-point policy").

In addition, in order to strengthen the daily risk management and control of key businesses such as new energy, the Group organized and carried out the preparation of the list of important risk management and control. Currently, the Group has formed a total of 21 key risk points in 8 business areas; 23 subsidiaries have formed a total of 101 personalized "lists" applicable to their respective companies (including the business segments under Dongfeng Motor, including 460 key risk points, 1,344 prevention and control measures and 472 risk warning indicators, which laid a foundation for further deepening the integration of risks and businesses and subsequent data risk control and risk monitoring.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

Risk Name	Prevention and mitigation measures
Compliance risk of double-credit-point policy	<ul style="list-style-type: none"> <li>• Clarifying the 2020 double-credit-point target of the Company and all public units, communicating with all units and jointly formulating improvement measures.</li> <li>• Establishing a new energy and double-credit-point synergy mechanism of the Company and adhering to the principle of maximizing the interests of the Company. The Company coordinated the production and sales arrangements of new energy of public institutions and the purchase of external bonus points to achieve the compliance of double-credit-point of all public units.</li> <li>• Jointly formulating the CAFC point gap compensation plan for 2019 with various public units, and completing the clearance of negative points before 30 September 2020.</li> <li>• Monthly tracking of production, sales and inventory of all public units. Conducting one-to-one diagnosis for abnormal units and jointly formulating improvement measures.</li> <li>• Studying the bonus point situation of the industry and the Group for 2021 and establishing the bonus point compliance path for 2021.</li> </ul>
Risks of the new energy business	<ul style="list-style-type: none"> <li>• Effectively promoting the production capacity construction of core resources of “three electric” and achieving large-scale production.</li> <li>• Promoting the development of special platforms for new energy passenger vehicles and commercial vehicles.</li> <li>• Streamlining and arranging new energy commodity lines to improve commodity planning.</li> <li>• Strengthening the business model innovation of new energy and the construction of ecosphere. Organizing and improving TCO<sup>2</sup> research; organizing and coordinating Dongfeng Changxing to carry out research on battery ladder utilization and recycling project to confirm the project.</li> <li>• Organizing the units with top sales volume within the Group to carry out loss reduction work and coordinating the matters in relation to the implementation of the point value accounting scheme within the Company, which included implementation plans for Dongfeng Passenger Vehicle, Dongfeng Motor and Dongfeng Honda.</li> </ul>

<sup>2</sup> Total Cost of Ownership



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### ***Annual Audit***

In 2020, the Group continued to improve its internal audit management system in accordance with the work requirements of “treating pain points, solving difficulties, removing obstacles” and made precise audit efforts to promote the improvement of corporate governance system and high-quality development with a focus on the implementation of national guidelines and policies and the prevention of operational risks and around the corporate operational decision-making as main line. During the Reporting Period, the Group cooperated with the audit office in the special audit investigation on the impact of epidemic situation and the implementation of major policies, carried out special audit investigations on the impact of the epidemic, follow-up audits on the implementation of major national policies and measures in terms of high-quality development of manufacturing industry, debt clearance of private enterprises, financial capital performance and enterprise-related charges. The auditing work has been carried out on 46 topics.

In 2020, the Group added important audit contents such as the implementation of national guidelines and policies, decision-making arrangements, corporate development planning, implementation of strategic decisions and target accountability during all term audits. The Group took defending the blue sky, energy conservation and emission reduction, pollution prevention and control as the main contents of our audit and inspection to enhance the audit level and focus on the achievement of strategic objectives. During the Reporting Period, we drafted the audit guidelines of “Management Audit on Energy Conservation and Environmental Protection”, and established a standardized guidance system for all units within the Group to implement energy conservation and environmental protection audits.

### **Completion of Energy Conservation Audit and Rectification of Dongfeng Honda**

In 2019, the audit and compliance department of the Group conducted an audit on the blue sky defense plan of Dongfeng Honda from January 2017 to April 2019, as well as the investment plan, project establishment and implementation of corresponding environmental protection facilities renovation. We discovered the problems and risks in terms of contract management, construction process management and project final acceptance in the relevant renovation projects of BPR coating line, which was rectified. During the Reporting Period, Dongfeng Honda did not find any corresponding defects in compliance evaluation, energy conservation and environmental protection for 2020.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Anti-Corruption

The Group strictly abided by the Criminal Law of the People's Republic of China (《中華人民共和國刑法》) and the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), formulated and implemented the Business Ethics Convention (《商業道德公約》) and Anti-corruption and Compliance Handbook (《反腐敗合規手冊》), established multi-channel and effective reporting and complaint channels, and continuously promoted anti-bribery education to prevent corruption and ensure compliance and sustainable operations by the Group.

Through strict implementation of the system, the Group continued to improve management efficiency, enabling all businesses of the Company to operate in an orderly manner and in compliance with laws and regulations. In addition, in order to sharpen the edge of anti-corruption sword, the discipline inspection commission of the Group has set up a new "top class" for examination and investigation to achieve complementary advantages of discipline enforcement and adequate allocation of resources within the Group. During the Reporting Period, 10 cases were transferred to judicial authorities by the Group, and 6 cases were concluded. If any violation of Party discipline and criminal acts are found, we will promptly transfer them to the judicial authorities for investigation and punishment, and impose the punishment of "Shuangkai" (i.e. punishment of expulsion from the Party membership and expulsion from public office), which will be dealt with seriously without appeasement.

### Report and Grievance

Smooth channels for reporting complaints ensure the enthusiasm and initiative of the public to report the problems. The Group received letters and visits from the public by setting up dedicated personnel and positions, a fixed reception place, a whistleblowing website, releasing a whistleblowing hotline and a whistleblowing mailbox, etc. to ensure the effective operation of the dimensional reporting platform for letters, visits, telecommunications and internet, and the smoothness of public reflection of problems.

In addition, in the process of promoting integrity, the Group required its subsidiaries to sign cooperation agreements such as the "Co-construction Agreement on Compliance and Integrity" and "Commitment on Co-construction on Compliance and Integrity" with cooperating suppliers and distributors. We regulated the cooperation with suppliers and distributors through two-way supervision.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### *Integrity Training*

The automobile industry, with a long production process, is an industry with relatively high corruption risk, and the principle of “strict” punishment must be adhered and the intensity of “punishment” must be maintained. In recent years, the Group has taken into account the characteristics of the automobile industry, grasped the operating rules of the enterprise, and closely focused on the work requirements of promoting the integration of “three reforms”, “three transformations” and “three noes”, which gave full play to the role of supervision to guarantee implementation and promote the improvement of development. During the Reporting Period, we adhered to the combination of positive guidance and negative warning, extensively used various methods to actively carry out publicity and education on anti-corruption, and improved the effectiveness of education.

During the Reporting Period, in order to enhance the deterrent effect of warning, we held two warning education conferences, notified 17 typical cases, and exposed 27 persons. We deeply analyzed the mass disciplinary and illegal cases of Dongfeng Mould, shot the warning education film “The Scourge of Greed”, organized all tier-2 units to watch, and over 80,000 people received the education, achieving the comprehensive effect of investigation and punishment, warning and governance. At the same time, discipline inspection and supervision authorities at all levels continued to increase accountability for the performance of the main responsibility of comprehensive and stringent governance of the Party and the lack of supervision responsibility, solidly promoted the construction of a clean and honest Party as well as the anti-corruption work, and resolutely opposed corruption behaviors to provide strong guarantee for sustainable and healthy development. During the Reporting Period, the Group provided 1,402 anti-corruption education training sessions accumulatively, with 76,213 person-times.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

The Party's Style of Work, Uphold Integrity and Combat Corruption Education Month	Online Knowledge Answering Activities	Integrity Culture Activities
<p>Organizing cadres and employees to deeply study the Party Constitution, Party Regulations, Party Discipline and relevant national laws and regulations</p> <p>A total of 1,402 learning and education activities were carried out, covering 76,213 person-times</p>	<p>More than 30,000 Party members, leading cadres and personnel in key positions studied discipline and law at "zero distance" to promote learning through examinations and promote integrity through learning</p>	<p>Organizing and planning a series of integrity culture activities with distinctive themes, rich contents and various forms to promote the culture of upholding integrity throughout the Group</p>

### Zhengzhou Nissan Ensured the Implementation of the Objectives and Tasks of "Incorruptible" System and Mechanism Construction

During the Reporting Period, the Party Committee of Zhengzhou Nissan focused on "six key areas" and "four systems", and adopted the "1 + N" working model, namely implementing the supervision over the key areas by the superior company plus the special rectification projects selected by the company, achieving 100% full coverage of supervision and inspection tasks within 3 years.

In 2020, discipline inspection commission of Zhengzhou Nissan issued the "Measures for Supervision and Inspection of "Incorruptible" System and Mechanism (Trial)", and formulated a list of tasks for supervision of "incorruptible" system and mechanism, specifying the supervision tasks in 10 aspects and sorting out 297 inspection materials. Centering on the list of rules and problems, Zhengzhou Nissan conducted quarterly management and control, dynamically tracked the progress of each project, revised 34 rules and completed 3 rectification problems to ensure the implementation of the objectives and tasks of the construction of systems and mechanisms in all areas of the Company.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Strictly Investigating and Punishing Corruption to Recover Economic Losses

In 2020, in the investigation and handling process of cases of Dongfeng Special Commercial Vehicle, we made full use of the “four forms” of supervision and enforcement to achieve “three distinctions” and actively helped and saved the two persons involved in the case so that they could put down their ideological burden, actively assist in the recovery of losses, and recovered an economic loss of RMB1.2 billion so far, providing sufficient financial support for the stable operation of the Company.

During the Reporting Period, based on the actual production and operation of the enterprise, the Group continued to strengthen the supervision and governance of corruption in key areas. We issued the Notice on Further Strengthening the Accountability of Supervision and Discipline Enforcement on Formalism and Bureaucracy Issues in Key Fields, required discipline inspection and supervision institutions at all levels of the Company to pay close attention to normalized epidemic prevention and control, safety and environmental protection and other key areas, and urged responsible persons to earnestly implement safety and environmental protection responsibilities. We resolutely put an end to ignoring safety and environmental protection work in order to grab orders, catch up with tasks and maintain goals. The Group continued to strengthen the main responsibility for safety and environmental protection management, and incorporated the implementation of safety and environmental protection responsibilities urged and promoted by basic-level discipline inspection and supervision institutions into the scope of daily supervision and inspection.

### Co-Building of Integrity

The Group actively responded to the government’s call to take business ethics and market rules as codes of conduct through signing integrity agreements with suppliers and conducting a series of work such as promotion of integrity of suppliers. A harmonious and honest supplier system has been established to ensure product quality.

### Dongfeng Research & Development Centre Held the Conference of Integrity Co-Building of Suppliers

In order to promote the compliance with relevant national laws and regulations, business ethics and market rules of suppliers, we worked with Dongfeng Research & Development Centre to create a clean, honest, law-abiding, harmonious and win-win operating environment. Dongfeng Research & Development Centre held the 2020 conference of integrity co-building of suppliers in the form of live streaming and on-site participation. The conference issued an integrity co-construction initiative to more than 500 suppliers of the technology center, calling on all suppliers to carry forward the spirit of contract and build an integrity system.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Dongfeng Nissan Launched the “Initiative of Integrity Co-Building”.

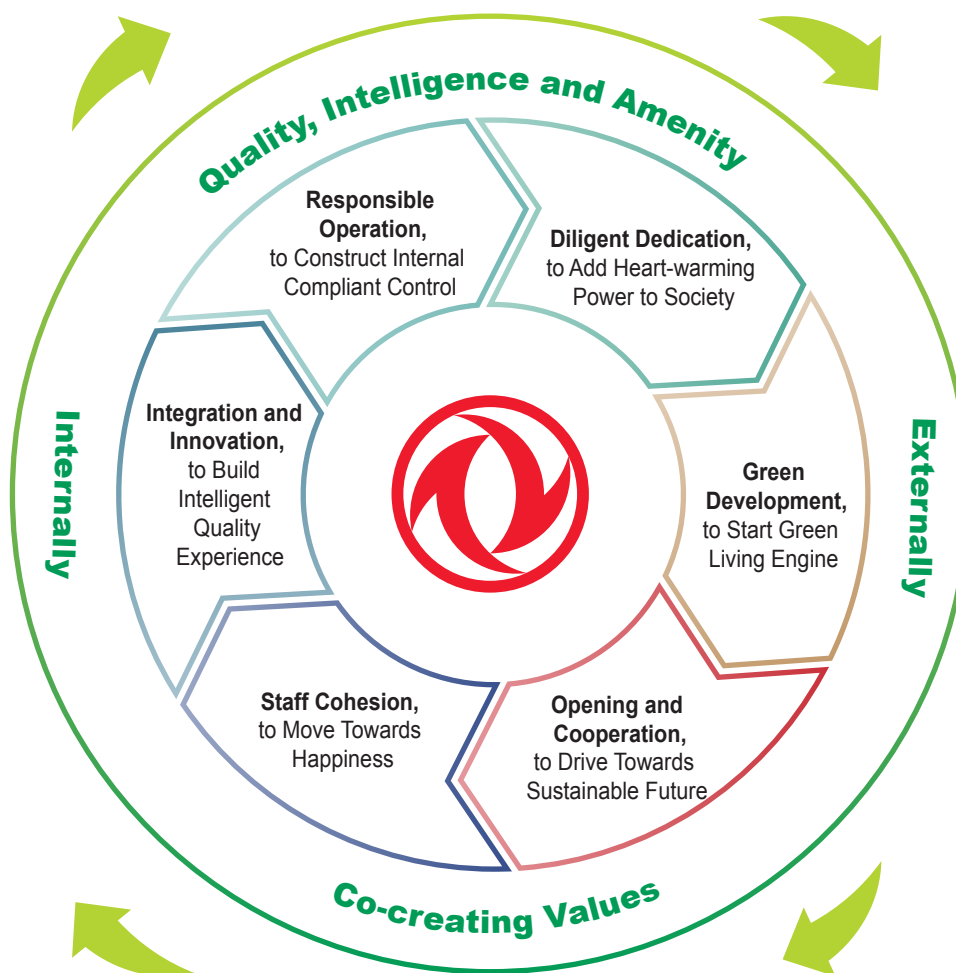
At the 2020 annual supplier meeting, Shi Molin, Secretary of the discipline inspection committee of Dongfeng Nissan, launched the “Integrity Co-Building Initiative” to all suppliers. Since the promulgation of the “Regulations on Integrity of State-owned Enterprise Leaders”, Dongfeng Nissan actively implemented the practice by signing 1,634 integrity co-building agreements with its supplier partners and carrying out integrity co-building activities with 10 suppliers. We have built a “clean” network for honest business. The punishment of corruption shall be free of forbidden zones with full coverage and zero tolerance.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Sustainable Management

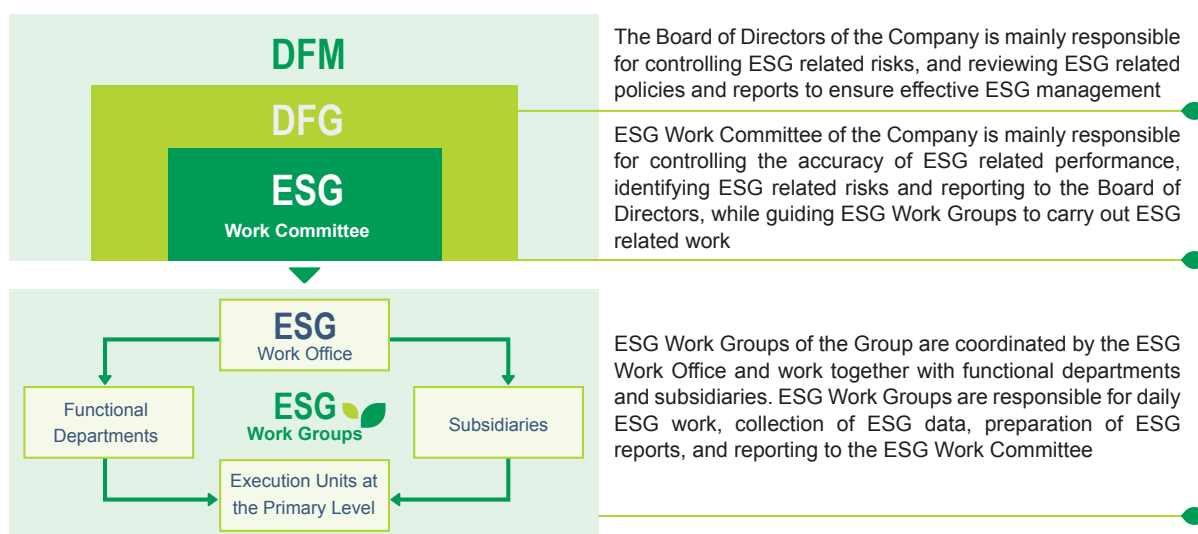
We have continued to focus on the brand core value of “Quality, Intelligence and Amenity” of Dongfeng Motor Corporation, the parent of the Group. We will continue to adhere to the ESG concept with the characteristics of the Group, insisted on responsible operation, integration and innovation, employee cohesion, opening and cooperation, green development, contributing to the society, and created values together with all related parties, including customers, employees and partners in the whole value chain system.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### ESG Management Structure

The Group believes that only by integrating the concept of social responsibility into our strategic development goals and implementing it throughout the daily business management and innovation activities of enterprises, can we truly achieve the coordinated development of economy and environment. In order to ensure effective results of ESG management and further guarantee operations of the Group, we have formed a top-down ESG management framework. ESG management framework consisted of three levels, namely, the Board of Directors, ESG Work Committee, as well as ESG Work Groups. All levels are given with clear duties and are coordinated and unified. Details are as shown below:



### ESG Responsibilities Management Structure and Duties



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Stakeholder Engagement

The Group believes that working hand in hand with stakeholders is the long-term driving force for the transformation and development of enterprises. In order to fully understand the needs of stakeholders and listen to the expectations of the community for the Group, based on its business scope and the nature of production and operation, we identified stakeholders closely related to the development of the Group, created diversified communication channels, established the communication mechanism featuring with real-time, effective and long-term, and made targeted response to stakeholders with practical actions. During the Reporting Period, the Group allowed our stakeholders to participate in our major decision and other strategy adjustment processes in ways including formal or informal, online or offline, and understand their viewpoints and expectations, in order to help us make more effective management decisions.

The types of stakeholders important to the business operations of the Group, the topics that stakeholders are concerned about, and the Group's communication channels are shown in the following table:

Stakeholders	Issues	Channels of communications/feedback	Communication frequency
Shareholders	Business performance	• General meeting	• Annually Shareholders' general meeting
	ESG management	• Result briefing	
	Compliant operations	• On-site investigations	• Extraordinary general meeting for major events or special circumstances
		• Roadshows and reverse roadshows	
Investors	Corporate governance	• Multi-channel meetings	• Roadshow and reverse roadshow once a year
	Product safety and management	• Teleconference	• Company visits
	Green product	• Teleconference pane	• One-to-one teleconference
		• Customer visit to the Company	• Organized or attended domestic investment summits
Employees	Employee rights	• Domestic and overseas investment conference	• Annual results briefing
		• Roadshow and reverse roadshow	• Roadshow and reverse roadshow at least once a year
	Employee occupational health and safety		• Interim results teleconference
	Remuneration and benefits	• Staff training	• On-line and off-line staff training
		• Labor union activities and Youth League Committee activities	• Labor union activities
		• Staff representative meeting	• Youth League Committee activities at least once a year
		• Solicitation of opinions and reasonable suggestions	• Staff representative meeting at least once a year
			• Employee satisfaction survey once a year

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

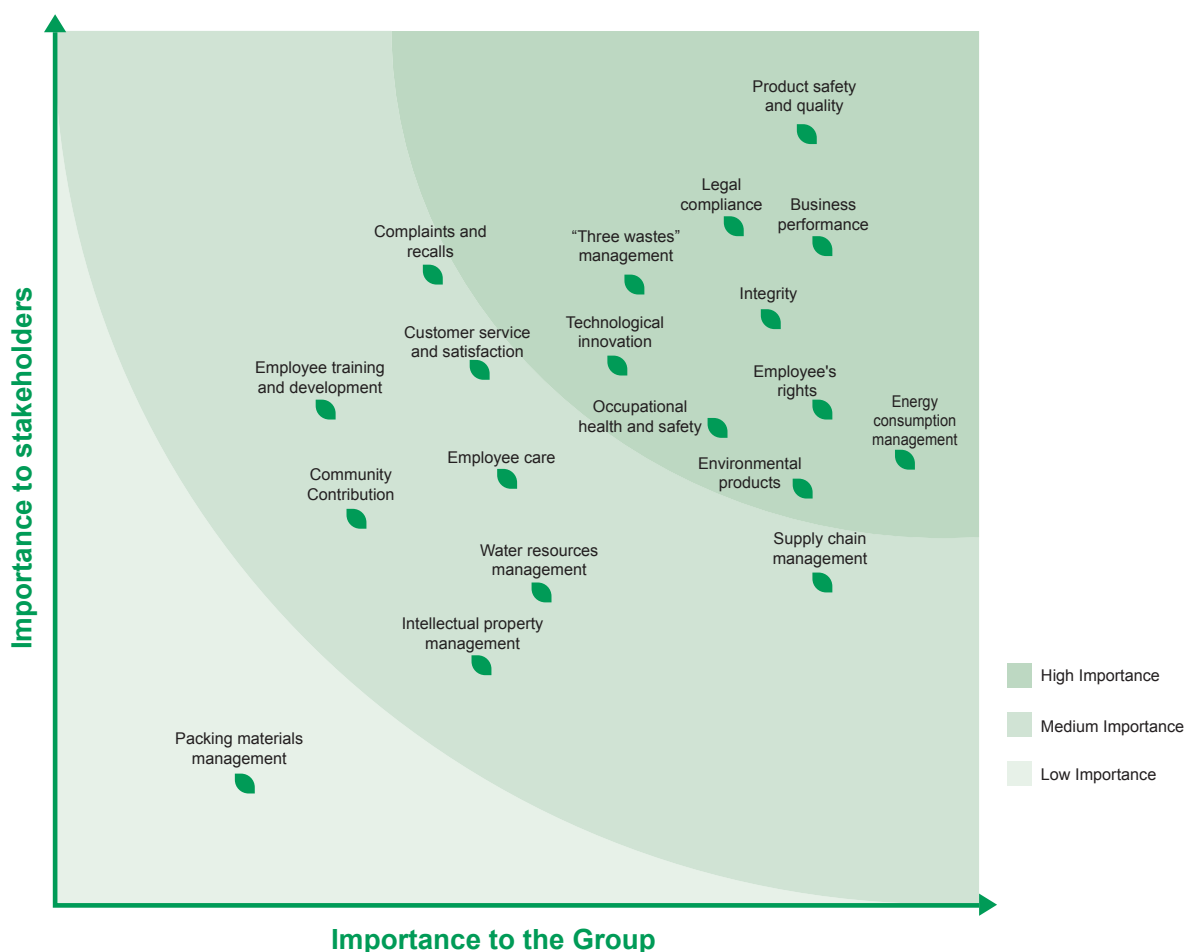
Stakeholders	Issues	Channels of communications/feedback	Communication frequency
Distributors	Product safety and quality Customer services Contributions to community	<ul style="list-style-type: none"> <li>Product training</li> <li>Clients' complaint processing</li> <li>Product maintenance and repair</li> </ul>	<ul style="list-style-type: none"> <li>Irregular product training</li> <li>Consumer satisfaction survey every year</li> </ul>
Suppliers	Supply chain management Product safety and quality Business performance	<ul style="list-style-type: none"> <li>On-site survey</li> <li>Supplier appraisal</li> <li>Communication on quality</li> <li>Telephone/written correspondence</li> <li>Setting-up of on-site office</li> <li>Supplier meeting</li> <li>Open procurement and tendering</li> </ul>	<ul style="list-style-type: none"> <li>Annually supplier meeting</li> <li>Semiannually supplier appraisal</li> <li>Supplier access assessment</li> <li>Irregular on-site office</li> </ul>
Customers/ consumers	Product safety and quality Technology and innovation Environmental products	<ul style="list-style-type: none"> <li>On-line promotion and off-line promotion</li> <li>Press conference</li> <li>Market survey</li> <li>Customer satisfaction survey</li> <li>Clients' complaint processing</li> </ul>	<ul style="list-style-type: none"> <li>To be conducted in light of actual conditions from time to time</li> </ul>
Governmental authorities	Pollutant discharge management Compliant operations Integrity	<ul style="list-style-type: none"> <li>On-site survey</li> <li>Communication and interview</li> <li>On-the-spot sampling</li> <li>Participation in analysis and formulation of policy, standard and planning</li> </ul>	<ul style="list-style-type: none"> <li>To be conducted in light of actual conditions from time to time</li> </ul>
Community	Public welfare and charity Contributions to community	<ul style="list-style-type: none"> <li>Community public welfare activities</li> <li>Communications with community</li> <li>On-site survey</li> </ul>	<ul style="list-style-type: none"> <li>To be conducted in light of actual conditions from time to time</li> </ul>
Media	Public welfare and charity Consumer satisfaction	<ul style="list-style-type: none"> <li>Press conference</li> </ul>	<ul style="list-style-type: none"> <li>To be conducted in light of actual conditions from time to time</li> </ul>

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Materiality Analysis

During the Reporting Period, we collected 30 questionnaires from external investors and ranked various issues based on their significance in terms of the levels of impact on our strategic operations and our stakeholders through media analyses and industry benchmarking results, and identified 10 ESG issues with high importance, 7 with medium importance and one with low importance. Highly important ESG issues constitute an important part of the content of this report, and we will disclose relevant content in detail in this report.

Through the analysis, we found that stakeholders still consider that product safety and quality as the most crucial risk issues in production and operation. As compared with 2019, stakeholders' focus on energy consumption management, employees' occupational health and safety, supply chain management environmental products, and public welfare in the community have been increased slightly. We will explicit the material issues concerned by stakeholders of the year in this report.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Intelligent Manufacturing

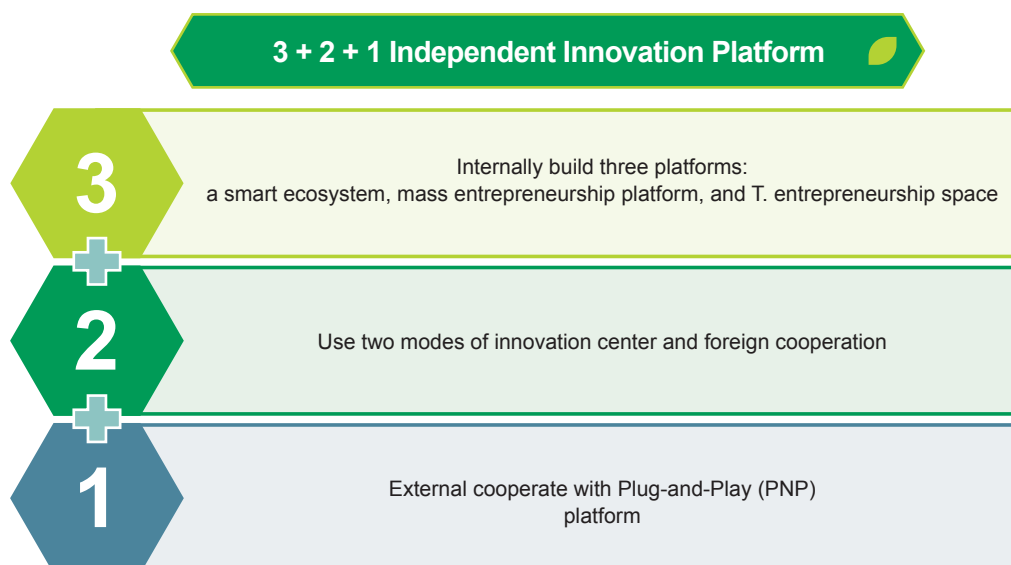
The Group always regards innovation as an important consideration in its development, and proactively develops innovative technologies on the basic principles of sustainable development. Meanwhile, we are committed to continuously improving the quality management system, take quality as a core element of corporate management, and continuously improve the management level. We adhere to intelligent manufacturing, continuously providing customers with sound products combining both quality and innovation.

### R&D and Innovation

Innovation is a driving force of development and an engine guiding us to keep moving forward. The Group adheres to the development philosophy of “creating the future through innovation”, continuously deepens the awareness of innovation, and improves the R&D and innovation capability in various aspects including management system and management mechanism and others.

### *Innovation System and Mechanism*

In order to encourage employees to innovate, the Group disburses “RMB100 million” every year and develops a new mechanism to support bold innovation of internal and external creative staff. Through establishing an innovation system, designing an innovation mechanism, building an innovation platform and space, strengthening incentives for innovation and building bridges for innovation, the Company focuses on stimulating public creativity and promoting strategic layout to drive internal and external innovation and resource coordination, and build a cross-sector, open, integrated and shared “1 + N”(1 is the national system mass entrepreneurship center, and N is each sub-center) mass entrepreneurship center for large automobile enterprises. At the same time, we build a “3 + 2 + 1” independent innovation system and leverage on product development and market demands, to promote the incubation of “innovative ideas,” accelerate the transformation of “innovative achievements” and break through core technologies of the “Five Mega trends” and assist in the enhancement of attractiveness of Dongfeng proprietary brand products.



**Dongfeng “3 + 2 + 1” Independent Innovation System**



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### ***Research Achievements and Progress***

In 2020, the Group organized and implemented the “928 Project,” namely nine key technical areas under the coordinated development of Dongfeng, with a focus on two core strategies to implement eight measures to promote scientific and technological development. The “928 Project” was among the first batch to implement 32 major scientific research projects and issued requirements to four responsible units such as the technology center of the Company. The “928 Project” progressed well on the whole with major phased results achieved in some projects, including “Research and Application of Motor Controller Based on Autonomous IGBT”, completing the sub-topic hardware circuit design, detailed structure design, performance test of A power module, signing of prototype trial production contract, board-level hardware circuit simulation, and “Research and Application of Autonomous Core Technology Based on L3-/L3 + Autonomous Driving”, completing independent development to realize mass production of L2 functions, and L3-domain controller A sample, and “Development of High Power Density Diesel Engine”, completing the development, performance and economy verification of the prototype.

In respect of government science and technology projects, the Group participated in national projects actively and organized the application for 3 projects funded by the National Natural Science Foundation of China, 4 projects under key national R & D programs, of which the “Safe and Reliable Man-machine Co-Driving System in Open Environment” has been funded by the Ministry of Science and Technology of the PRC. The Company organized the application for the 2020 major automotive technology project of intelligent networking in Hubei Province, and the “Research and Application of Key Technologies of Advanced Automatic Driving in Complex Driving Environment” project has received a funding support of RMB10 million from Provincial Science and Technology Department.

During the Reporting Period, the Group had a total of 34 industry-university-research projects with a total amount of RMB66,513,000.

- The projects involve areas: New energy, intelligent networking, modeling design, materials and power assembly;
- The types covered in the project: Design and development (including calibration), testing, division and procurement;
- Major cooperation universities: Tsinghua University Suzhou Automotive Research Institute (Xiangcheng), China University of Geosciences (Wuhan), Hubei Institute of Automotive Technology, Tsinghua University, Wuhan University of Technology, Wuhan University and Jilin University. Tongji University, Donghua University, Xi'an Jiaotong University.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### DFG Signed A Series Of Strategic Cooperation Agreements With State Grid Corporation Of China

On November 26, 2020, the Group entered into strategic cooperation agreement with State Grid Corporation of China (“SGCC”), pursuant to which both parties will take into account their respective advantages in six aspects, namely the “green energy-for-electricity” industry, progress of industry standardization, interconnection of vehicle piles data, “vehicle piles electric ecological marketing model”, “promotion of new energy vehicle” and “new energy vehicles charging new energy power”, jointly promoting the implementation of the national development strategy for new energy vehicles and energy internet industries.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Opening Experience of Dongfeng Auto-driving Taxi

By the end of 2020, Dongfeng Linghang Robotaxi, Dongfeng technology center, planned to open to the public to experience a free trial ride on the open road in the core area of Wuhan Economic Development Zone, through online booking on the mobile app.

Dongfeng Linghang Robotaxi is modified from a pure electric vehicle of Dongfeng Fengshen E70, and the unmanned driving kit on the top of the vehicle consists of laser radar, camera, millimeter-wave radar, high-precision positioning and other sensors as well as a high-performance computing platform and on-board network communication equipment, equipped with advanced perception and AI decision-making system, to cope with complicated traffic conditions and to completely free drivers' eyes and hands.

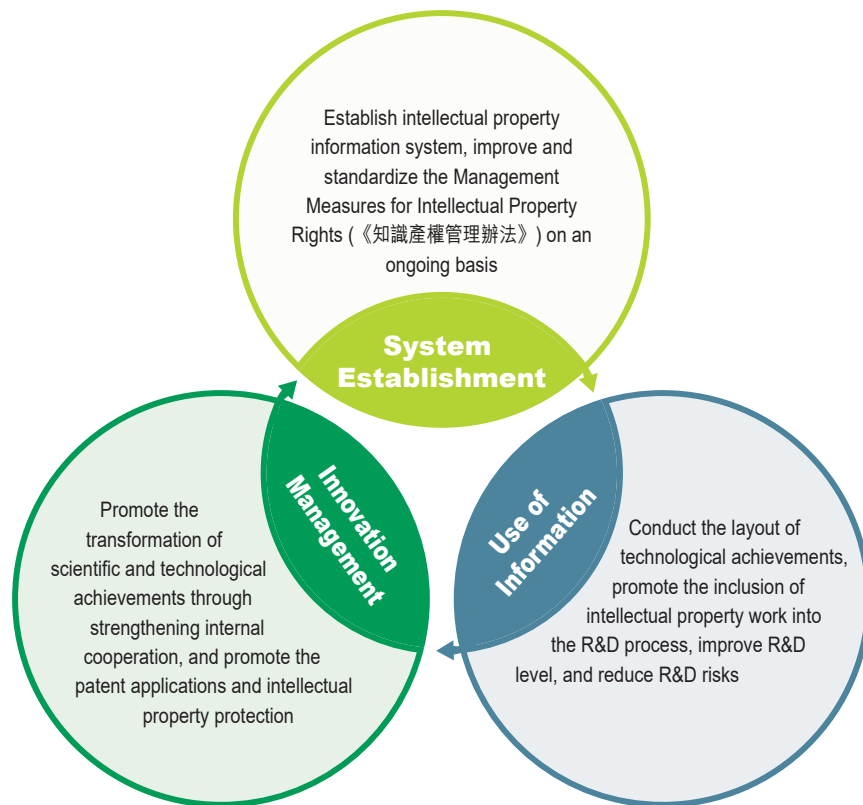
In addition, the vehicles are also equipped with advanced "5G + Beidou" positioning technology, dynamic planning and decision-making, and coordinated technologies of "human-vehicle road network cloud", realizing functions such as vehicle cloud monitoring, remote order delivery, human-vehicle interaction, etc., providing passengers with a safe, convenient and comfortable travel experience.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Intellectual Property Protection

The Group strictly abides by the Patent Law of the People's Republic of China (《中華人民共和國專利法》), Trademark Law of the People's Republic of China (《中華人民共和國商標法》), Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) and other intellectual property laws and regulations. Aiming at innovative development with emphasis on the creation, application, protection and management of intellectual property rights, the Group continuously promotes the intellectual property rights management in terms of system construction, innovation management, and the use of information.



During the Reporting Period, the Group formulated and issued the Implementation Plan for Promoting the High-quality Development of Intellectual Property Rights (《關於推進知識產權高質量發展實施方案》) and other documents to strengthen the planning, management and protection of intellectual property rights in the early stage of R&D projects from the source, to generate more sound inventions, patents and products.

In respect of the establishment of an intellectual property management system, the Group closely focused on the goal of improving the high quality of patents and carried out evaluation for the improvement of invention patents within the Group. Subsidiaries were encouraged to establish and complete an intellectual property management system integrating patents, proprietary technologies, trademarks, software copyrights, scientific and technological achievements, papers and domain names from the perspectives of system construction, personnel training and information security.

In respect of building an intellectual property culture, the Group organized a total of 15 training sessions for the functional departments of the headquarters and its subsidiaries, covering basic patent knowledge, patent mining, technical disclosure, patent retrieval, creative analysis, typical case analysis and other aspects, with 2,000 person-times.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Dongfeng Special Commercial Vehicles Expand the Scope of Intellectual Property Training and Intensifying Training

For construction of intellectual property culture, Dongfeng Special Commercial Vehicles organized three trainings in three aspects, namely enterprise patent application, project patent mining and Intellectual property training, with the training completion rate of 100%.

Name	Content	Participant	Number (person)	Method	Time
Enterprise patent application training	<ol style="list-style-type: none"> <li>1. Basic patent knowledge</li> <li>2. Guidance on patent application process</li> <li>3. Explanation on the writing skills of the technical disclosure;</li> <li>4. Sharing excellent cases;</li> <li>5. Q&amp;A guidance on specific matters;</li> </ol>	R&D technical staff	170	Online training during the epidemic period	23 May
Project patent mining training	<ol style="list-style-type: none"> <li>1. Exchange of overall process and technical scheme of the project</li> <li>2. Sorting out technical points;</li> <li>3. Sorting out the reporting points;</li> <li>4. Formulating patent mining plan (sub-topics, implementation time);</li> </ol>	R&D technical staff	70	Offline training within the Company	4 September
Intellectual property training	<ol style="list-style-type: none"> <li>1. Patent application and examination focus;</li> <li>2. How to write the technical disclosure;</li> <li>3. Use of the Group's intellectual property management information system platform</li> </ol>	Management personnel Technical staff	50	Offline training within the Company	10–11 September

With relentless efforts, the Group has made remarkable achievements in intellectual property construction. As at 31 December 2020, the Group owned an aggregate of 11,594 patents, including 1,159 invention patents, 7,773 utility models and 2,662 exterior patents. During the Reporting Period, the Group was granted 1,737 new patents, including 242 invention patents and 4,332 patent applications, of which 3,106 were invention patent applications.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Dongfeng Nissan Strengthening Intellectual Property Protection and Patent Innovation

In order to better promote the intellectual property rights work, Dongfeng Nissan established a special Patent Affairs Bureau, which is equipped with 5 full-time personnel and more than 50 part-time personnel to be responsible for the intellectual property rights work of the Company, enhancing our intellectual property protection capability in establishment of an intellectual property management system, enhancement of intellectual property awareness and protection of intellectual property rights and interests. Meanwhile, in order to promote high-quality development of the Company's patent work, Dongfeng Nissan issued a series of management benchmarks including Patent Application Management Measures (《專利申請管理辦法》), Patent Award Management Measures (《專利獎勵管理辦法》), Patent Maintenance Judgment Workflow and Management Measures (《專利維持判斷工作流程及管理辦法》), and Patent Maintenance and Judgment Management Measures (《專利權維持判斷管理辦法》). The Group also constructed and promoted its preliminary construction, personnel training and information security, and achieved a better effect of patent enhancement.

- In terms of preliminary construction, Dongfeng Nissan set the targets for invention application for 2020–2025, focused on promoting the patent output of technologies such as autonomous driving/intelligent networking/new energy, and introduced the target management model in the development of vehicle models, adopting proactive and systematic mining methods to strongly guide patent output. In addition, Dongfeng Nissan introduced a patent layout concept, extending the technology horizontally and vertically, and carrying out in-depth systematic exploration at key nodes, so as to output patents in the form of patent group.
- In terms of personnel training, Dongfeng Nissan has established a comprehensive training program for full-time intellectual property personnel and technicians, developing a training plan for full-time intellectual property personnel from 2020 to 2022, and hierarchical patent courses for R&D personnel. Meanwhile, Dongfeng Nissan further strengthened the training of patent-related personnel by holding a series of activities such as “Intellectual Property Day”, organizing patent salons, excavation meetings and publishing “Intellectual Property bi-monthly report.” In 2020, Dongfeng Nissan organized more than 100 patent training and excavation conferences, covering more than 1,000 employees.
- In respect of information protection, Dongfeng Nissan introduced the patent retrieval system and patent management system from third-party enterprises and established an intellectual property website through its internal platform to provide good information protection.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

As of December 31, 2020, the Group has participated in the formulation and revision of 146 technical standards in total, of which 44 are completed in 2020; in addition, 251 other technical standards are in the process of formulation and revision. Details of the standard classifications involved in the amendment are as follows:

Technical standards of participated formulation and revision	Total	International standards	National standards	Industrial standards	Group standards
Technical standards completed as of December 31, 2020	146	/	97	41	8
Technical standards completed in 2020	44	/	28	11	5
Technical standards in the process of formulation and revision	251	3	166	67	15

During the Reporting Period, the Group took charge of the preparation of 6 technical standards, including 1 national standard – Terminology of Automobile Body (《汽車車身術語》) and industrial standards 5 items of Test Methods for Air Intake Water Separation of Engines (《發動機進氣水分離試驗方法》), Water Filters for Automotive Engines (《汽車發動機水濾清器》), Technical Requirements and Test Methods for Emergency Safety Devices for Tyre Burst of Operating Vehicles (《營運車輛爆胎應急安全裝置技術要求和試驗方法》), Calibration Specifications for Fuel Flowmeters for Motor Vehicles (《機動車燃油流量計校準規範》), and Calibration Specification for Vehicle Handling Stability Tester (《汽車操縱穩定性測試儀校準規範》).

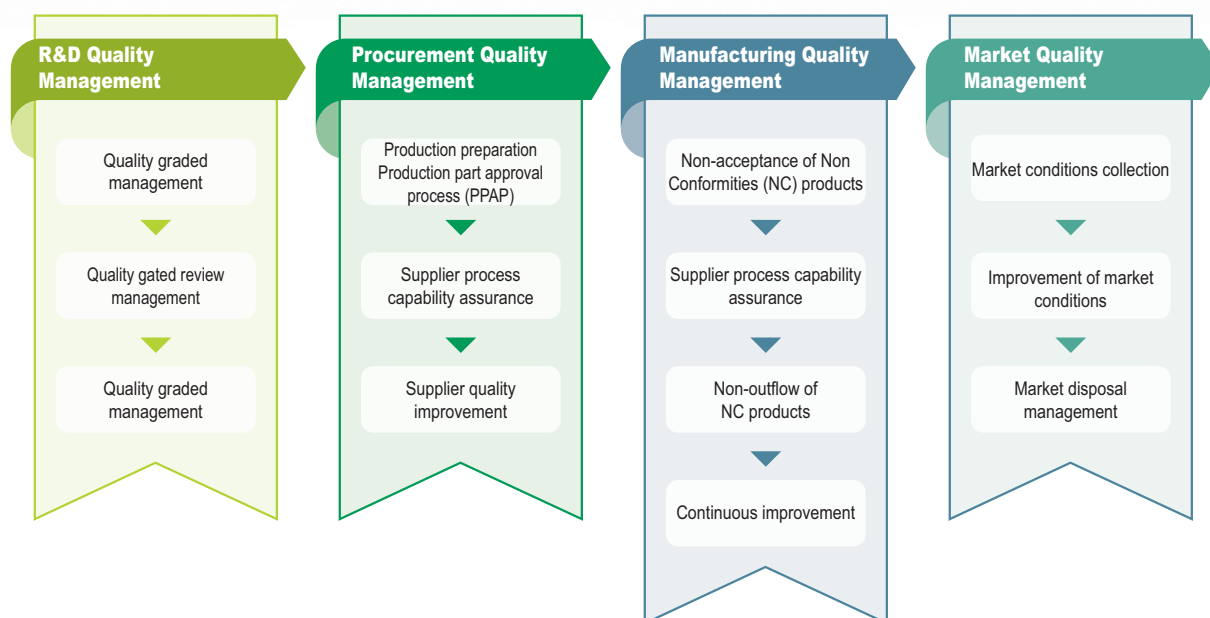
### Quality Control

Product quality is the cornerstone of sound development. The Group has always taken it as its top priority to ensure the quality and safety of its products, and implemented a comprehensive quality management system with practical quality control.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### *Comprehensive Quality Management System*

The Group adheres to being customer-oriented and implements comprehensive quality management throughout the life chain of its products, including product research and development, procurement of raw materials, production to marketing.



In 2020, the Group took the national Guidance on Quality Improvement Action as the guidance, took the implementation of Dongfeng excellent quality evaluation system as the main line, and focused on customers, and carried out the quality improvement activities of the whole value chain in depth.

In terms of product quality and safety system optimization, the Group has carried out quality publicity, quality professional training, promotion and application of quality tools, and improvement of quality technical standard system construction in combination with “3.15 Consumer Rights Day” and “quality month”, which has fully consolidated the Company’s quality foundation. At the same time, the Group organized the quality improvement actions of the whole value chain, such as commodity planning, R&D and design, purchasing parts, manufacturing, sales service and market continuous improvement, to further optimize and improve the product quality system and product safety system.

In the aspect of internal audit and update of product quality and safety evaluation system, the Group and its subsidiaries implemented the internal audit as planned. Some vehicle units carried out self-assessment and internal audit of quality management system by applying the standard of Dongfeng Excellent Quality Evaluation System, analyzed the problems raised in the early pilot evaluation, formulated countermeasures and rectified. The annual average rectification completion rate is 94%. Through the quality improvement activities of the whole value chain, the self-evaluation score rate of the quality management evaluation system has increased by 2% compared with the pilot evaluation score rate of last year, and the quality management system has been continuously improved.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Research & Development Centre Quality System Maintenance Achieved Remarkable Results

Dongfeng Research & Development Centre carried out the third party ISO 9001 quality management system supervision and certification every year, constantly deepened the self-inspection mechanism of quality system, and carried out the quality system reflection activities to ensure the effectiveness of the quality system operation.

During the Reporting Period, a third-party external audit, a group internal audit, three self-inspections and five special inspections were organized. In particular, combined with the requirements of quality management system, project development process and R&D management standards of the center, self-inspection was carried out for D58, C15TDR, HD120 electric drive assembly, BD90a-1 electric drive assembly and other projects, and special quality system inspection was carried out for typical problems such as “three noes” of electronic control software, consistency of laws and regulations, D58 rear tail lamp and management of metering equipment. A total of 18 non-conforming items and 33 suggestions were put forward, the R&D quality management activities were supervised and standardized, the project documents were sorted out, and the causes of the problems were analyzed in-depth, and the improvement countermeasures were put forward.

In view of the lack of cultivation and rigor of professionals, the technology center organized to carry out problem reflection, sorted out the typical case set, established the operation mechanism of typical case extraction, made clear how to do and not how to do, and recommended the system methodology. During the Reporting Period, the technology center refined and exported 19 typical cases.

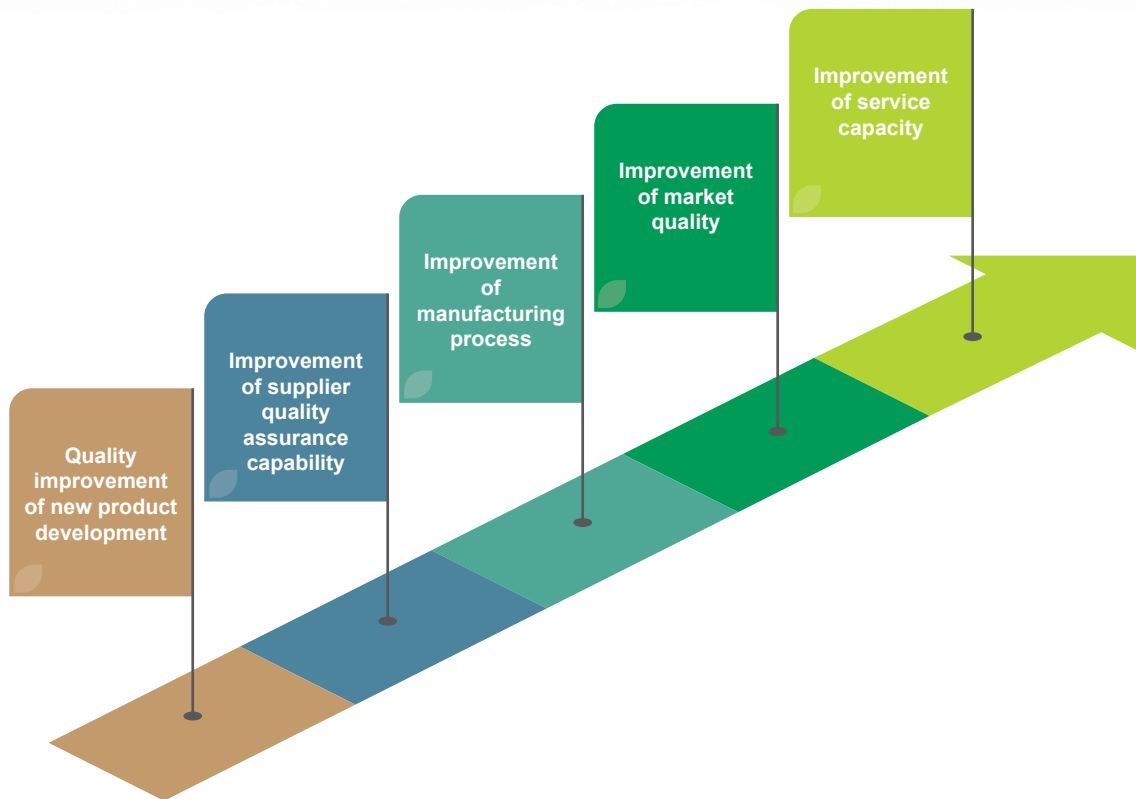
### Dongfeng Commercial Vehicle Amended Quality Manual and Procedure Documents

At the beginning of 2020, Dongfeng Commercial Vehicle organization system covering departments revised the company-level quality manual and procedure documents, such as department responsibilities and department names, which were issued and implemented on 15 April; guided the post-marketing division to build the quality system (5 procedure documents and 23 management measures). The factories/subsidiaries revised their own quality system revision documents according to the company-level manual and procedure documents, and the quality management department conducted guidance and review.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### *Continuous Improvement of Quality*

The Group is committed to the continuous improvement of product and service quality, and continuously optimizes new product development, supply chain, manufacturing process, market quality and service, so as to further improve the quality management level.



### Dongfeng Research & Development Centre Continuously Improved the Quality Management Level

In 2020, Dongfeng Research & Development Centre continued to improve the quality management level from three aspects: strengthening the development quality process control, improving the market response and analysis ability, and improving the quality tool and method system.

In terms of strengthening the development quality process control, Dongfeng Research & Development Centre optimized the review work method of innovative design, continuously improved the technical center-level recurrence prevention database, strengthened the control of CAE and DV test, and strongly promoted the G35 high-quality SOP action plan; in terms of improving the market response and analysis capability, Dongfeng Research & Development Centre and Dongfeng Passenger Vehicle departments were linked to coordinate the special design and analysis within the center to form internal and external QRQC cycle, promoted the countermeasures of market problems, and conducted the visit and investigation activities of franchise stores through data analysis; in terms of improving the quality tool method system, Dongfeng Research & Development Centre has carried out 50 special quality training periods, with a total number of 3,134 and 63 persons/period. It includes ISO 26262, ANPQP version 3.1, new DFMEA, DR, LLR training, 8D, FTA and other training.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Dongfeng Passenger Vehicle Quality Assurance of Production Preparation into the Project Maturity Management

In 2020, Dongfeng Passenger Vehicle continued to improve the quality management level, introduced the quality assurance of production preparation into the project maturity management, implemented the project-node management in combination with the quantitative evaluation standard of on-site management and factory improvement (FQCD), strengthened the Testing Issue Forward Management and Recurrence Prevention and other activities, pilot QCVV3 process control, and improved the production preparation quality of new projects (complete vehicle + complete machine). The AVES5 point of D58 new vehicle is 1.7 (D53 decreased by 53% year-on-year), and the AVES point of X37a new vehicle is 1.8 (D53 decreased by 50% year-on-year).

### Zhengzhou Nissan Actively Promoted Quality Improvement

In 2020, in order to improve the efficiency and effectiveness of the quality management system, Zhengzhou Nissan comprehensively carried out the quality improvement work from the aspects of quality system maintenance, quality supervision and improvement, and promoted quality improvement actions.

- **Quality system maintenance:** in January 2020, the Company held the 2019 management review, and output 2 improvement items, which were completed on schedule; in July and September 2020, the Company organized the internal and external audit and improvement of the quality system, issued a total of 7 general non-conformance items, which were rectified on schedule, verified and closed. The Company successfully passed the ISO 9001:2015 re-certification audit and obtained the quality system certification certificate.
- **Quality inspection and improvement:** during the Reporting Period, the Company conducted 34 quality inspections, including important quality inspection, rust prevention inspection, internal and external quality audit, quality system process inspection, etc., with the rectification rate of 100%. Through all kinds of quality supervision and improvement, Zhengzhou Nissan has improved the operation effectiveness of the quality management system, new product re guarantee and rust prevention quality, ensured the smooth version change and certification of the quality system, and the smooth transfer of new products at all stages.
- **In-depth promotion of quality improvement:** Zhengzhou Nissan actively promoted QC group and “Reliable Quality Team” activities, registering 75 QC projects, 12 quality trust teams, and achieving excellent results at the Double Representative Conference of National Machinery Industry.

### ***Product Quality and Safety Culture Development***

The Group regards product quality and safety as a part of the Company's culture. By organizing various activities, the Group deepened the concept of quality and safety into the consciousness of each employee.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Dongfeng Special Commercial Vehicle Launched a Number of Quality and Safety Culture Development Activities

During the Reporting Period, Dongfeng Special Commercial Vehicle Huashen Automobile Co., Ltd. made great progress in product quality and safety culture development by carrying out monthly quality activities, organizing quality awareness training and launching special quality improvement actions for major customers.

#### • Quality safety monthly activities

According to the spirit of the Group's Notice on Organizing and Conducting the Company's "Quality Month" Activities in 2020, Dongfeng Huashen issued the Notice on Organizing and Conducting the Company's "Quality Month" Activities in 2020 on 9 September. The specific work of 13 projects was planned and 2 events promotion meetings were organized.



At the same time, Dongfeng Huashen carried out various publicity activities. The quality publicity materials were released via WeChat official account platform and publicity visual board, and the quality slogans were put up in the inspection area, workshop and PDI area respectively, so as to create an atmosphere of concern for quality.



▲徐州·答辩会现场



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### Dongfeng Special Commercial Vehicle Launched a Number of Quality and Safety Culture Development Activities

- Quality awareness training**

In order to strengthen the assembly quality management, standardize the quality work behavior of all employees, enhance the quality responsibility consciousness of employees, so as to achieve the purpose of improving the product quality control, Dongfeng Huashen carried out three training sessions of process and quality in the manufacturing department during the national quality month, and four training sessions in the class group with more than 1,800 person. The participation of the trainings rate is 100%, which has laid a solid foundation for the later on-site assembly quality improvement.



Monthly poor typical case study



Quality awareness improvement



- Special promotion of key customers**

Dongfeng Huashen, taking the improvement of market quality as the main line, combined with the technical center, marketing companies and related suppliers, spent half a month to carry out a market visit activity with the theme of "Listening to the Voice of End Users and Effectively Solving Market Problems". We visited 15 key dealers and nearly 30 end customers, and collected 74 market feedbacks. Through carrying out centralized management and special improvement promotion meeting, the problem closure rate was 95%.



## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### ***Product Health and Safety***

In terms of product health and safety, we strictly controlled and implemented high standards and strict requirements for product safety testing, so as to ensure that the products delivered to customers meet the basic requirements and ensure the health and safety of customers to the greatest extent.

#### **Dongfeng Peugeot-Citroën Completed Safety Related Tests of Multiple Products**

During the Reporting Period, Dongfeng Peugeot-Citroën completed safety related tests on a number of new products, including traditional fuel vehicles, plug-in hybrid vehicles and pure electric vehicles. The safety test covered the active and passive safety performance tests of collision, braking, ABS, tire pressure monitoring, electric vehicle safety, etc.

For traditional fuel vehicles, in addition to the traditional safety test items, Dongfeng Peugeot-Citroën carried out in-depth performance test and national standard mandatory test on the performance of tire pressure monitoring device which had drawn special attention in recent years, and the test results met the mandatory national standard.

In view of the safety performance requirements of new energy vehicles, several new energy products of Dongfeng Peugeot-Citroën have not only completed the national mandatory safety test and certification test, but also carried out the strict thorough test of multi-turns completed vehicle wading and waterproof insulation of B-level high-voltage parts according to the relevant requirements of Shanghai new energy catalogue access, and successfully passed the Shanghai local standard entry test. The security performance of the new energy product is guaranteed.

In view of the requirements of accident data recorder device and electric vehicle thermal runaway that will be included in the national mandatory standards, Dongfeng Peugeot-Citroën has planned the technical strategy in advance, and deployed a series of safety performance testing to actively respond to the safety performance requirements and future development trend of automobile products.

### ***Product Quality Recall***

For defective products, the Group insisted on being responsible to customers and taking active recall measures to eliminate automobile defects and ensure customer safety. The Group strictly implemented the regulations on Recall Management of Defective Automobile Products and relevant requirements, actively publicized and implemented the Recall Management of Defective Automobile Products, guided and urged all vehicle units to strictly implement these rules, and standardized the information filing and recall process management.

During the Reporting Period, the Group's product quality developed steadily, and there was no excessive media attention caused by product quality problems. In terms of active recall of products, the Group has implemented 11 active recalls of defective automobile products, recalling a total of 1,113,281 vehicles.

## Governance: Undertaking our Missions Bravely and Making Steady Progress (Continued)

### **Dongfeng Commercial Vehicle Formulated Management Measures for Market Quality of Dongfeng Commercial Vehicle Co., Ltd.**

Dongfeng Commercial Vehicle has formulated the Management Measures for Market Quality of Dongfeng Commercial Vehicle Co., Ltd., established a perfect management process for market disposal and recall, fully responded to the national recall management, eliminated the risks caused by defective automobile products to the personal and property safety of users and the public, and enabled the Company to accurately and quickly respond, judge and dispose of the bad automobile products in the market, met the requirements of relevant national laws and regulations, maintained the Company's brand image, and standardized the Company's management of improvement measures and disposal measures for market vehicles.

During the Reporting Period, the Company amended the "Management Measures for Market Quality of Dongfeng Commercial Vehicle Co., Ltd." and regularly held important quality review meeting (TM) and market disposal judgment meeting (TC) for market problems. Recalls determined at the meeting will be declared and conducted according to the requirements of the government.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility

The green transformation and development of industry is a road actively explored by China in the 13th Five-Year Plan to break the bottleneck of resources and environment, and also the only way for the Group to achieve sustainable development. The Group adhered to the goal of “creating an ‘environment-friendly and resource-saving’ enterprise, took “saving resources, reducing emissions and recycling” as the policy, and expanded the green and low-carbon management of the whole life cycle of products from two aspects of green innovation and green production.

During the Reporting Period, the Group totally invested RMB760,426,500 for environmental governance and preservation. Dongfeng Off-road Vehicle has applied for two green design patents. Dongfeng Fengshen Yixuan sedan and DDi11 diesel engine for vehicles of Dongfeng Commercial Vehicle have been selected as national “Green Design Products”; Dongfeng Honda, Dongfeng Commercial Vehicle and Dongfeng Liuzhou Motor have been selected as national “Green Factories”; Dongfeng Honda has won the title of national “Green Supply Chain Management Enterprise Award”.

### Green Innovation

The Group believes that green innovation is the engine for achieving sustainable development. We integrated environmental design into the innovation and development of new products, new process and new materials, and actively conducted research and development of independent new energy vehicles to implement the environmental responsible ideology of “manufacturing energy-saving and environmental-friendly vehicles”.

### Environmental Design

During the Reporting Period, we included green development into the core of product design and development, strengthened the green design work throughout the whole life cycle of vehicle development, and made continuous improvement on the comprehensive ability of green development and design in five aspects, namely the development of energy saving and emission reduction performance, environmental-friendly performance development, noise, vibration, and harshness (NVH) performance development, China Eco-car Assessment Program (C-ECAP), and electric vehicle testing (EV-TEST).



## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### C15tdr Energy-saving Engine

Dongfeng C15TDR engine adopts more than ten advanced technologies in combustion, friction reduction and thermal management, such as 350bar high-pressure injection, high-pressure cooling EGR, high-efficiency thermal management, etc., making the whole engine reach the industry leading level in power performance, economy, emission, NVH, etc.

The highest thermal efficiency of the high-efficiency version of the engine reaches 41.07%, which is the highest level of the independent turbocharged engine, and has been certified as “Energy Efficiency Star” by CATARC; its high-power version has won the title of “China Heart Top 10 Energy Efficiency Star” of Kunlun lubrication Cup, and its Dongfeng Fengshen AX7 model has won the recommended model of “China Heart Top 10 Engines of 2020”.



**C15TDR energy-saving engine**

At the same time, we actively responded to the “Planning for the Development of the New Energy Automobile Industry (2021–2035)”, formulated and launched the “583” new energy strategic plan. By controlling<sup>3</sup> core resources, developing 8 key technologies, and innovating 3 business models, we actively laid out the new energy automobile industry, promoted the Group’s reform and innovation, and accelerated the transformation and upgrading under the trend of cross-border integration and development of Five Megatrends, One Vehicle and Four Networks in the automobile industry.

<sup>3</sup> Five Megatrends, one vehicle and four networks: “Five Megatrends” means lightweight, electrification, intellectualization, network products and sharing platform; “One Vehicle” refers to automobiles; “Four Networks” refers to road networks, energy networks, communication networks, and financial networks.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### “583” New Energy Strategic Plan

5 core resources	<ul style="list-style-type: none"> <li>Build a new energy automobile industrial park, accelerate the construction of park No.2 on the basis of the completed park No.1, so as to form an annual production capacity of 800,000 sets of electric control, 230,000 sets of electric drive, 200,000 sets of battery system, and 150,000 sets of flat wire motor; at the same time, speed up the control of IGBT and cell resources to solve the problem of core resource bottleneck: form 300,000 IGBT production capacity with CRRC joint venture; T3 and CATL set up a cell joint venture to form a 10GWh cell capacity.</li> </ul>
8 key technologies	<ul style="list-style-type: none"> <li>Development of special platform for electrification</li> <li>R&amp;D for fuel cell and industrialization project three-electric technology research and product development</li> <li>Capacity building of industrialization of the Three Electrics</li> <li>Capacity building of Three Electrics tests</li> <li>Promote fuel cell technology research and product development</li> <li>Capacity building of fuel cell industrialization</li> <li>Capacity building of fuel cell tests</li> </ul>
3 marketing modes	<ul style="list-style-type: none"> <li>Adhere to the construction of new energy vehicle operation monitoring system and Dongfeng travel platform, and arrange Dongfeng travel, T3 travel and other platforms. According to digitization, networking, online and offline, as well as the application of some electric vehicles in the government support environment, we refined three modes, and formed three marketing channels and marketing management echelons according to different marketing modes.</li> </ul>

During the Reporting Period, in addition to accelerating the construction and launch of national VI vehicle models in the field of passenger vehicles and commercial vehicles, we have completed the industrial layout of the Group's Three Electrics<sup>4</sup>. Through the integration of new energy technology resources, we have launched more than 20 new energy vehicle models to continuously promote the process of comprehensive new energy. During the Reporting Period, the Group's annual sales of new energy vehicles reached 44 thousand.

<sup>4</sup> Three Electrics include: battery, electric control and electric drive.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Passenger Vehicles Field

As an important strategic layout of the Group, independent passenger vehicles continued to make efforts in new energy business. During the Reporting Period, the Group officially established VOYAH Motor Science and Technology Company to build “VOYAH” high-end electric brand, develop new intelligent electric architecture ESSA and two most advanced auto body technologies, and release the first medium and large-scale intelligent electric SUV “VOYAH FREE”. At the same time, VOYAH paid much attention on the research and application of high-end new energy special technology (both extended-range electric and pure electric), and focused on the research and development of new energy 800V high-voltage platform, HPC (high-performance computing), wireless charging and solid-state battery and other advanced technologies, so as to realize the upgrade of green product design through strengthening the green innovation ability.

In addition, during the Reporting Period, we fully launched the development of new intelligent electric architecture ESSA, solidified the technical conditions of the platform, completed the pre-research projects of various models, built more efficient and energy-saving new energy vehicles, and comprehensively led the healthy and rapid development of new energy vehicle industry chain.

### Launch High-end Electric “Voyah” Brand

On 29 July 2020, the Group released the high-end electric brand “VOYAH”. With the brand mission of “Realize Our Dreams with Vehicles to Empower a Better Life”, the brand has strived to provide consumers with a zero-anxiety high-end smart electric experience in the new energy 3.0 era.

The first mass-production vehicle “VOYAH FREE” is positioned as a medium and large-scale intelligent electric SUV with a wheelbase of more than 2.9 meters. It is equipped with the MVP multi-scene power solution pioneered by VOYAH, providing two power options: pure electric and extended-range electric. The pure-electric VOYAH FREE meets the needs of commuters with convenient charging conditions, while extended-range electric VOYAH FREE meets the needs of users with medium and long-distance travel or under inconvenient charging conditions. After solving the users’ mileage anxiety and charging anxiety in an all-round way, VOYAH FREE brings a pure electric driving experience beyond fuel vehicles.

#### In July 2020

Release brand strategy, brand new high-end electric brand Chinese name “嵐圖” and brand logo

#### 26 September 2020

iFREE, the first mass-produced concept car, launched at Beijing auto show

#### 30 October 2020

VOYAH participated in the 2020 China auto body conference and released two most advanced auto body technologies

#### 18 December 2020

VOYAH FREE firstly launched in Shenzhen

#### Important journey of VOYAH in 2020



VOYAH brand launch

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### ***Commercial Vehicle Field***

In order to further reduce the driving emissions in different scenarios, we constantly adjusted and optimized the product line in the field of commercial vehicles, and vigorously promoted the popularization of energy-saving vehicles suitable for different scenarios. During the Reporting Period, we promoted green design for different scenarios such as urban logistics and municipal sanitation, and successively launched D560 pure electric washing and sweeping vehicle, pure electric EV18 standard load light truck, Xiamen Dongfeng Commercial Vehicle driverless container truck, etc.



**D560 pure electric sanitation vehicles**



**Xiamen driverless container truck**



## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Green Production

The Group has always been committed to the realization of “manufacturing vehicles in an energy-saving and environmental-friendly way”, focusing on improving the level of environmental management, promoting the upgrading of key technologies of green manufacturing, focusing on environmental performance in all aspects of production and manufacturing, and actively building a green factory.

### Environmental Management

We strictly abided by the national and local laws and regulations such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and Cleaner Production Promotion Law of the People's Republic of China (《中華人民共和國清潔生產促進法》), we have formulated a series of environmental management rules and regulations including the Management Measures of Construction Projects for Environmental Protection (《建設項目環境保護管理辦法》), Management Methods for Energy Conservation and Environmental Protection (《節能環保管理辦法》), and Management Measures for Performance (Interim) (《績效管理辦法暫行》), and implemented the “5+1” Energy-saving and Environmental Protection Management System<sup>5</sup> with Dongfeng characteristics.

<sup>5</sup> “5+1” Energy-saving and Environmental Protection Management System: Business Planning System, Legal System, Management and Control System, Monitoring System, Target Evaluation System and Information Exchange Platform

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

During the Reporting Period, we initiated the preparation of the 14th Five-Year Plan of energy conservation and environmental protection plan, clearly put forward guiding ideology, basic principles, main objectives, work tasks and safeguard measures, and based on the plan, made the energy conservation and environmental protection plan for 2020–2024 in accordance with the Principle of “1+2+2”<sup>6</sup>, to strengthen the system, planning and continuity of energy conservation and environmental protection work, and promote the effective implementation of energy conservation and environmental protection strategy.

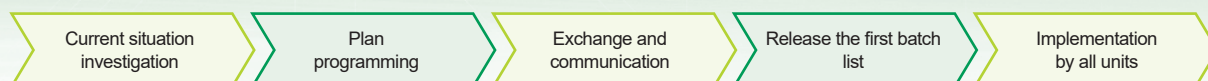
### ***Environmental Management Responsibility System***

We have established a top-down three-level responsibility system for safety and environmental protection in combination with our actual work. Among them, the Group headquarters is responsible for supervision, planning and decision-making, supervision and management, evaluation and assessment; the secondary units are responsible for management, organization and promotion, resource allocation and technical support, as well as undertaking, decomposition and control; the factory (subsidiary) is responsible for the main body of the enterprise, implementation and whole value chain management.

During the Reporting Period, we further refined and materialized the responsibility of safety and environmental protection in all business fields at all levels, deepened the responsibility and knowledge, and realized the responsibility to individual by constructing the responsibility system of safety and environmental protection in all business fields, so as to promote the establishment of long-term mechanism of environmental management. We have released the Regulations on the Management of Work Safety and Environmental Protection Responsibility Fulfillment in All Business Areas and the first batch of responsibility fulfillment lists, and are committed to realizing the “list based” management of responsibilities, and established a random verification, evaluation and assessment mechanism for responsibility fulfillment. At the same time, we organized and carried out the responsibility reporting activities of managers at all levels, and strengthened the implementation of the responsibility system.

<sup>6</sup> Principle of “1+2+2”: In the five-year plan, the 1st year of the plan needs to have clear index requirements and work arrangements, the 2nd and 3rd year need to have relatively clear index requirements and work arrangements, and the 4th and 5th year need to formulate plan directions and quantitative targets

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)



### Investigate the responsibility

- In the form of special reports, the spot check and verification of the responsibility list will be fed back to the main responsible persons and cadre management departments of each unit
- Investigate the responsibility of leaders in relevant fields according to the identification of accident responsibility

### Refine responsibility

- Integrate environmental responsibility into specific business work
- Responsibility with quantitative and operable indicators is placed to specific posts

### Verification method

- Spot check 2-3 business areas every year to achieve full coverage in three years
- Through internal and external special evaluation, audit, spot check, audit, review, assessment and other verification work implementation

### Clear responsibility fulfillment

- The main person in charge of the Party is the first person responsible for environmental protection
- The person in charge of each business field shall take the direct leadership responsibility of environmental protection in this business field

### Responsibility system

- The Group formulated environmental protection responsibilities of secondary units in various business areas
- The secondary units can work out the responsibility list of each business area and department of the factories (subsidiaries) in batches

### Gradually improvement

- The responsibility list is constantly updated according to laws and regulations, superior requirements and the Group's development
- Release the first batch of list in 2020 (12 business areas, 51 key points for fulfilling responsibilities)

### Environmental Management Process

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### List of Dongfeng Parts and Components established safety and environmental protection responsibility

Dongfeng Parts and Components has established 1,955 post safety and environmental protection responsibility lists, with a post coverage rate of 96%; 374 important managers' post action plans, with a post coverage rate of 100%

### Dongfeng Passenger Vehicle and Dongfeng Motor carried out safety report

Dongfeng Passenger Vehicle and Dongfeng Motor carried out the responsibility reporting activities of managers at all levels and departments, and strengthened the implementation of the responsibility system



Safety report of department head of Dongfeng Passenger Vehicle



Safety report of leaders in charge of business divisions of Dongfeng Motor

As of December 31, 2020, a total of 81 factories (subsidiaries) of the Group had obtained ISO 14001 environmental management system certification.

### ***Environmental Risk Management***

In order to reduce the potential risks to the environment and prevent the occurrence of environmental accidents in the process of operation, we issued the Regulations on the Management of Important Environmental Risks, which clearly implemented the classified management of environmental risks. According to the pollutant emission types, emissions and potential risks, we stipulated the risk classification standards and hidden danger investigation contents. At the same time, we established a dynamic hierarchical management and control mechanism to conduct comprehensive management and control of important environmental protection risks in three aspects: improvement of management and control system, development of hidden danger investigation and establishment of environmental protection supervision system.



## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Improve the risk management and control system

Issued Regulations on Management of Important Environmental Risks, clarified the requirements for classified management of environmental risks, and identified 611 environmental risks by each unit, 45, 166 and 400 of which are class I material risk, class II material risk and general risk, respectively.

### Carry out hidden danger investigation

**Continuously improved the hidden danger investigation mechanism:** all units establish hidden danger investigation system, such as Dongfeng Honda established dual governance mechanism of risk management and hidden danger investigation, Dongfeng Liuzhou Motor developed dual prevention and control scheme

**Carried out special inspection:** the Group organized special work implementation and other special inspection

**Continuously conducted quality evaluation:** the Group organized 32 secondary units to carry out quality evaluation, and each secondary unit carried out self-evaluation of quality evaluation on its affiliated factories (subsidiaries)

### Establish supervision system

Established the environmental protection supervision system, put the implementation of the responsibility system of energy conservation and environmental protection, the promotion of "Green Dongfeng 2020 Action", special rectification of volatile organic compounds (VOCs) and major hidden dangers rectification into the company-level supervision and management issues, clarified responsibilities, measures and promotion plans, implemented monthly tracking diagnosis, and promoted the implementation of key work

### Environmental risk management

During the Reporting Period, we further optimized the energy conservation and environmental protection management information system, and incorporated the restrictive objectives and important environmental risk control into the MOCS management cockpit of the Group on the basis of centralized dynamic monitoring and digital management of various KPI indicators, ecological and environmental pollution sources/risk points, key energy consuming equipment/backward mechanical and electrical equipment in use, environmental pollution events and penalties to identify the opportunities of systematic energy conservation and emission reduction, and provided the basis for energy conservation and environmental protection decision-making.

### Promotion of Environmental Awareness

In order to enhance employees' awareness of environmental protection, we actively promoted the construction of environmental protection culture, deepened employees' awareness of the importance of building ecological civilization, and enhanced their practical sense of responsibility for energy conservation and emission reduction and environmental risk prevention and control through diversified publicity and implementation methods such as "Monthly Safety and Environmental Protection Programme" theme activities and environmental protection training.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### “Monthly Safety and Environmental Protection” Programme

During the Reporting Period, the Group issued the “Notice on Carrying Out Monthly Safety and Environmental Protection Programme”, requiring all units to plan the activity scheme according to the notice and organize the implementation; using the website home page, electronic screen, banners, display boards, leaflets, knowledge competition, cloud speech competition and other forms, the Group carried out environmental protection publicity and education activities to create environmental protection culture with enterprise characteristics.



“Monthly Safety and Environmental Protection” Programme

### Environmental Protection Theme Activity of “Green Water, Green Mountains, Energy Conservation and Efficiency Enhancement”

2020 marks the 30<sup>th</sup> anniversary of the national energy conservation publicity week. With the theme of “green water, green mountains, energy conservation and efficiency enhancement” activity, VOYAH organized all staff to participate in the online Q&A session on energy saving knowledge. The activity lasted for three days, with a total participation of 2,189 person-times, aiming to create a strong atmosphere of energy saving and carbon reduction, firmly establish the development concept of innovation, coordination, green, open and sharing, and advocate the social fashion of diligence and thrift, green and low carbon.



2020 online Q&A session on energy saving knowledge

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Energy Saving and Low Carbon

#### Energy Saving and Emission Reduction

In the face of global warming, we actively responded to the national call for energy conservation and emission reduction, strictly abide by the Energy Conservation Law of the People's Republic of China (《中华人民共和国节约能源法》), the Renewable Energy Law of the People's Republic of China (《中华人民共和国可再生能源法》) and other laws and regulations relating to energy, formulated and implemented the "Management Measures for Energy Conservation and Environmental Protection", and continuously improved our energy management level.

#### Contract Energy Management and Energy Management Information System Construction of Dongfeng Commercial Vehicle

During the Reporting Period, Dongfeng Commercial Vehicles made use of the fuel kinetic energy cost and characteristic cost saved in the budget to carry out contract energy management projects in a statistical order mode, and promoted the application of new energy-saving technologies and methods such as green lighting, high-efficiency motor application, measurement improvement, energy management information system construction, energy audit, etc. In the year, 19 contract energy management projects were carried out, with annual energy saving of RMB3,118,000, equivalent to 708.4 tonnes of standard coal, and annual CO<sub>2</sub> emission reduction of 2,541.1 tonnes.

Among them, Dongfeng Commercial Vehicle, based on the demand of energy management level improvement, successfully completed the construction of phase I project of energy management information system in the reporting period according to the principle of overall design and staged implementation, and installed energy management information system in two factories (vehicular body factory and vehicle factory). The system can make statistics and show the trend of energy consumption change in successive years, realize the full integration and centralized management and analysis of energy information, and improve the timeliness and accuracy of energy management of enterprises.



Energy information management system



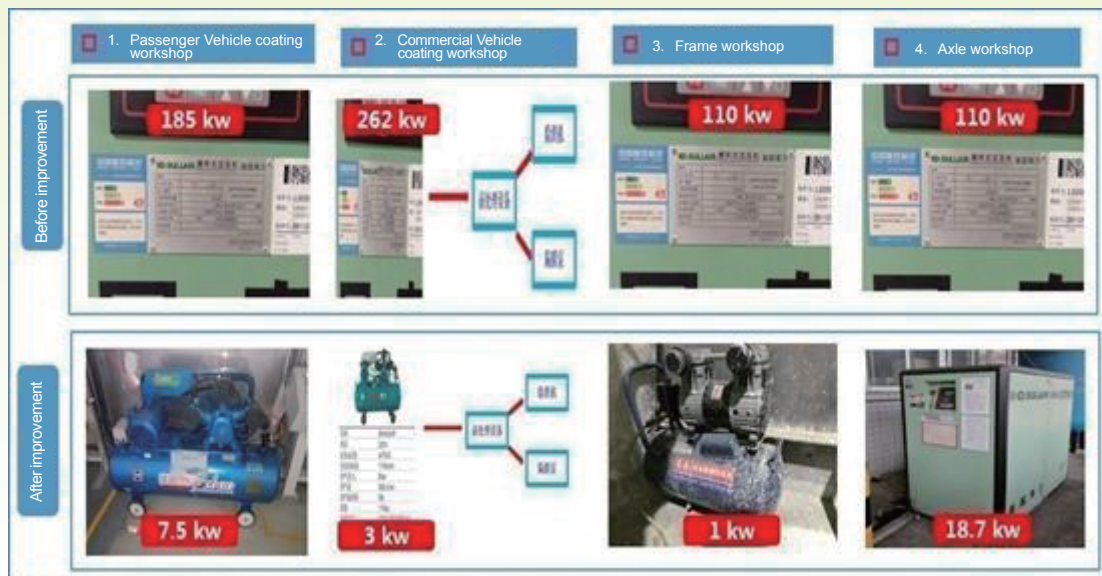
## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

In addition, we actively promoted energy-saving technological transformation projects, and were committed to reducing energy consumption, improving energy efficiency and reducing our carbon footprint through the improvement of technical level.

### Energy-saving Measures of the Group in 2020

#### Energy-Saving Technical Transformation Project of Dongfeng Liuzhou Motor

Dongfeng Liuzhou Motor organized and implemented three energy-saving technologies, namely, graphene energy-saving transformation of refrigeration station, IFC intelligent flow control of painting air compressor and gas polarization in TNV combustion system energy-saving reconstruction during the Reporting Period. Among them, the graphene energy-saving transformation of refrigeration station has been completed in June 2020, with an energy-saving rate of 4.9%, and an annual income of RMB125,000/year; the IFC intelligent flow control energy-saving reconstruction project of the coating air compressor has passed the energy-saving acceptance in May 2020, with an energy-saving rate of 7.29% and an annual income of RMB200,000/year; the gas polarization in TNV combustion system energy-saving reconstruction project has been completed in 2020, with an expected energy-saving rate of 5%.





## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Energy-saving Measures of the Group in 2020

#### Low-pressure melting furnace project of Dongfeng Honda Engine

Dongfeng Honda Engine continuously promoted the low-pressure melting furnace project, preheating aluminum ingots and air combustion by waste heat recovery. The energy consumption level of unit products measured in this process is converted to 114 kg standard coal/tonne, which is 55% ahead of the advanced value<sup>7</sup>. This project can help reduce the total natural gas consumption by about 240,000 m<sup>3</sup> per year. It has been selected as the first green project in Huangpu District of Guangzhou City and enjoyed the regional green development policy.



New melting furnace



On-site investigation

#### Frequency Conversion Energy-saving Project of Electrophoresis Circulating Pump of Dongfeng Peugeot-Citroën

Dongfeng Peugeot-Citroën continued to improve the frequency conversion energy-saving project of electrophoresis circulating pump. Through adding independent frequency converters to four electrophoresis circulating pumps and conducting frequency reduction experiments in stages for four consecutive years, Dongfeng Peugeot-Citroën finally maximized its frequency reduction energy-saving function. In 2020, it saved 1.27 million kwh of electricity, equivalent to 156 tonnes of standard coal and RMB1.08 million of electricity charge.



#### Environmental Protection Investment by Dongfeng Off-road Vehicle

Dongfeng Off-road Vehicle invested RMB938,500, and new-added frequency conversion air compressor and compressed heat regeneration waste heat recovery machine, saving about 804,000 kwh of electricity every year; in addition, Dongfeng Off-road Vehicle replaced the metal halide lamp of the plant with LED lamp. During the Reporting Period, 277 units were replaced and the investment was RMB106,700.

<sup>7</sup>

DB44/T 859-2011 "Aluminum Alloy Die Castings Unit Product Energy Consumption Quota" stipulates that the advanced value of the energy consumption limit per unit product melting process of aluminum alloy die castings is 252 kg standard coal/tonne

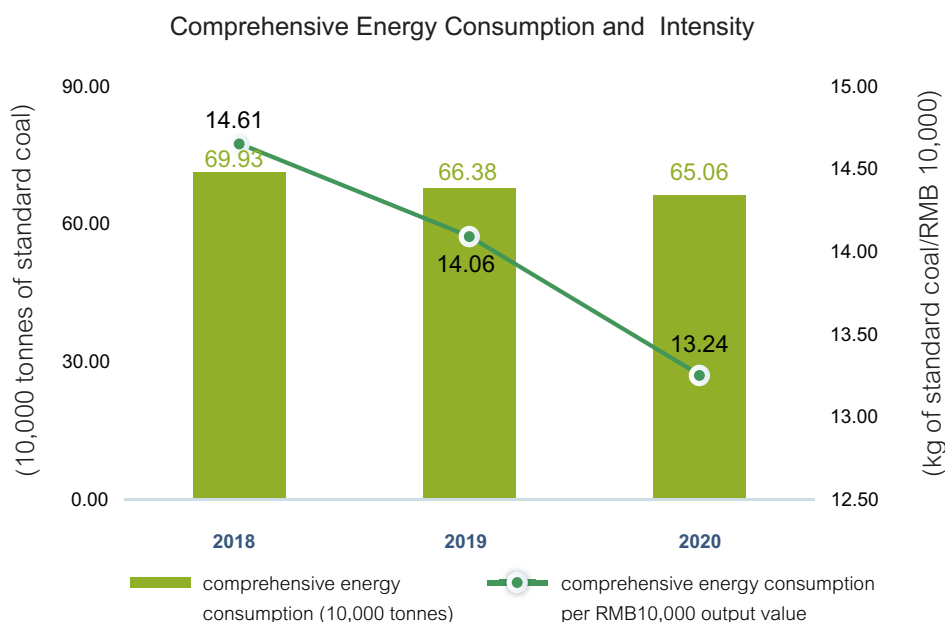
## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Energy-saving Measures of the Group in 2020

#### Renovation Project of Dongfeng Commercial Vehicle Coating Workshop

In order to promote structural energy saving and reduce carbon emission from vehicular body manufacturing, Dongfeng Commercial Vehicle invested RMB27 million in the reporting period to transform the original lithium bromide air conditioning unit in the coating workshop of the vehicular body factory. After the completion of the project, the steam can be cancelled in the vehicular body factory. The energy consumption cost of the factory is reduced by about RMB4.55 million/year, the energy consumption of 1,978 tonnes of standard coal/year is reduced, and the carbon emission is reduced by 11,677 tonnes/year.

During the Reporting Period, the Group's comprehensive energy consumption<sup>8</sup> amounted to 650,600 tonnes of standard coal, representing a decrease of 2.0% from 2019; comprehensive energy consumption of RMB10,000 output value amounted to 13.24kg of standard coal, representing a decrease of 5.8% from 2019.



#### 2018–2020 Comprehensive Energy Consumption and Energy Intensity

At the same time, we attach great importance to the impact of coal combustion on the environment, and continue to promote the optimization of energy consumption structure. During the Reporting Period, in terms of total coal consumption control, we made every effort to promote the comprehensive treatment of coal-fired boilers and industrial furnaces, and strictly implemented the energy consumption and emission standards. As of December 31, 2020, the Group has eliminated all coal-fired boilers and completed the comprehensive renovation of industrial furnaces.

In addition, we are committed to continuously building green production bases and using clean energy to reduce greenhouse gas emissions. During the Reporting Period, the photovoltaic power generation of the Group was about 9,082 tonnes of standard coal.

<sup>8</sup> Comprehensive energy consumption mainly includes gasoline, diesel, purchased electricity, steam and other direct and indirect energy consumption.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Dongfeng Peugeot-Citroën 3mw Roof Grid-connected Photovoltaic Power Generation Project

In order to actively respond to global warming, Dongfeng Peugeot-Citroën No.3 plant has invested RMB41 million to carry out the 3MW roof grid-connected photovoltaic generation project through cooperation. The project was a grid-connected photovoltaic power generation project. Solar panels were installed on the idle roof platform of 80,000 square meters on the top floor of the assembly and welding workshops. With 3MW photovoltaic generation in scale and about 12,600 photovoltaic modules, it represents the largest solar photovoltaic project in the automobile industry in China.

During the Reporting Period, the Dongfeng Peugeot-Citroën generated 705,380KWH of photovoltaic power annually, equivalent to reducing CO<sub>2</sub> emission by 370.82 tonnes.



Roof grid-connected photovoltaic power generation

During the Reporting Period, the Group's greenhouse gas<sup>9</sup> emissions were 2,161,200 tonnes of carbon dioxide equivalent, down by 2.7% compared to 2019 and the intensity of greenhouse gas emissions was 0.044 tonnes of carbon dioxide equivalent per RMB10,000 output value, down by 6.4% compared to 2019.

<sup>9</sup> Greenhouse gases are mainly the carbon dioxide emissions of Category 1 (from the direct energy consumption of diesel, gasoline, natural gas, etc. used in the production process) and Category 2 (from purchased electricity, heat, etc.).

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

Total Greenhouse Gas Emissions in 2018-2020  
(10,000 Tonnes of Carbon Dioxide Equivalent)



Total Greenhouse Gas Emissions in 2018–2020<sup>10</sup>

<sup>10</sup>

The statistical unit of greenhouse gas emissions in 2018 is 10,000 tonnes of carbon dioxide. In 2019–2020, greenhouse gas emissions include acetylene, methane and other greenhouse gas emissions, so the statistical unit is 10,000 tonnes of carbon dioxide equivalent.



## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Climate Change Response

We are fully aware that global warming and climate change will bring a variety of risks to our business, including policy and legal risks, transitional risks in technology, market and reputation, as well as physical risks caused by extreme weather and the rise of global average temperature. During the Reporting Period, we carried out relevant prevention and emergency response to natural disasters for the identified physical risks, including acute risks (typhoon, flood), chronic risks (average temperature rise, sea level rise) etc.

#### Flood Control Work of Equipment Company

During the Reporting Period, Equipment Company established a flood control emergency material warehouse for flood risk, so that it can be put into use at any time in case of major risks. At the same time, the Company regularly inspected materials for on-site flood control emergency like flood control sandbox, timely filled flood control sandbags in waste sand dam, mountains and river channels, and invested RMB300,000 to harness the back wall of badminton stadium and the mountain body of Keer Workshop. The sludge and sundries in the drainage ditch, drainage well and roof gutter of the plant area shall be cleaned regularly to ensure the smooth drainage pipeline.



Flood control work of Equipment Company

#### Extreme Weather Prevention of Dongfeng Special Commercial Vehicle

During the Reporting Period, Dongfeng Special Commercial Vehicle has actively promoted the prevention of freezing disaster, formulated the emergency rescue plan for extreme weather like rain and snow, established an emergency rescue team composed of militias and security guards, and equipped emergency relief materials such as sandbags, shovel, industrial salt, micro fire stations, etc. and carried out natural disaster emergency drills irregularly. According to the road conditions in the plant area, salt spraying, snow shoveling and other protective measures shall be taken in advance for key roads such as bends and ramps to effectively guarantee the normal operation of production and operation.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Consumption Reduction

#### *Water Resource Management*

The Group strictly abides by the Water Law of the People's Republic of China (《中華人民共和國水法》) and other relevant water resources protection laws and regulations, implements the concept of “one water for multiple uses” and recycling, and reduces the water consumption in production and operation by actively carrying out water resources recycling, water-saving equipment and technology upgrading, regular maintenance of equipment, separation of rainwater and sewage and separation of clean water and sewage.

#### **Dongfeng Honda**

The project of advanced treatment and reuse of reclaimed water is implemented. The reclaimed water in the sewage treatment station is treated by ultrafiltration + reverse osmosis process and then reused for process water in the plant. The annual water reuse can reach 100,000 tonnes.

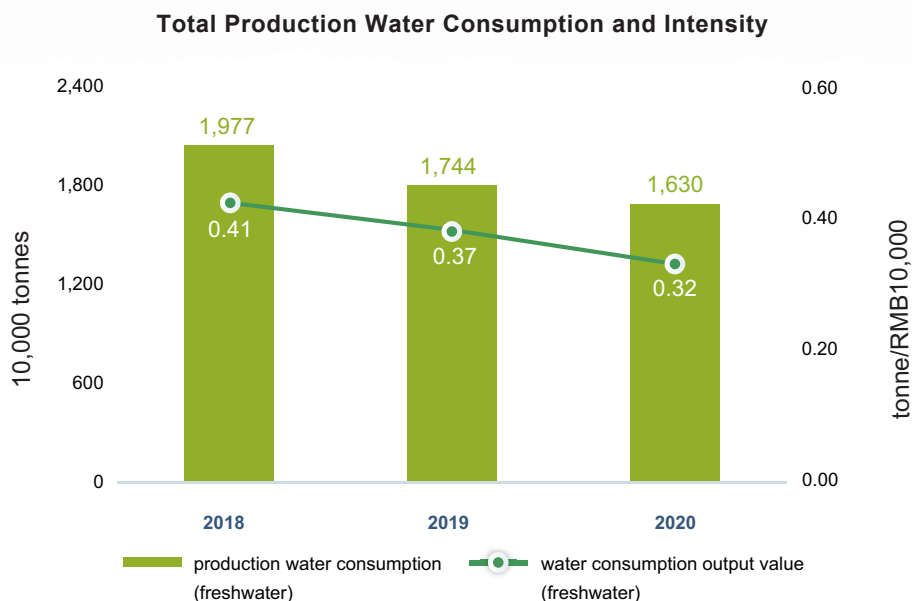
#### **Dongfeng Nissan**

The reclaimed water produced in Huadu base will be supplied to municipal greening and road cleaning to achieve the goal of 100% reuse of reclaimed water in Huadu base.

**Highlight water saving measures during the Reporting Period**

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

During the Reporting Period, the Group's production water consumption was 16.30 million tonnes, decreasing 6.5% from 2019; its intensity of water consumption was 0.32 tonnes per RMB10,000 output value, decreasing 13.3% from 2019.



**Total volume and intensity of production water consumption for 2018–2020**

### ***Packing Materials Management***

We are always committed to reducing resource consumption through packaging reduction, reuse and recycling. The consumption of packaging materials of the Group mainly comes from the parts sold to the outside, and the use of packaging materials is not involved in the delivery of complete vehicles. During the Reporting Period, we continued to transform the traditional packaging methods by means of technology optimization and process improvement, so as to reduce the consumption of packaging materials and its impact on the environment.

During the Reporting Period, the Group's packaging material consumption was 2,663 tonnes, and the packaging material quantity was 0.94kg per RMB10,000 output value.

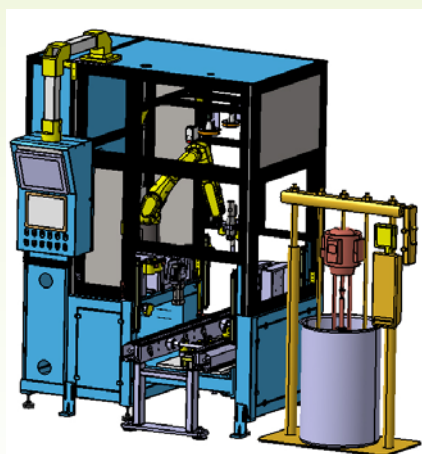
## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Dongfeng Honda Engine Intelligent Gluing Machine Transformation Project

During the Reporting Period, in order to reduce the use of materials in the packaging process, Dongfeng Honda Engine implemented the intelligent coating machine transformation project, which adopted the intelligent coating technology with controllable speed to accurately control the coating speed and amount, thus greatly reducing the use of sealant.

It is estimated that the amount of sealant used for engine assembly will be reduced from 88.97 g/set to 55.17 g/set after the project transformation, which can reduce the amount of sealant by 38% every year, equivalent to about RMB1.69 million of annual cost saving; while saving the use of sealant, it can also help reduce VOCs emission by about 714 kg/year and hazardous waste generation by about 1,100 kg/year.

The project won the second prize of Honda Green conference in China in 2020 for its excellent creativity, advancement, investment cost and horizontal expansibility.



intelligent coating technology



The second prize of the 2020 Honda China Green Conference



## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Large Scale Barrel Filling of Dongfeng Honda Engine

In order to reduce the use of disposable plastic oil tanks and cartons, Dongfeng Honda Engine has carried out relevant research on logistics mode, equipment update, consumption habit change and sales mode change of special stores, and is committed to realizing the change and optimization of oil containers. During the Reporting Period, Dongfeng Honda Engine successfully replaced the traditional 4L plastic bucket packaging with 200L iron bucket, changed the oil filling mode of special stores from manual mode to semi-automatic mode, and realized the packaging update of 81 special stores throughout the year. About 26,900 plastic cans were saved. Dongfeng has become the first mainstream automobile enterprise in China to realize large-scale barrel filling by means of transformation, and has set up the image of environmental protection benchmark in the industry.



### Emission Reduction

We strictly abide by the laws and regulations including the Law on Prevention and Control of Air emissions of the People's Republic of China (《中華人民共和國大氣污染防治法》), the Law on Prevention and Control of Water Pollution of the People's Republic of China (《中華人民共和國水污染防治法》), the Law on Prevention and Control of Environment Pollution from Solid Waste of the People's Republic of China (《中華人民共和國固體廢物污染環境防治法》), take the Technical Guidelines for Source Control (《源頭控制技術指南》) as the technical guarantee, and comprehensively deepen the "blue sky, clear water and pure land" tough battle against pollution through the emission management methods of source and process control and end treatment.

During the Reporting Period, we actively responded to goals of the 2020 energy conservation and environmental protection business plan<sup>11</sup> formulated by the parent company of the Group, eliminated all kinds of accidents of environmental pollution and major violations, and reduced the total emissions of chemical oxygen demand (COD) and volatile organic compounds (VOCs) by 4.6% and 32.9% respectively.

<sup>11</sup> Targets for various types of environmental pollution accidents in 2020: 0; comprehensive energy consumption target of 10,000 yuan output value: 16% lower than 2015; emission reduction target for VOCs: 29% lower than in 2015

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### ***Air Emissions***

Our air emissions mainly come from nitrogen oxides, sulfur dioxide and VOCs in the production process. During the Reporting Period, we implemented the relevant requirements of the Opinions of the Central Committee of the Party and the State Council on Strengthening the Ecological and Environmental Pollution in All Aspects and Firmly Winning the Battle of Preventing and Controlling Environmental Pollution, and the Notice of the State Council on Issuing the Three-year Action Plan to Win the Battle for Blue Sky issued by the State Council, , deeply implemented the prevention and control of volatile organic compounds pollution in the Thirteenth Five-Year Plan, and the Three-year Action Plan to Win the Blue Sky Defense War and the industrial waste gas special treatment work in the “Green Dongfeng 2020 Action” program and achieved good results.

In terms of source treatment of air emissions, we actively promote the purification and treatment of organized exhaust such as foundry smoke and dust, engine oil mist, and explore the collection and treatment of unorganized exhaust such as VOCs and sewage treatment odor. Meanwhile, we strictly control the “two high” process, and eliminate the backward equipment with high energy consumption and high pollution. As of December 31, 2020, 11,301 sets of backward mechanical and electrical equipment in use have been eliminated.

In terms of production process transformation, we adopted the prevention and control principle of combining water-based transformation with terminal treatment, established the list of VOCs remediation special supervision projects, guided the project units to complete the formulation of VOCs remediation technical scheme, and promoted the implementation of VOCs remediation special supervision projects; We have invested RMB1.27 billion in total and completed the transformation of 60 coating lines. The compliance rate of VOCs emission of the Group was 100 %.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Special Treatment of VOCs of Dongfeng Honda

In July 2020, Dongfeng Honda carried out self-inspection work on the related VOCs departments from three aspects: source management, process control and environmental monitoring.

#### Source management:

The original and auxiliary MSDS of VOCs in each department are sorted out, and the content report of VOCs is more than 700 copies in total. The raw and auxiliary materials that do not meet the standards are replaced.

#### Process control:

We check VOCs related processes in relevant departments, focus on the closed space inspection of paint mixing room, spray drying room, separation tank and other places, strengthen the measures of collecting VOCs material unorganized emission; in the terminal treatment, we carry out the investigation of the current pollution process, find out the initial emission rate and emission standard, check the operation of environmental protection facilities, and ensure the compliance of pollutant treatment.

#### Environmental monitoring:

We vigorously promote the monitoring of equipment leakage, establish an integrated account of identification, monitoring and repair, and effectively control it, so as to avoid relevant risks and carry out thorough monitoring of new pollutants in Hubei Province. Finally, each key department form a special inspection report to identify relevant risks in advance and avoid the Group's illegal risk.

### VOCs Management of Dongfeng Honda

At the same time, Dongfeng Honda plans to carry out the “repair varnish introduction project” in 2021 to promote the substitution of the source of low VOCs raw and auxiliary materials for reworked paint and reduce the VOCs production, and upgrade the VOCs treatment process through the “advanced treatment project of waste gas in paint mixing room”, so as to increase the efficiency of waste gas treatment, reduce the emission of pollutants, and ensure the emission of pollutants up to the standard; at the same time, carry out “VOCs equipment sealing point monitoring”, “open cycle cooling water TOC monitoring” and other related measures, strictly implement the new standard requirements such as unorganized emission control, and vigorously reduce the emission of pollutants.



On-site work by the departments

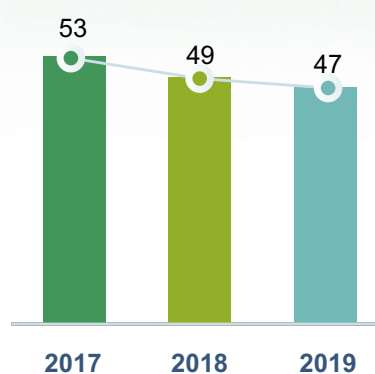
In addition, we actively respond to the local government's requirements of hierarchical management and control over heavy pollution, and do a good job in production restriction in heavy pollution weather and off-peaking production in response, so as to minimize the impact on production and operation. During the Reporting Period, 14 enterprises in Hubei Province were included in the positive list of heavy pollution weather.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

Nitrogen oxides (NO<sub>x</sub>) emissions (tonnes)



Sulfur dioxide (SO<sub>2</sub>) emissions (tonnes)



2018–2020 Air Emissions

### Wastewater Discharge

During the Reporting Period, we made great efforts to fight the battle to guard clear water. By optimizing the source technology, strengthening the process management, promoting water-saving management and control, and innovating the governance mechanism, we continuously reduced the wastewater discharge in the production process and its impact on the environment.

Application of new technology	<ul style="list-style-type: none"> <li>Adopt silanization technology to take place of phosphating process</li> </ul>
Standardization of the benchmark of risk investigation	<ul style="list-style-type: none"> <li>Dongfeng Motor Parts and Components uses dry paint mist capture technology</li> <li>Carry out overhead construction of sewage pipe network to improve risk prevention of industrial wastewater</li> <li>Zhengzhou Nissan and other units work out regulations on control and management of wastewater discharge</li> </ul>
Implementation of Water balance test	<ul style="list-style-type: none"> <li>6 companies including Dongfeng Passenger Vehicle regularly carry out water balance test to continuously optimize water-saving process and improve water recycling utilization rate</li> </ul>
Centralized treatment of wastewater	<ul style="list-style-type: none"> <li>Shiyan and Xiangyang old bases realize overall planning and centralized treatment of sewage, and some units entrust a third party to operate wastewater treatment facilities professionally to improve the efficiency of sewage treatment</li> </ul>

### Wastewater discharge management measures



## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Reuse of Reclaimed Water of Dongfeng Honda

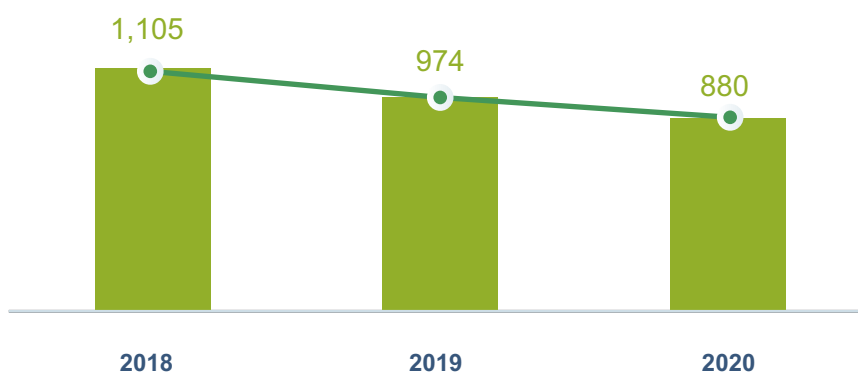
During the Reporting Period, Dongfeng Honda upgraded and modified the reclaimed water reuse system, including replacing 20 UF films and 42 RO films at the production site to improve the water production rate; the dosing system was transformed into corrosion resistant materials to improve the anti-corrosion capability of the dosing system. The system is used in every March to October, with a daily opening time of 8h. After improvement, 180m<sup>3</sup> of water can be produced, which is 4 times higher than that before improvement; It can reduce the consumption of tap water by 43,200m<sup>3</sup> and COD emission by 1,339kg each year



Reclaimed water reuse system

During the Reporting Period, the Group discharged 8.80 million tonnes of industrial wastewater, a decrease of 9.7% compared with 2019. The reuse amount of industrial wastewater treatment is 4.41 million tonnes.

Industrial Wastewater Discharge (10,000 tonnes)



## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Solid Waste Discharge

Reducing the generation of solid waste and reasonable disposal is an important part of the Group in the process of reducing environmental impact. During the Reporting Period, we continued to improve the reduction, recycling and harmless treatment of solid waste, vigorously promoted the circular economy, developed automobile product recycling and remanufacturing businesses such as automobile dismantling, automobile parts remanufacturing and recycling, and equipment remanufacturing, and achieved a sales revenue of RMB83.59 million from remanufacturing.

In addition, we made clear the classification of solid waste from the source, standardize the disposal of general solid waste, and reduce the generation of general solid waste by improving its utilization rate.

### Reuse of Foundry Waste Sand of Dongfeng Commercial Vehicle

During the Reporting Period, Dongfeng Commercial Vehicle built the first foundry solid waste treatment and recycling center in Hubei Province in No. 1 foundry plant, with an annual recycling capacity of 40,000 tonnes of waste sand, greatly reducing the waste sand emission. Dongfeng Commercial Vehicle will continue to build and upgrade the recycling center to achieve zero emission of foundry waste sand.



2018–2020<sup>12</sup> General Solid Waste Disposal and Utilization<sup>13</sup>

In view of the waste oil, waste rubber barrel, waste paint, sludge and other hazardous wastes generated in the process of automobile assembly, welding, painting, maintenance and scrapping, we strictly collected, stored, transported and disposed them. In strict accordance with the national hazardous waste list and other relevant regulations, “five sheets” management was implemented to the management of all hazardous wastes in accordance relevant requirements such as “National Hazardous Waste List” (《國家危險廢物名錄》), and a qualified third-party organization was entrusted for disposal and utilization.

<sup>12</sup> The Comprehensive utilization volume of general solid waste in 2020 includes 146,514 tonnes of industrial solid waste generated by Dongfeng Yanfeng's new interior felt, which was recovered by the supplier before 2020 without calculation

<sup>13</sup> Hazardous waste comprehensive utilization refers to the amount of hazardous waste recovered and comprehensively utilized by qualified hazardous waste disposal units; hazardous waste disposal volume refers to the amount of hazardous waste disposed of by qualified hazardous waste disposal units by landfill and incineration.

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Hazardous Waste Reduction of Dongfeng Passenger Vehicle

During the Reporting Period, Dongfeng Passenger Vehicle actively carried out the project on hazardous waste reduction, and promoted sludge drying, dehydration of paint residue and other projects on hazardous waste reduction. The project was completed in September 2020, achieving significant reduction results, and the hazardous waste production of single vehicle decreased by about 20%.



Sludge dryer



Pressure filtration of paint residue



Sludge before drying



Sludge after drying

## Environment: Coordinating Development and Fulfilling Environmental Responsibility (Continued)

### Self-Made Waste Hole Breaking Tool Waste Hole Breaking Tool of Dongfeng Honda Engine

Due to the residual pressure in the spray paint can, deflagration may occur in the process of incineration, which has certain potential safety hazard. It needs to be handed over to the hazardous waste treatment company for disposal after pressure relief. In order to improve the efficiency of hazardous waste disposal, Dongfeng Honda Engine set up a project promotion team to collect the type, quantity, size and other data of hand spray cans in the early stage, made full use of the mechanical knowledge acquired by team members and waste materials on site, and independently developed automatic hole breaking tools.

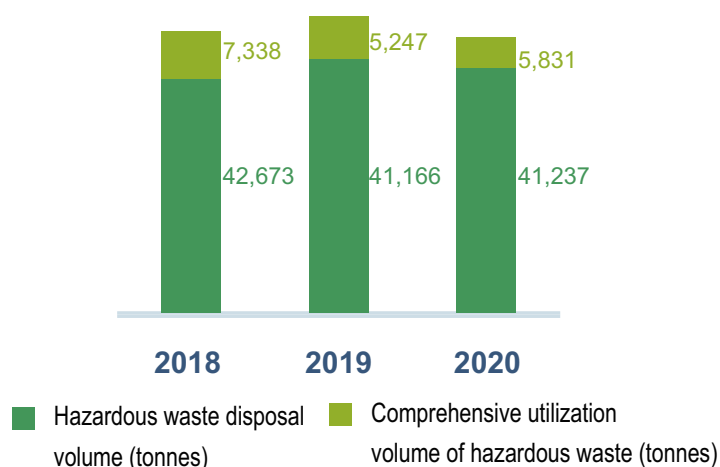
After the automatic hole breaking tool was put into use, the pressure relief environment changed from the original open type to the sealed type around, avoiding the splashing of waste liquid and waste gas, and realizing 100% collection of residual waste liquid and waste gas; the drilling efficiency reached the filling of 12 cylinder tanks at a time, the treatment efficiency increased by more than 300%, and the quick and safe disposal of scattered hazardous waste was realized.



Manual disposal



Intelligent mechanized operation



2018–2020 Hazardous Waste Disposal and Utilization<sup>14</sup>

<sup>14</sup>

It refers to the amount of non-hazardous waste that is landfilled and incinerated by external entities. The amount of comprehensively utilized general solid waste refers to the amount of non-hazardous waste recovered and comprehensively utilized by the Group or external units; the amount of general solid waste disposal refers to the amount of non-hazardous waste that is landfilled and incinerated by external units



## Society: Sticking to the Original Aspiration and Walking Hand in Hand

Rewarding the society is our original aspiration, and win-win cooperation is our long-term vision. We are committed to poverty alleviation and public welfare to promote social harmony, and we are dedicated to serving our customers and suppliers to make common progress, cultivating and protecting talents to march towards the future together with Dongfeng family.

### Community Harmony

Dongfeng moistens everything, and the responsibility decides the future. The Group comprehensively implements the public welfare concept of “poverty alleviation and social responsibility”, actively performs social responsibility, and continuously contributes to industrial development, educational progress and social harmony, and gives full play to the advantages of the Group, promotes the spread and development of Dongfeng spirit, and provides support for the sustainable development of society.

During the Reporting Period, the total investment in community activities of the Group was RMB16.41 million, the total number of community activities input was 3,480, and the total time of personnel participation in community activities was 17,400 hours.

### Poverty Alleviation

Since 2012, Dongfeng Motor Group Co., Ltd., the parent company of the Group, has invested RMB179.8 million in helping the poor and focused on various fields to carry out the related work. 2020 was a decisive year for poverty alleviation, and the Group has never stopped its pace to this path. No matter consumer poverty alleviation or education poverty alleviation, we actively carry out various activities, accurately implement policies, continuously concentrate on tackling difficulties, work hard and take advantage of the situation, so as to make greater contributions to comprehensively win the battle against poverty.

### *Consumer Poverty Alleviation*

According to the features of resources in poverty-stricken areas, the Group has adapted measures to local conditions, created unique “Dongfeng poverty alleviation package” and implemented the “Empowerment Project”, aiming at strengthening the industrial development of poverty-stricken areas and helping them get rid of poverty.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Dongfeng Actively Supported and Carried Out the Consumer Poverty Alleviation in Various Ways

#### Taking Advantage of the Internet to Carry Out “Online Poverty Alleviation”

While carrying out the Consumer Poverty Alleviation, the Company, with the help of “Internet +”, has built e-commerce platforms such as Dongfeng Huigou and Dongfeng Motor poverty alleviation Museum, and opened up new sales channels for high-quality agricultural products of Poverty Alleviation points by means of love group purchase and purchase of products for holiday condolence.

Along with the popularization of live commerce model, the Company actively participated in various live commerce activities, such as “Bai xian bai pin, central brand – ‘three districts, three provinces’ E-commerce Poverty Alleviation Day”, “520 Responsible Shopping Festival”, “Responsible Cloud Weekend High Shopping” and so on, vigorously promoting and supporting high-quality products from supported regions.



In June 2020, the Company, together with Dongfeng Huigou and Dongfeng Jinguan, started the “Dongfeng Huinong High Go” live commerce in the responsible cloud livestreaming room on DouYin. With the help of science and technology, the Company introduced high-quality agricultural and sideline products from Dongfeng’s poverty alleviation area, like small mushroom from Fang County, Hubei Province, black goat from Mashan, Guangxi and yellow apricot from Keping, Xinjiang, to the market to help the local fight against poverty.

#### Help Gongjue County of Tibet Actively Develop Fertile Orange Industry

The Company has partnered with Gongjue County in Tibet, and the Tibet Assistance Team has actively explored the model of “enterprises + cooperatives + farmers”. It has supported registered poor households in Zhangzhong Village, Moluo Town, Gongjue County to set up the Awang Sheep Cooperative, and invested in the construction of eight breeding sites and one forage grass base. Through the development of specialty industries, poor people in cooperatives increased the annual income by nearly RMB10,000 per household.

All along, the Company has adhered to the combined aided model of “providing support” and “creating wealth”, developed local specialty industries in accordance with local conditions, and helped poor people march to the “road to prosperity”. In Mashan County, Guangxi, the Company’s Guangxi aid team led the local people to develop Fertile orange industry after a quantity of field research aiming at the serious desertification of the local land.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Subsidiaries Increased the Purchase of Poverty Alleviation Products, Helping Get Rid of Poverty

In June 2020, it was the Group's annual "Social Responsibility Month". During the "Social Responsibility Month", the first charity consumption poverty alleviation counter was set up in the second canteen of Guangzhou Huadu organ of Dongfeng Nissan, which broadened the sales channels of agricultural and sideline products from Dongfeng poverty alleviation area.



Units including Dongfeng Motor, Dongfeng Peugeot-Citroën, Dongfeng Tezhuang, Equipment Company and Dongfeng Honda have increased the purchase of poverty alleviation products such as agricultural and sideline products and labor protection products in poverty-stricken areas, and actively promoted local industries to generate income through Consumer Poverty Alleviation. Among them, all employees of Dongfeng Honda spontaneously purchased poverty alleviation products like gift packs of agricultural products in Keping County, rice, honeydew melon and yellow apricot from Xinjiang, with the purchase amount of nearly RMB4 million.

In Hubei, Dongfeng Commercial Vehicle also carried out poverty alleviation research in Jinniusi Village, Wutai Township, Fang County, to comprehensively understand the implementation of poverty alleviation projects, and visit and express sympathy to local people in need. In Guangxi, Dongfeng Liuzhou Motor and Daxin village, Dalang Town, Rongshui County, Liuzhou city signed a pairing assistance agreement to fight hand in hand against poverty.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### *Educational Poverty Alleviation*

Spring breeze turns into rain and moisten things silently. Education is the foundation of regional development to create talents for the society. The Group takes the advancement of education progress in poor areas as its own responsibility, and helps the development of education in poor areas by assisting in building primary and secondary schools, improving school hardware and software facilities, and offering scholarships and grants. As of 31 December 2020, the Group has invested more than RMB22 million through Dongfeng public welfare foundation, and assisted more than 20 Dongfeng hope primary schools in Hubei, Sichuan, Yunnan and Guangxi.

### The Group Implemented New Poverty Alleviation Model of “Education + Employment”

In Fang County, Shiyan City, Hubei Province, the designated poverty alleviation county, the Group has adopted the new model of “education + employment”. In Dongfeng Technician college of Hubei Province, 34 students from poor families in Fang County and other places were provided with skills training, free of tuition and miscellaneous expenses, and the living expenses are provided every month. After graduation, these poor students will assume the position by virtue of their skills and relieve the family economic pressure.

In poverty alleviation work, the Group has fully combined the post development with skill training, and jointly run schools through poverty alleviation oriented classes with local vocational and technical schools. The children of registered poor households who meet the conditions can “enroll at zero cost”, and all of them will be arranged to work in the subordinate enterprises of the Group after graduation, so as to achieve the goal of “employment upon graduation and poverty alleviation upon employment”.



## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### *Spiritual Communication*

In 2020, through timely summing up experience, actively disclosing relevant information to the outside and actively participating in foreign exchanges, the Group has truly, stereoscopically and vividly displayed Dongfeng's poverty alleviation achievements. The relevant poverty alleviation work has been reported and praised by the official website of the Poverty Alleviation Office of the State Council, People's Daily, Xinhuanet and other platforms, which has aroused wide attention from all parties. At the same time, by shooting a short video on the theme of poverty alleviation, we record and show Dongfeng's poverty alleviation with video. (video can be viewed by scanning QR code).



Start of the Wind



Wind and Rain Sweeten the Orange

In addition, at the eighth "China Charity Fair" and Beijing Responsibility Exhibition, Peng Huagang, member of the Party committee and Secretary General of SASAC of the State Council and Zhuang Shuxin, Deputy Secretary General of SASAC of the State Council, recognized the poverty alleviation achievements of the Group.



**Peng Huagang, Member of the Party Committee and Secretary General of Sasac of the State Council, Visit the Exhibition of Dongfeng**

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Social Responsibility

Social responsibility is one of Dongfeng's public welfare concepts. In 2020, According to the overall deployment of "Run" Plan 2.0, the Group, centering on the work theme of "creating a sustainable future", has carried out more than 60 practical activities in Hubei, Xinjiang, Guangxi, Xizang, Jiangsu, Sichuan, Yunnan, Hainan and other places to fulfill the responsibility of central enterprises with actions and convey the great love of Dongfeng with true feelings.

### Public Welfare

Education is the foundation of development. We are enthusiastic about public welfare, care about talent training, and try our best to provide guarantee for education.

#### Actively Carried out the Public Welfare Program

In 2020, the subsidiaries of the Group actively carried out public welfare education activities to contribute to social public welfare undertakings.

- Zhengzhou Nissan came to Dengfeng Junzhao Haizhu Primary School and Dengfeng Yingyang Fifth Primary School for the second time on 12 June with the "Join Hand Project – Happy Growth Plan", teaching class and bring stationery and sporting goods to the children, and sending the warmth and care of the Company.
- Dongfeng Passenger Vehicle carried out a public welfare activity of "learning from the 'heart'" psychology online course teaching. Through online teaching of psychology public teachers, the left-behind children are guided to overcome loneliness and study at home independently.

### Entering the Community

We come out of the community and return to the community. With our technology and resources, we add vitality to the community construction and spread Dongfeng spirit to every corner of the community.

#### Dongfeng Honda Launched "Auto Voluntary Consultation into Community"

In October 2020, Dongfeng Honda Product and Technology Party Branch, together with Party members and technical leaders in the department, gathered in Fenghua Weian Community, to carry out free auto consultation service "Serve your car and warm your heart" for community owners.

More than 230 vehicles were treated with free services in this activity, including instrument fault code check, defrosting wiper addition, tire pressure test, battery test, etc., and auto knowledge popularization activity in autumn and winter were also carried out. This is an epitome of the Company's full vehicle professional advantages and good service to the community.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Win-Win Cooperation

The customer is our attentive service object, and the supplier is our cooperative partner. For customers and suppliers, we always adhere to the concept of win-win cooperation, and constantly optimize customer service management mechanism and the supply chain management system.

### Service with Care

The Group adheres to the customer-centered approach, focusing on the real needs of customers. Through a variety of communication channels, we have a comprehensive understanding of customers' feedback on products and services, constantly improve services, timely solve customer problems, and effectively protect the rights and interests of customers.

### *Customer Complaints and Handling*

Customer complaints show their expectations on us. It is our responsibility to deal with customer complaints. In order to deal with customer complaints in a timely and effective manner, we have established a customer complaint handling mechanism and constantly improve it. We continue to optimize the problems related to products and services proposed by customers, and cope with each complaint of customers with sincere attitude, and regard it as the motivation for our continuous progress.

#### Dongfeng Passenger Vehicle Customer Complaint Handling

In order to establish fast and efficient customer complaint handling mechanism, standardize the customer complaint handling process, clarify the responsibility of customer complaint handling, prevent and reduce the risk of customer complaint, improve the brand image and customer satisfaction, Dongfeng passenger Vehicle revised the Customer Complaint Management Procedure of Dongfeng passenger Vehicle in 2020 to manage the whole process of customer complaint collection, transmission, processing, re-visit, etc.

Dongfeng Passenger Vehicle customer complaints can be divided into two categories-general customer complaints and major customer complaints. We refined definition, designate responsible department for different types of complaints, defined responsibility, established a complete processing mechanism, clearly stipulated the time limitation of each link of complaint handling, formulated the evaluation mechanism of customer complaint management mechanism, so as to deal with customer complaints timely and effectively, which greatly improved customer service.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Dongfeng Peugeot-Citroën Customer Service Center

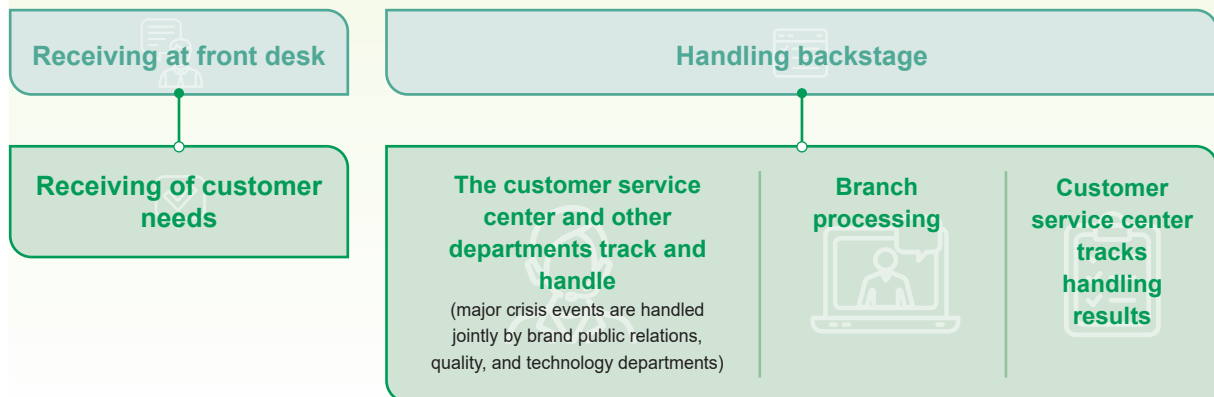
In order to ensure that customers enjoy timely, thoughtful and comprehensive services, Dongfeng Peugeot-Citroën has built a full-service customer service center since its establishment, and continuously improved service facilities and service levels.

During the Reporting Period, the Dongfeng Peugeot-Citroën Customer Service Center has a complete process to handle customer needs:

**The customer service center responds quickly:** After receiving customer inquiries and complaints from phone or internet, the customer service center needs to respond as soon as possible. If not, depending on its level and severity, it will be assigned to the involved dealers, headquarters technical assistance, quality and other departments, and the customer will be replied within 48 hours after verification.

**Dealers quickly help the follow-up processing:** The Company requires dealers to give feedback of the processing results on the business work network within 24 hours, and feedback the results every 48 hours during the follow-up process. In the process of handling complaints, the Group clarifies the work responsibilities of various departments and distributors to ensure effective collaboration between each other. At the same time, it establishes a KPI evaluation index system, which is closely related to distributors' rewards and awards, so as to ensure that customer complaints can be effectively dealt with in a timely manner.

#### Customer complaint handling process



After receiving customer complaints, the customer service center and various departments jointly formulate and find solutions based on user satisfaction, as well as the type and severity of complaints. After processing, they will revisit the customers, track the status of the complaints to ensure customer needs are satisfied.



## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### *Satisfaction Management*

Customer satisfaction is the recognition of our work, continuous improvement of customer satisfaction is our lasting pursuit. The Group attaches great importance to multi-angle, multi-level, and multi-channel communication with customers. Through 4S stores, official websites, forums, 400 service hotlines, 12,365 and other channels, the Group has actively conducted customer satisfaction surveys to understand customer satisfaction with services and products, analyze customer feedback, formulate improvement measures, and continuously improve product and service satisfaction.

### Dongfeng Commercial Vehicle Brand Diagnostic Survey

Since 2016, Dongfeng Commercial Vehicle has carried out the Dongfeng brand power diagnosis project every year, and proposed improvement plans for the problems found each year. In the coming year, the improvement indicators will be continuously tracked to form a closed loop of PDCA.

Brand power diagnosis survey is carried out by means of quantitative questionnaires plus qualitative discussions and in-depth interviews. During the Reporting Period, Dongfeng Commercial Vehicle conducted surveys among more than 1,200 individual users and some corporate users in over 22 provinces across the country, and the interview samples were basically users between six months and two years. Brand power diagnosis conducts surveys of individual users and industry users in the commercial vehicle market to understand the market performance of Dongfeng and mainstream competitors in brand value indicators such as brand awareness, association, purchase intention and loyalty; finds out the advantages and disadvantages of Dongfeng brand, and puts forward the strategies and suggestions for improving the value of the brand.

### After-Sales Satisfaction Survey by Dongfeng Honda Wechat Public Account

In order to better provide customers with high-quality products and services, Dongfeng Honda conducts after-sales satisfaction surveys through the WeChat public account of "Dongfeng Honda After-sales Service". After customers go to Dongfeng Honda special store to receive services, they will receive a questionnaire pushed by the WeChat public account of "Dongfeng Honda After-sales Service" the next day.

Dongfeng Honda will collect the questionnaires from customers, analyze and interpret the survey questionnaires regularly, conduct in-depth investigations and analyze the reasons for the unsatisfactory items reported by customers, and guide special stores to revisit unsatisfied customers and provide after-sales service, improving weaknesses, and the satisfaction of Dongfeng Honda's after-sales service has been steadily improved. During the Reporting Period, Dongfeng Honda's customer satisfaction survey scored 809 points (out of 1,000 points), an increase of 12 points from 2019.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Privacy Protection

The Group strictly abides by the privacy protection policy, attaches great importance to customer information security, and provides protection for customer privacy with a comprehensive customer information confidentiality system. We implement graded management of customer information inquiry and use, grant different permissions to employees of different positions and levels, and implement a strict approval system. At the same time, we continue to strengthen the privacy protection awareness of relevant personnel, and sign confidentiality commitments with them to maximize the security of customer information.

### Dpca Protects Customer Information

During the Reporting Period, DPCA attached great importance to the protection of customer information, raised the confidentiality level of customer information to C3 (core commercial secret) level, established a sound management system for customer information security and confidentiality, and implemented a strict responsibility system for customer information security and confidentiality, identified responsible personnel with their responsibilities, improved work measures and procedures, established and improved management systems and implementation methods, and ensured the security of customer information through the following measures:

1. Arranging for a dedicated person to manage customer information;
2. Ensuring the extraction and use of customer information are in compliance with the "Customer Database Management Standards";
3. Requiring distributors, suppliers and employees to sign confidentiality agreements to prevent leakage of customer information.

### Zhengzhou Nissan Strictly Manages Customer Data

During the Reporting Period, Zhengzhou Nissan formulated and issued the "Regulations on Annual Commercial Operation Management of Zhengzhou Nissan" ("鄭州日產年度商務運營管理規定"), which stipulated relevant requirements for customer resource management, stating that dealers must collect customer information under the customer's consent, inform the purpose of the information before uploading to the main engine plant, and strictly keep the collected customer information confidential. There is a unique window for docking and management. If some other personnel need to use customer information, he/she should apply on the office system for leader's approval according to the "Zhengzhou Nissan Maintained Customer Data Calling Measures" ("鄭州日產保有客戶數據調用辦法"). After approval, the principal can provide it while encrypting the document, and share the password "one-to-one".

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### ***Compliance Marketing***

In terms of marketing, any form of marketing activities carried out by the Group strictly abide by the legal requirements and industry standards applicable to the place where the business is operated, including the Advertising Law of the People's Republic of China (“中華人民共和國廣告法”), and ensure accuracy, openness and timeliness while actively incorporating elements of environmental protection and social responsibility, and fully protect customer privacy information during communication and dissemination.

In order to regulate the Company's external information dissemination activities and ensure an accurate and unified brand image, the Group conducts product training from the perspective of customers and implements responsible marketing. The Group conducts product knowledge professional training and marketing training for all business personnel to enhance their product awareness and promote responsible marketing. In addition, the Group conducts regular assessments of business personnel to ensure that they are accurate in their expressions of products and customer service and are responsible for the products.

### **Supplier Management**

Suppliers are our close partners. The Group takes a sound management system as the guarantee, selects high-quality suppliers, and actively communicates with suppliers to achieve green development and common progress.

### ***Management System***

The Group has established a comprehensive supplier management system. Through the supplier access system, risk assessment system, graded management system and regular evaluation system, the qualifications of suppliers are effectively screened, and the dynamic control of suppliers is realized. In order to standardize supplier management, the Group formulates the “Non-Bidding Procurement Management Measures” (“非招標採購管理辦法”) and “Procurement Evaluation Standards” (“採購評價標準”) as the basis for supplier management.

#### Measures for the Administration of Non-Bidding Procurement

- All units establish a sound supplier management system
- Strengthen the ability evaluation and credit evaluation before the introduction of new suppliers
- The content of the assessment and evaluation includes qualifications, credit reputation, governance integrity risks, financial situation, etc.

#### Procurement Evaluation Criteria

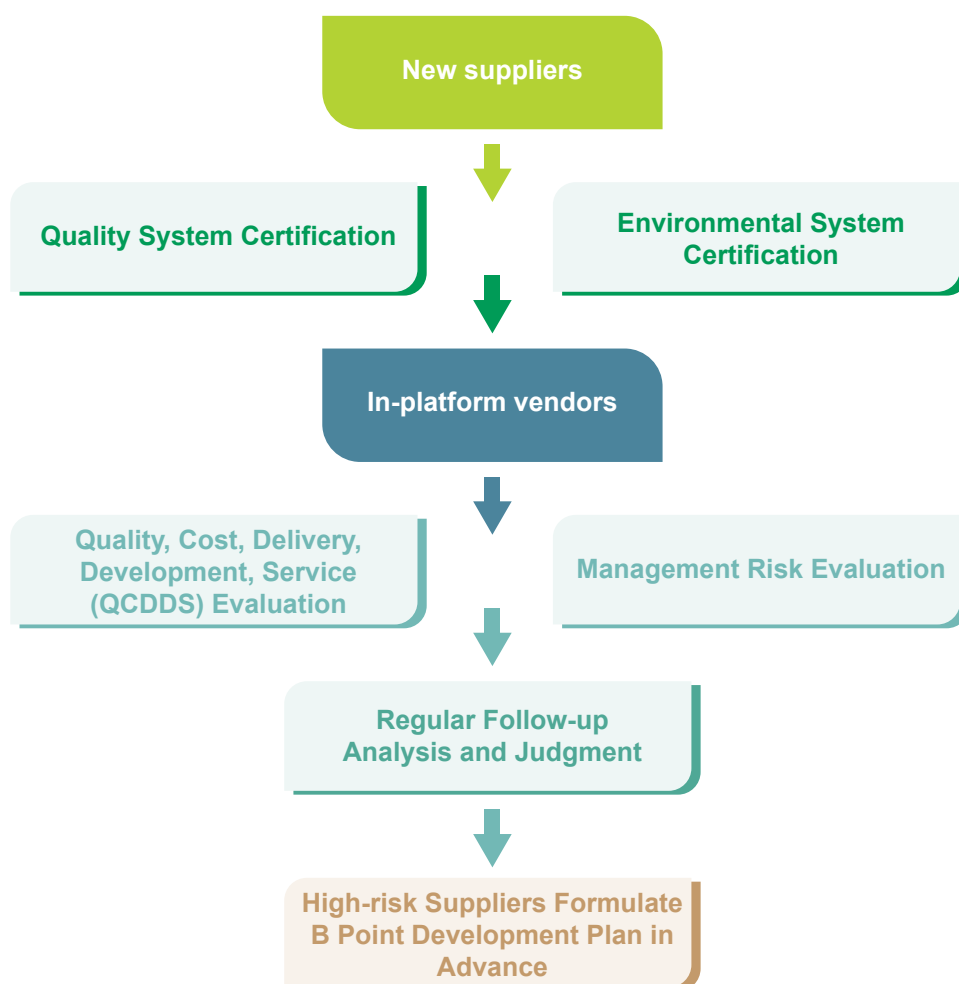
##### Supplier Management

- Inspect and evaluate before introducing new suppliers
- Implement dynamic and quantitative assessment (evaluation) of current suppliers
- Graded management based on evaluation results
- Apply the evaluation results to the procurement process
- Establish a supplier risk management and control mechanism, which can effectively prevent the supply chain security risks caused by the suppliers' operations

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

The secondary units of the Group have a complete supplier management system. Through supplier system certification, regular evaluation, graded management, etc., they have formed a PDCA cycle, promoted continuous improvement of suppliers, established a competitive supplier platform to ensure the stability of the supply chain and provide users with satisfactory products and services.

### Secondary Unit Supplier Management Process





## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Voyah Improved the Supply Chain Management Model

In terms of supply chain management, VOYAH has reflected on its own supply chain management model through continuous communication with fuel vehicle OEMs and new energy vehicle companies. VOYAH consider user needs as key factor, creates a sunshine procurement plan, opens up channels for soliciting opinions from suppliers, and at the same time standardizes and problems and disputes in the work, and initiates rectification measures to improve capabilities of the whole system.

During the Reporting Period, VOYAH completed the access review of 432 suppliers, including 133 on-site audits and 299 text audits.

### *Common Development*

Long-term supplier cooperation is the foundation for us to provide stable products and services. In order to realize the vision of mutual progress with suppliers, we actively communicate with suppliers, provide training and assistance to suppliers, and improve supplier management.

### Zhixin Technology Provided Training and Assistance to Suppliers

During the Reporting Period, Zhixin Technology Co., Ltd. actively and effectively carried out supplier training, provided training for suppliers, and provided support to suppliers in response to problems such as the pandemic.

#### **Supplier Training**

As a first-tier supplier of the OEM, Zhixin Technology passes the quality requirements of the OEM and the Group to the suppliers through training, and at the same time shares the advanced management concepts and tool skills of the OEM with the suppliers to continuously help the suppliers improve.

#### **Supplier Assistance**

Since 2020, some suppliers of Zhixin Technology have encountered short-term capital flow difficulties due to the suspension of work and production during the pandemic, and lack of necessary cash flow during the resumption of work and production, and the recovery of production organizations has encountered difficulties. Zhixin Technology has done its best to help secondary material suppliers and service support suppliers to help them overcome difficulties.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### ***Green Development of Supply Chain***

Building a green supply chain is an important means to achieve sustainable development. To reach this goal, we work with suppliers to continuously optimize the upstream and downstream links of the supply chain, and gradually build a green supply chain system in the procurement, marketing, packaging, logistics and other links, and strive to promote the entire value chain to achieve a green low carbon development. We regard the supplier's environmental risk assessment as one of the conditions for supplier access, and we take environmental risk as an important evaluation indicator when we conduct regular assessments of suppliers. We do our best to collaborate with our suppliers to reduce environmental risks and effectively avoid potential impacts on the Group.

### **Dongfeng Off-road Vehicles Selects Suppliers According to Administrative Measures on Selection of Component Suppliers (《零部件供應商選擇管理辦法》)**

Based on Component Supplier Selection Management Measures (《零部件供應商選擇管理辦法》), Dongfeng off-road vehicles, implements quality assurance, cost control, technology research and development, delivery and management capabilities of suppliers, selects suppliers with strong comprehensive capabilities and includes them in the supplier platform, and select suppliers based on the "Component Supplier Selection Management Measures" (《零部件供應商選擇管理辦法》).

During the Reporting Period, Dongfeng Off-Road Vehicles signed the General Purchasing Rules (《採購通則》) with suppliers, which made clear requirements for energy conservation, environmental protection, and occupational health and safety; signed Safety and Environmental Protection Occupational Health Agreements (《安全、環保職業健康協議》) with suppliers to provide safety, environmental protection, and occupational health, safety and fire prevention, etc.; required suppliers to reduce disposable packaging and use recycled packaging as much as possible in accordance with the Packaging Specification (《包裝規範》); implemented quality management and inspections on engineering, product, safety, and environment, evaluated daily performance is evaluated, and held quarterly meetings based on the results of inspections and evaluations on the supplier's site. Suppliers with qualified comprehensive performance in technology, quality, delivery, management, and safety and environmental control are included in the "Qualified Supplier Directory" (《合格供應商目錄》), and excellent suppliers are commended.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Promote Energy Saving and Emission Reduction in Logistics

In order to build a green supply chain, the subsidiaries of the Group actively promote energy conservation and emission reduction in the logistics sector.

- While requiring the vehicles of transportation logistics providers to meet the requirements of national emission regulations, Dongfeng Peugeot-Citroën actively promotes road-rail combined transportation and public-water combined transportation, and adopts more environmentally friendly and efficient clean transportation methods.
- Dongfeng Nissan proposes to logistics companies the energy-saving and emission-reduction goals of “increasing the proportion of rail and water transportation for parts and vehicle transportation” and “eliminating transportation vehicles that do not meet emission standards”. During the Reporting Period, the Company’s rail/water transport ratio of parts and vehicle transportation reached 38%. The proportion of the Company’s associated logistics providers and suppliers’ transportation vehicles that meet the National V and above standards reached 78%.
- Zhengzhou Nissan uses “green transportation” tools to reduce waste gas emissions, environmental pollution, and improve resource utilization. Compliant vehicles are 100% used for transportation. 54 vehicles of National IV emission standard are replaced by vehicles of National V emission standard. The logistics in the factory eliminates substandard and transferred vehicles.



Compliant mid-axle vehicles with commercial vehicles



National V compliance parts vehicle

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Zhengzhou Nissan Strengthened Supplier Environmental Assessment

Zhengzhou Nissan has strictly controlled the qualifications of suppliers through auditing and monitoring of suppliers. During the Reporting Period, Zhengzhou Nissan has collected 343 ISO 14001 certificates or environmental impact assessment reports in the system, established a supplier qualification management list, and regularly confirmed the validity of the certificates. At the same time, Zhengzhou Nissan regularly inspected suppliers' environmental risks and tracked the progress and results of suppliers' environmental penalties to avoid risks caused by supplier violations.

Zhengzhou Nissan conducted environmental protection inspections on 105 hazardous chemical suppliers and bulk business suppliers in October 2020 in accordance with the "Environmental and Safety Investigation Benchmarks for Important Stakeholders" (《重要相關方環境及安全調查基準書》) to ensure that none of the suppliers were not subject to penalties regarding environmental protection by the local government with a qualification rate of 100% during the Reporting Period.

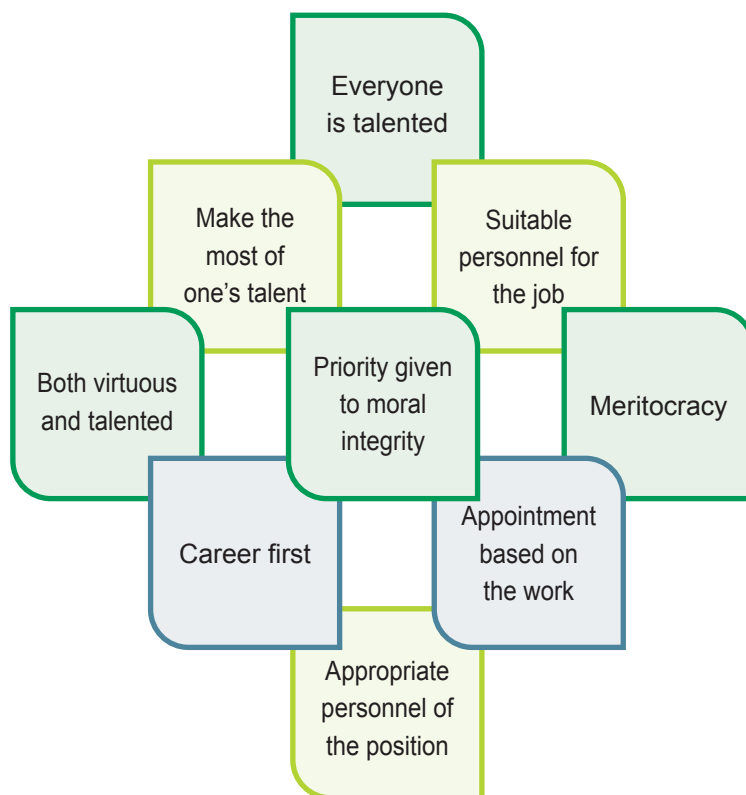


## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Employee Development

With the goal of “Service supports company strategy; Service supports employees’ development”, the Group respects employees’ rights, attaches great importance to talent cultivation and strives to create a fair, just, open and safe working and development environment for employees. The Group is committed to building an open, efficient and harmonious team by continuously improving the employee protection system, promoting the improvement of professional capabilities of employees and the implementation of safety production responsibilities and carrying out a variety activity for employee. Adhering to the talent concept of full value chain, the Company serves the development of employees, develops with employees together, shares the fruits of corporate development and leads a happy life together.

#### Our Talent Concept



## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Employee Rights

The Group adheres to recruitment principles of “fair competition, just selection, selection of the best according to the quantity, and adaptation to the job position”. It strictly abides by the national laws and regulations such as the Labor Law of the People’s Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People’s Republic of China (《中華人民共和國勞動合同法》), the implementation Regulations of Labor Contract Law of the People’s Republic of China (《中華人民共和國勞動合同法實施條例》). Based on the laws and regulations of the places where each subsidiary operates and its actual business situation, the Company has established, improved and strictly enforced the recruitment management system. During the recruitment process, the Group treats every job seeker equally, and there is no employment discrimination due to factors such as ethnicity, race, gender, region, registered permanent residence, employment form and other factors, resolutely ending the use of child labor and forced labor. During the Reporting Period, the Group did not employ child labor or forced labor.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Protection of Rights and Interests of Labor Dispatch Workers of Dongfeng Honda

Dongfeng Honda strictly abides by various national and regional laws and regulations on labor dispatch, strictly controls the proportion of migrant workers, and reasonably arranges the positions of migrant workers. The Company attaches great importance to the establishment and improvement of the rights and interests protection mechanism for dispatched workers in production and operation, implements the concept of “Equal Pay for Equal Work” and earnestly protects their legitimate rights and interests.

In respect of the daily management of dispatched workers, on the one hand, Dongfeng Honda strictly complies with the relevant national, provincial and municipal regulations and standards on occupational safety and labor protection, and has established a sound occupational safety and health system. Covering the whole process from pre-job, on-job to off-job, the Company guarantees their occupational safety and health rights according to law. On the other hand, it actively fulfilled the obligations of the employer, regularly communicated with the labor company on the conditions of the labor contract signing, salary payment, social insurance and other benefits for the labor workers, and supervised the labor company's lawful employment. Ensuring the legitimate rights and interests of laborers.

Due to pandemic, the Group's offline recruitment in 2020 will be affected to some extent. In order to guarantee the recruitment and interview, strengthen the construction of its recruitment management system, actively respond to the national work related to job stabilization and expansion, the Group actively explored a contact-free model “cloud recruitment”. By introducing professional video interview tools, the Company actively organized and participated in the two-season live campus recruitment activities of “National Recruitment Action” in spring and autumn. A total of more than 250,000 viewers were watching the live streaming event, providing employment opportunities for more than 1,800 fresh graduates.

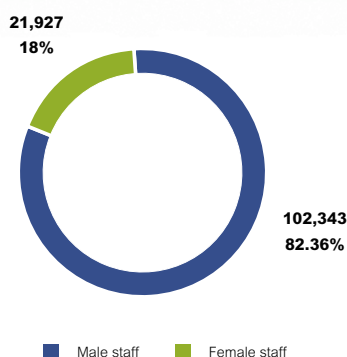
### Zhengzhou Nissan Optimized Talent Recruitment

Zhengzhou Nissan adheres to the recruitment philosophy of “Suitable Talents for Suitable Position so as to Fully Show Their Talents” and the recruitment principles of “fairness, openness, competition and selection of the best”. Through three methods, namely social recruitment, campus and internal recruitment, talents suitable for the positions are selected. During the Reporting Period, Zhengzhou Nissan revised the Recruitment Management System to further standardize the requirements and procedures of each process of recruitment. Meanwhile, it optimized its recruitment methods based on various recruitment characteristics and carried out recruitment activities by means of online and offline interview. In terms of social recruitment, Zhengzhou Nissan cooperated with Liepin and recruited a total of 15 finished talents throughout the year. In terms of campus recruitment, Zhengzhou Nissan cooperated with Nasdaq: JOBS. Meanwhile, leveraging on the brand influence of Dongfeng Motor Co., Ltd. and relying on the “Smart Zhengzhou” talent policy of Zhengzhou City, it attracted more university students to join the Company and recruited a total of 29 university students for the year.

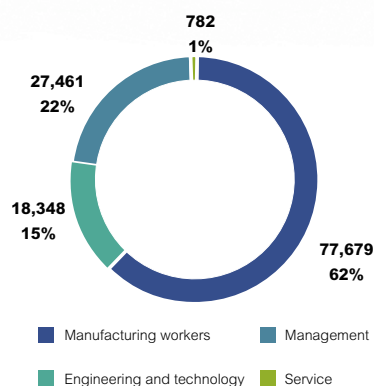
## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

As at 31 December 2020, the total number of the Group's employees was 124,270 in total, and the proportion of male and female employee was basically consistent with that in 2019, with a total employee turnover rate of 9.80%. The specific employee structure is as follows:

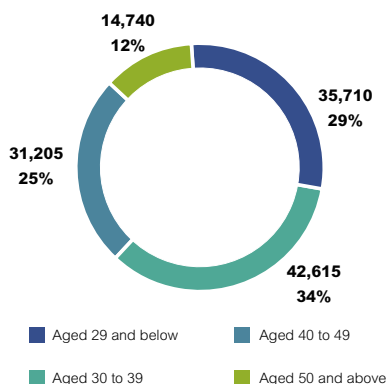
Distribution of Employees Classified by Gender (person-time, %)



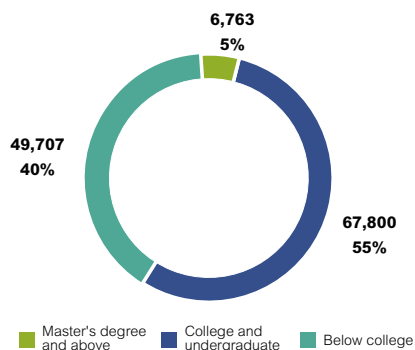
Distribution of Employees Classified by Employment Type (person-time, %)



Distribution of Employees Classified by Age (person-time, %)



Distribution of Employees Classified by Education Background (person-time, %)





## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Communication and Care

The Group fully safeguarded the legitimate rights and interests of employees in recruitment, promotion, resignation, working hours, remuneration and benefits, etc. In accordance with the relevant national and local laws and regulations, the Group provides employees with social insurance and a housing provident fund promptly. It also provides its employees with additional welfare benefits such as corporate annuity, supplementary medical insurance, medical insurance for major diseases, accidental injury insurance, etc. In 2020, the Group will establish a flexible welfare platform and make employee welfare choices on a point-based basis.

### Dongfeng Flexible Benefits Platform

Under the premise of compliance, the Group integrated the supply resources of New Year's greetings by inviting third parties to build a flexible welfare platform for employees, so as to enhance employees' perception of benefits and meeting their needs for festival diversity, while taking into account the uniformity of welfare implementation.



#### New Year's Quota

There are a number of festivals each year, with special quota "New Year's Quota" for New Year's greetings, which can be redeemed into New Year's greeting gifts based on the units.



#### Form of issuance

New Year's quota is granted to all employees at the beginning of the project



#### Redemption period

The term of the New Year's quota is based on the duration of the project, which is recommended to be 30 days; If the employee does not use it during the validity period, it will be recovered or will lapse.



#### Data statistics

The Corporation implements data statistics to check on employees' usage and analyses employees' preferences with multi-dimensional big data

The Group regards employees as the core of corporate development. We value talent retention and employees' feedback and suggestions, and do our best to provide benefits to employees. We have built an all-round communication system for our employees to timely listen to their voices, understand their demands and solve problems in their work and life. We let the management of the Company listen to the voices of employees through employee representatives. We provide a platform for them to communicate and feedback through multiple channels such as the labor union, the party and mass department, the human resources center and the mailbox.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### The Passenger Vehicle of Dongfeng Fengshen Created the Wechat Group “Fengshen Express” to Quickly Respond to Employees’ Questions

Dongfeng Fengshen Passenger Vehicle Trade Union created the WeChat group “Fengshen Express”, which is used to quickly deal with the difficulties and problems encountered by employees in their work and life, listen to their opinions and suggestions on food, clothing, accommodation and transportation, etc., display the elegant demeanor of the department employees and the highlights of the department work, carry forward positive energy and provide a platform for them to provide ideas and suggestions. The questions raised by employees in WeChat group were quickly fed back by relevant functional departments and were well implemented.

In order to carry forward the spirit of model worker and craftsman, the Company continued to carry out the campaign of “Healthy Dongfeng” and deepened the care for special groups such as female employees. The subsidiaries of the Group carry out corresponding activities to care for employees according to their business operation and employees’ needs, including visiting them on festivals, providing assistance to them in need and caring for female employees.

### Dongfeng Parts and Components Vigorously Promotes for Care Activities Employee

In 2020, Dongfeng Parts will carry out a number of employee care activities in light of the business development and employee needs, including but not limited to:

- Optimize systems, simplify processes and continue to provide assistance to employees in need: In 2020, the management committee of the employee charity mutual fund of Dongfeng Parts and Components assisted 10 employees, provided assistance funds of RMB97,820 to employees and sent the warmth of big families to employees and their families.
- Continue to carry out traditional festival condolences and special condolence activities: On the Eve of the Spring Festival, Dragon Boat Festival, Mid-Autumn Festival and other traditional festivals, the labor union of Dongfeng Parts and Components carried out solicitude activities on traditional festival. At the same time, during the early stage of the pandemic, the hot summer season, and the 100-day sprint period, the labor union also sent condolences and blessings to all employees in a timely manner.
- Continue to promote the project of caring for female employees: In accordance with relevant national regulations, the Company set up clinics for them; carried out health publicity and guidance as well as legal consulting services for female employees; it promoted the optimization and upgrading of the environment of “Loving Mommy Cabin”, Organized them to celebrate the “International Working Women’s Day.”

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Health and Care Activities for Employees by Dongfeng Commercial Vehicle

In 2020, Dongfeng Commercial Vehicles utilizes the idle workshop (3,500 m<sup>2</sup>) of the auto body factory to invest in the construction of a large-scale integrated and multifunctional recreational sports center for employees to meet their needs to live a healthy life and work happily. The Trade Union of Dongfeng Commercial Vehicle took various measures to pay attention to the physical and mental health of employees and provided psychological counseling. It carried out 5 warmth-giving activities throughout the year and visited 27,442 people on the front line of production, which fully demonstrated the company's care for employees.

### Care for Retired Employees by Dongfeng Special Commercial Vehicle

In 2020, Dongfeng Special Commercial Vehicles increased its assistance to retired employees. The Spring Festival condolences was RMB799,500, and the Double Ninth Festival condolences were RMB159,400. Other condolences include hospitalization condolences, retirement condolences, death condolences, loving assistance, and difficult condolences. Other condolences included sympathy for 544 persons in hospital, retirement, death, caring assistance, difficulties and medical care for disabled soldiers, with an accumulative total amount of RMB376,600 and a grand total amount of RMB1,335,500.

In addition, the Group attaches great importance to the construction of employees' mental health. In order to relieve the psychological pressure of front-line employees, the WeChat official account pushes mental health articles. The Company carries out executive one-on-one communication and psychological counseling projects to communicate with employees.

### Dongfeng Special Commercial Vehicles Continued to Promote the Communication Project for Employees, Facilitating the Steady Development of Production and Operation of the Enterprise.

In 2020, Dongfeng Special Commercial Vehicles published 136 articles on mental health under the WeChat official account, with a total of more than 24,000 readers and 1,371 followers on the WeChat official account. Four online micro-classes and publicity activities were carried out, and more than 2,800 people participated in total. The Company carried out six offline promotional activities with a total of over 580 participants, and carried out 13 offline training and group salon coaching activities with a total of over 570 participants. It provided one-on-one senior management relaxation coaching and proactively called out 39 senior management members for relaxation coaching.

In terms of psychological counseling, Dongfeng Special Commercial Vehicles received 143 active telephone consultations from employees and 7 on-site consultations for 40 active consultants. The awareness rate of the projects and employee participation were gradually increased, and the Group's coaching program was highly praised within the Company.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Remuneration Incentives

While respecting employees' rights and interests and helping them realize their personal values, the Group fully encourages employees to give full play to their strengths and develops together with the enterprise through material and immaterial incentives, contributing to enhancing happiness at work while realizing self-worth. In 2020, the Group will actively improve the market-oriented incentive system for new businesses, formulate the "Corporate Guiding Opinions on Strengthening the Market-oriented Incentive System for New Businesses", clarify the guiding ideology, basic principles and key tasks, and strengthen services and support for new business formats and new businesses, improve its profitability and management level, and achieve high-quality development. In addition, the Group compiled the "Design Collection of Corporate Remuneration System Version 2.0" to strengthen incentives for core talents in new businesses by continuously enriching the incentive mechanisms for emerging business types and hotspots.

The Group actively establishes a performance management mechanism with both incentives and constraints, strengthens the capability of information-based performance management, and carries out project planning step by step and layer by layer and focuses on the development and implementation of the full life cycle system of performance module informatization:

- High standard: the Company takes informatization as an opportunity to sort out the pain and blockage points in the process, strengthen target management, implement process supervision, achieve continuous improvement and build a whole- process enhanced informatization standard;
- Strong synergy: it strengthens the performance -based business synergy among the organization, senior management and employees, coordinate multi-party simultaneous participation of all units, and empower performance management through digital transformation. The Company has established a full-process, all-round, multi-level and full-coverage performance management system to effectively stimulate the work vitality and enthusiasm of employees and boost its business results with soft power.



## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Dongfeng Peugeot-Citroën buildt its Own Remuneration and Benefits System

Dongfeng Peugeot-Citroën adopted the mature global 3P (Position, Person, Performance) human resource theory to build its own remuneration and benefits system. Dongfeng Peugeot-Citroën demonstrated “paying in accordance with the job” through the job management system, and the value of the job determines the fixed salary, which means employees of the same job level have the same salary range; the ability management system reflects “paying for ability”. After comprehensive evaluation of the individual ability and the corresponding job ability requirements, the employee’s salary in the reference salary range is determined; the performance management system reflects “pay for performance”, and the employee’s floating income is determined by the employee’s work performance. The Company provides a higher salary than the reference salary for outstanding and sustainable high-performance employees.

In addition, Dongfeng Peugeot-Citroën continues to deepen the reform of the salary incentive mechanism and income distribution mechanism, insists on giving priority to efficiency, giving consideration to fairness, distribution according to work, and innovating income distribution mechanism, so as to ensure that income can be increased or decreased, and rewards and punishments can be clearly distinguished, so as to fully mobilize employees.

### Talent Development

The Group is fully aware of the importance of employee growth and development to achieve corporate strategic goals and long-term sustainable development. It adheres to the strategy of strengthening the Company with talents, closely focusing on the “13th Five-Year” human resources planning, optimizing and improving the training system, and accelerating the Group’s management, Professional technology and high-skilled talent team construction, so as to ensure the Group’s reform, transformation and development, and employee learning and growth.

During the Reporting Period, the Group streamlined and merged the scattered management methods in the past to form a Group-level system document with guidance and consistency, and put forward guiding management opinions from the aspects of training management system, planning and budget management, fund management, resource development and information management. At the same time, by formulating and issuing the Implementation Opinions of Dongfeng Motor Group Co., Ltd. on Strengthening the Construction of Scientific and Technological Talents and the Guiding Opinions of Dongfeng Motor Group Co., Ltd. on the Construction of Party-mass Talents (Provisional), the Group has built an innovative scientific and technological talent team and a first-class party-mass talent team to enhance the Group’s independent innovation and creativity and high-quality development.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)



### Our Talent Pool System

Based on the needs of our employees and markets, we continued to enrich the content and forms of our employee training, make full use of both our internal and external training resources to enhance our employees' professional knowledge, skills and experience, and provide them with a multi-level and diversified training system.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Strengthened Professional Training for Senior Managers.

- Strengthened the knowledge training of strategic planning, compliance operation and talent team construction for the heads of secondary units;
- Strengthened the knowledge training of automobile full value chain for the person in charge of the tertiary unit;
- Vigorously promoted the “Evergreen Plan”, and selected outstanding young cadres to hold real positions in the leading bodies of secondary and tertiary units, with a total of 242 people.

### Strengthened the Training of Talents in Marketing to Support the Development of Marketing Business.

- Organized the “Dongfeng Ling” marketing elite training camp, and a total of 40 middle and senior executives and business backbones from the passenger car segment participated in the training;
- Organized the “Young Marketing Talents Training Project”, and trained 40 reserve marketing talents through the combination of training and warfare.

### Strengthened the Building of Scientific and Technological Talent Team, and Promoted the “Five Transformation” of Scientific and Technological Talents.

- Issued the Implementation Opinions on Strengthening the Construction of Scientific and Technological Talent Team (《加強科技人才隊伍建設的實施意見》), completed the performance evaluation of professional chief teachers, tilted towards the “five transformations”, and realized the allocation of 18 professional chief teachers and deputy chief teachers;
- Dongfeng Technology Center has carried out training on “Software Defining Vehicles”, “Intelligent Driving” and “New Energy, Three Electricity”, with a total of 16,070 class hours.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Strengthen the Creation of “Dongfeng Craftsman” and Increase Investment in the Training of Skilled Talents.

- Carried out three training courses for high-skilled talents in numerical control and industrial robots, and trained 106 people;
- Carried out the recommendations of “Dongfeng Artisan” and presented 10 high-skilled leading talents;
- Dongfeng Parts and Components created a training project for high-skilled talents “artisan plan”;
- Dongfeng Honda relies on improving the proposal platform to build a “stable anchor” for skill training;
- Four skill master studios of Dongfeng Liuzhou Motor have tackled 20 technical problems, compiled 27 teaching materials, conducted 18 trainings, and trained 700 employees.

### Optimize the Young Talents Ecosystem and Promote the Learning and Development of Young Talents.

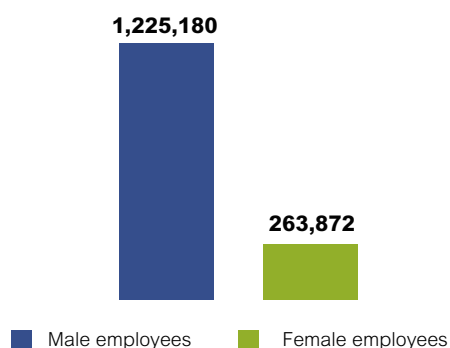
- Upgraded the U30 young talent ecosystem of the Group, enrich the young talent pool, and put more than 2,000 young talents into reserve;
- Make good use of the “soft platform” of the Communist Youth League and integrate the activities of “teachers and apprentices” and the Youth League science and technology projects into the training of young talents;
- The Youth Excellence + Exchange Program was carried out, and more than 40 young talents from nearly 30 units participated in the post exchange.



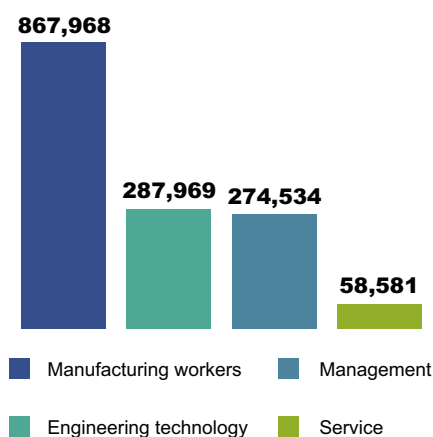
## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

During the Reporting Period, the Group trained a total of 1,225,180 person-times, up 38.57% compared with 2019 with an average training hours of 62.61 hours. The specific training structure was distributed as follows:

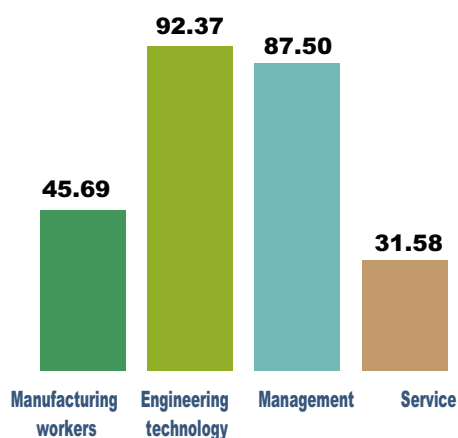
Number of Trained Employees by Gender  
(person time)



Number of Trained Employees by Employee Type  
(person time)



Average Training Hours of Trained Employees by Employee Type (hours)



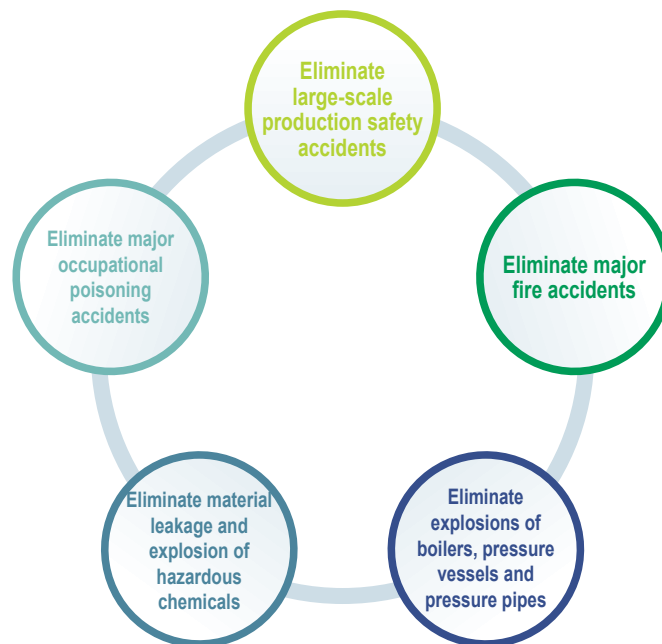
## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Health and Safety

The Group strictly abides by the requirements of laws and regulations, and through standardized and standardized management, strives to continuously improve the occupational health management system and emergency management system, improve safety management, improve and upgrade the working environment of employees and protect their health and safety.

### Safe Production

The Group strives to build a safety culture of “life first, safe development”. Based on the “14th Five-Year” safety production plan, the Group clearly puts forward the guiding ideology, basic principles, main objectives, work tasks and safeguard measures to form a integrated mechanism with strategic plans, business plans and annual work, so as to ensure the effective implementation of strategic planning to create a safe working environment for employees. During the Reporting Period, we achieved the five major indicators for the elimination of accidents and comprehensively achieved safety production control indicators.



**Five Major Indicators for the Elimination of Accidents**

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Dongfeng Honda New Energy Battery Safety Production Management

With further introduction of new energy vehicles, battery safety management has become a new challenge. In order to ensure safe production, Dongfeng Honda comprehensively sorts out the operation activities of relevant departments according to the whole life cycle of battery transportation, production, disassembly, R&D, storage, whole vehicle, repair, trial production, after-sales and waste disposal, and actively identifies major risks such as plate short circuit, battery drop, exposure to high voltage, temperature out of control, electrolyte leakage, etc., and conducts risk assessment, which is divided into “widely accepted”, “accepted as it is”, “unacceptable” and “unacceptable” “Accept” five levels, and conduct legal and regulatory knowledge training for a total of 446 relevant personnel. Through training, discussion and communication, Dongfeng Honda will publicize the new energy safety hazards and risks to relevant departments, carry out daily inspections, find out hidden dangers in time and urge rectification, and establish a long-term mechanism for new energy management to ensure zero safety accidents.



New energy safety training

In 2020, epidemic prevention, high yield and other factors increased the risk of safety production. In order to ensure safe and orderly production, the Group deepened system construction and strengthened process control; firmly established a safety foundation and organized special activities for safe production; strengthened the safety supervision and management during the period of high-yield epidemic prevention; strengthened emergency capacity building and comprehensively optimized emergency plans; made every effort to promote the special rectification of fire control and traffic safety, and focused on the work of safe production. Thanks to the active participation of all subsidiaries of the Group and the joint efforts of all employees, the overall security situation of the Group has maintained stable. During the Reporting Period, there were 8 production safety accidents in the Group, which decreased by 3 compared with last year. The total number of working days lost due to work-related injuries was 250 days, and no fatal accidents occurred. The rate of work-related accidents was 0.065‰<sup>15</sup>.

<sup>15</sup>

The rate of work-related accidents here refers to the rate of injuries per 1,000 people.

## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Optimization of Safety Production Management for Dongfeng Special Vehicles

In response to the call for safe production of the Group, Dongfeng Special Vehicles commenced the optimization of safe production management from the following aspects during the Reporting Period: :

- Strengthen emergency management and establish a complete emergency rescue safety management system.

Dongfeng Special Vehicles continues to improve the safety assurance capability of the operation (work) site and the company's emergency rescue management level. According to the standard requirements of GB/24001 and GB/T45001 management system, the Company establishes Hazard Identification, Risk Assessment and Control Procedures, Environmental Factors Identification and Evaluation Procedures and Comprehensive Emergency Plans for Production Safety Accidents. The Company has made on-site emergency drill plans and risk prevention measures for possible emergency situations, and conducted drills on a regular basis in response to emergencies such as natural disasters, fire safety, environmental pollution and personal injuries.

- Strengthen traffic safety management and prevent traffic accidents.

In response to emergencies of vehicle traffic safety accidents, Dongfeng Special Vehicles strengthens the management of internal road traffic signs, regularly adjusts commercial vehicles to conduct emergency drills for vehicle traffic accidents, and strictly controls outbound logistics and transportation vehicles, which effectively guarantees a virtuous cycle of logistics in the plant area.



## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### Zhengzhou Nissan Prepared Emergency Plans and Conducted Safety Drills for Risks of Environmental Emergencies

Through identifying and sorting out environmental risks, Zhengzhou Nissan carried out qualitative and quantitative analysis on the enterprise's risk level of atmospheric and water environment, the types, levels impact or consequences of major environmental accidents and conducted detailed evaluation on the existing risk prevention and control measures, early warning capability and emergency handling capability. The Company edited the Contingency Plan for Environmental Emergencies, to improve the composition of the Company's existing emergency plan system and enhance the ability to prevent environmental pollution incidents.

On 5 June 2020, the Company organized and conducted an emergency drill on leakage of petrol station at Zhengzhou Nissan Zhongmou Factory, simulating the scene that joint falling off and gasoline leakage and the tanker caught fire during the transfer process when the tanker was unloading in the new oil depot of Zhongmou factory. Zhengzhou Nissan launched an emergency plan, cooperated with the government to carry out environmental monitoring, and finally lifted the dangerous situation and properly handled on-site hazardous waste. In consideration of the requirements of ozone moderate pollution control in Zhengzhou, the simulated leakage scenario was simulated with reclaimed water instead of gasoline during the drill, and the red smoke bombs simulating the fire of tanker trucks had no toxic and side effects on human body. The drill set the main venue 1 to the south of the new general assembly, and the sub-venue 4 to the new oil depot, intercepting well, sewage treatment station and main sewage discharge port respectively. Through the drill, we examined the emergency handling capability, leadership and organizational command capability of key grass-roots personnel as well as the effectiveness and compliance of the government-enterprise joint prevention and control mechanism.



## Society: Sticking to the Original Aspiration and Walking Hand in Hand (Continued)

### **Occupational Health and Safety**

The Group strictly abides by the national occupational health and safety laws and regulations such as the *Law on Prevention and Control of Occupational Diseases of the People's Republic of China* (《中華人民共和國職業病防治法》), the *Provisions on the Supervision and Administration of Occupational Health at Work Sites* (《工作場所職業衛生監督管理規定》), the *Administrative Measures for Occupational Medical Examination* (《職業健康檢查管理辦法》) and continuously optimized employees' occupational health and safety. At the same time, the Group intensified the promotion and training of occupational health, enhanced employees' awareness of occupational disease prevention and individual protection, so as to ensure their physical and mental health and occupational safety.

From 2018 to 2020, the Group implemented 412 noise control projects, invested RMB262.37 million to eliminate noise in 273 positions, with totally 733 positions meeting the noise standards and Level IV noise positions eliminated, where 1,348 positions and 3,532 employees were benefited. Through the implementation of the three-year hearing protection program, the Company effectively enhanced the protection awareness of high-risk groups, standardized the occupational health physical examination, and improved the job transfer and placement of target diseases such as occupational contraindications and suspected occupational diseases, controlling and reducing the stock of suspected occupational diseases and blocking the path of occupational diseases.

### **Dongfeng Motor Limited Optimizing Occupational Health and Safety Management**

During the reporting period, Dongfeng Motor Limited invested over RMB31.85 million in occupational health and safety, and organized 1,784 pre-job, on-the-job and off-job occupational disease prevention and control physical examinations for toxic, hazardous and special operators in accordance with the law. Position adjustments were made to 21 employees with contraindications to occupational diseases. In addition, Dongfeng Motor Limited monitored 740 sites for hazardous factors such as dust, poisons and noise, with an overall achievement rate of 84.4% and actively implemented prevention and control measures for those working positions failing to meet the standards.

### **Hearing Protection Program of Dongfeng Liuqi Achieving the Expected Target**

Dongfeng Liuzhou Motor Limited, a subsidiary of the Group, invested a total of RMB2,335,000 in the technological transformation of noise improvement projects for 2020, including five technological transformation projects, a total of 71 noise control exceeding standards, and preferred the improvement method of silencing noise. By replacing the fixed and twisted tools and installing automatic loading and unloading of materials, the noise monitoring compliance rate was increased to 74.3% in 2020, achieving the target.

## APPENDIX

### Applicable Laws and Regulations

Serial No.	Name
<i>A. List of Laws and Regulations Applicable to Energy Conservation and Environmental Protection</i>	
1	Energy Conservation Law of the PRC (《中華人民共和國節約能源法》)
2	Law of the PRC on Cleaner Production Promotion (《中華人民共和國清潔生產促進法》)
3	Environmental Protection Law of the PRC (《中華人民共和國環境保護法》)
4	Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》)
5	Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》)
6	Law of the PRC on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》)
7	Law of the PRC on Prevention and Control of Environmental Noise Pollution (《中華人民共和國環境噪聲污染防治法》)
8	Circular Economy Promotion Law of the PRC (《中華人民共和國循環經濟促進法》)
9	Water Law of the PRC (《中華人民共和國水法》)
10	Renewable Energy Law of the PRC (《中華人民共和國可再生能源法》)
11	Environmental Protection Tax Law of the PRC (《中華人民共和國環境保護稅法》)
12	The Measures for Energy Conservation Review of Fixed Asset Investment Projects (《固定資產投資項目節能審查辦法》)
13	The Guiding Catalogue for Eliminating Backward Production Equipment and Products in Certain Industries (2010 version) (《部分工業行業淘汰落後生產工藝裝備和產品指導目錄(2010年本)》)
14	The Measures for the Administration of Industrial Energy Conservation (《工業節能管理辦法》)
15	The Notice on Strengthening Energy Conservation Assessment and Review of Industrial Fixed Assets Investment Project (《關於加強工業固定資產投資項目節能評估和審查工作的通知》)
16	The Notice on Further Strengthening the Elimination of Obsolete Production Capacities (《關於進一步加強淘汰落後產能工作的通知》)
17	The Notice on Commencement of National Special Supervision on and Inspection of Energy Conservation in Major Industries (《關於開展國家重大工業節能專項監察的通知》)
18	The Notice on Strengthening Energy Conservation and Emission Reduction of Small and Medium-sized Enterprises (《關於做好中小企業節能減排工作的通知》)
19	The Decisions of the State Council on Strengthening Energy Conservation (《國務院關於加強節能工作的決定》)
20	The Measures for Energy Conservation Supervision (《節能監察辦法》)
21	The Administrative Measures for Electricity Conservation (《節約用電管理辦法》)
22	The Measures for Cleaner Production Review (《清潔生產審核辦法》)
23	The Administrative Measures for Environmental Protection of Construction Projects (《建設項目環境保護管理辦法》)

## APPENDIX (Continued)

Serial No.	Name
<i>B. List of Applicable Laws and Regulations on Occupational Health and Safety</i>	
1	Occupational Disease Prevention Law of the PRC (《中華人民共和國職業病防治法》)
2	Work Safety Law of the PRC (《中華人民共和國安全生產法》)
3	Regulations on Workplace Occupational Health Supervision and Management (《工作場所職業衛生監督管理規定》)
4	Management Measures for Occupational Health Inspection (《職業健康檢查管理辦法》)
<i>C. List of Applicable Laws and Regulations on Human Resources</i>	
1	Labor Contract Law of the PRC (《中華人民共和國勞動合同法》)
2	Trade Union Law of the PRC (《中華人民共和國工會法》)
3	PRC Labor Law (《中華人民共和國勞動法》)
4	The Law of the PRC on the Protection of Minors (《中華人民共和國未成年人保護法》)
5	The Implementation Regulations of the PRC Labor Contract Law (《中華人民共和國勞動合同法實施條例》)
6	The Measures for Identification of Work-related Injuries (《工傷認定辦法》)
7	The Regulations on Insurance for Work-related Injuries (《工傷保險條例》)
8	The Provisions on the Prohibition of Using Child Labor (《禁止使用童工規定》)
<i>D. List of Other Laws and Regulations</i>	
1	Criminal Law of the PRC (《中華人民共和國刑法》)
2	Advertising Law of the PRC (《中華人民共和國廣告法》)
3	Law of the PRC on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》)
4	Trademark Law of the PRC (《中華人民共和國商標法》)
5	Patent Law of the PRC (《中華人民共和國專利法》)
6	Copyright Law of the PRC (《中華人民共和國著作權法》)
7	Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》)
8	Automobile Industry Development Policy (《汽車產業發展政策》)
9	Cybersecurity Law (《網絡安全法》)



## APPENDIX (Continued)

### ESG Performance

#### Environmental Performance Table

Indicator	Unit	2017	2018	2019	2020
<i>Aspect A1: Emissions</i>					
A1.1 The types of emissions and respective emissions data					
Nitrogen oxide (NO <sub>x</sub> ) emission	tonnes	266	244	232	240.22
Sulfur dioxide (SO <sub>2</sub> ) emission	tonnes	57	53	49	46.73
Industrial wastewater emission	10,000 tonnes	1,230	1,105	974	880
A1.2 Greenhouse gas emissions in total (in tonnes) and, intensity (e.g. per unit of production volume, per facility)					
Greenhouse gas emission <sup>16</sup>	10,000 tonnes of carbon dioxide equivalent	229.70	222.28	222.01	216.12
Greenhouse gas emissions per RMB10,000 output value <sup>17</sup>	Tonnes of carbon dioxide equivalent/RMB10,000	0.048	0.049	0.047	0.044
A1.3 Total hazardous waste produced (in tonnes) and, intensity (e.g. per unit of production volume, per facility)					
Disposed hazardous waste	tonnes	39,386	42,673	41,166	41,237
Comprehensively utilized hazardous waste	tonnes	8,097	7,338	5,247	5,831
Disposed hazardous waste per RMB10,000 output value	Kg/RMB10,000	0.78	0.89	0.87	0.84
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)					
Disposed general solid waste	tonnes	20,650	26,794	18,876	18,008
Comprehensively utilized solid waste	tonnes	678,051	718,978	676,547	767,093
Solid waste disposal per RMB10,000 output value	Kg/RMB10,000	0.41	0.56	0.40	0.37

<sup>16</sup> The statistical unit of greenhouse gas emissions from 2017 to 2018 is in tonnes of carbon dioxide. In 2019, greenhouse gas emissions include acetylene and methane, so the statistical unit is in tonnes of carbon dioxide equivalent.

<sup>17</sup> The statistical unit of greenhouse gas emissions per RMB10,000 of output value from 2017 to 2018 is in tonnes of carbon dioxide per RMB0,000. In 2019, greenhouse gas emissions include acetylene and methane, so the statistical unit is in tonnes of carbon dioxide equivalent/RMB10,000.

## APPENDIX (Continued)

Indicator	Unit	2017	2018	2019	2020
<i>Aspect A2: Use of Resources</i>					
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity (e.g. per unit of production volume, per facility).					
Purchased electricity	10,000 kWh	311,637	309,847	299,950	298,622
Natural gas	10,000 standard cubic meters	14,371	13,376	12,372	11,658
Diesel oil	tonnes	21,336	19,531	20,087	22,116
Gasoline	tonnes	19,096	17,665	15,904	13,420
Heat	MkJ	/	1,209,467	914,354	650,131
Others (including coal, fuel oil, coal oil, lubricating oil, etc.)	Tonne of standard coal	46,169	46,780	46,807	54,353
Conversion of comprehensive energy consumption	Tonne standard coal	727,848	699,289	663,841	650,603
Comprehensive energy consumption per RMB10,000 output value	Kg standard coal/RMB10,000	14.37	14.61	14.06	13.24
A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)					
Production water consumption (fresh water)	10,000 tonnes	2,171	1,977	1,744	1,630
Production water consumption per RMB10,000 output value (fresh water)	Tonne/RMB10,000	0.43	0.41	0.37	0.32
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced					
Consumption of packaging materials	Tonnes	/	/	/	2,663
Consumption of packaging materials with output value of RMB10,000	Kg/RMB10,000	/	/	/	0.94

## APPENDIX (Continued)

### Social Performance Table

Indicator	Unit	2017	2018	2019	2020
<i>Aspect B1: Employment</i>					
B1.1 Total workforce by gender, employment category, age group and geographical region					
Total number of employees	Person	146,843	139,602	130,572	124,270
<b>By employment type</b>					
Manufacturing	Person	97,722 <sup>18</sup>	91,562	84,007	77,679
Engineering technology	Person	9,604 <sup>19</sup>	16,575	17,487	18,348
Management	Person	32,098 <sup>20</sup>	30,200	28,113	27,461
Service	Person	6,085	1,265	965	782
<b>By gender</b>					
Male employees	Person	119,787	113,886	107,013	102,343
Female employees	Person	27,056	25,716	23,559	21,927
<b>By age groups</b>					
Aged 29 and under	Person	53,642	52,621	39,578	35,710
Aged 30 to 39	Person	35,789	35,154	36,243	42,615
Aged 40 to 49	Person	32,101	32,130	31,437	31,205
Aged 50 and above	Person	8,660	6,697	12,255	14,740
<b>By education</b>					
Master's degree and above	Person	5,872	5,963	6,371	6,763
College diploma and Bachelor's	Person	70,270	69,997	64,649	67,800
Below college diploma	Person	54,050	50,642	48,493	49,707
B1.2 Employee turnover rate by gender, age group and geographical region					
Total turnover rate	%	8.30	6.70	14.13	9.80
<b>Employee turnover rate by gender</b>					
Male employees	%	/	/	/	10.96
Female employees	%	/	/	/	9.30
<b>Employee turnover rate by aged group</b>					
Aged 29 and under	%	/	/	/	17.32
Aged 30–39	%	/	/	/	7.92
Aged 40–49	%	/	/	/	5.07
Aged 50 and above	%	/	/	/	14.22

<sup>18</sup> The type of employment reported in 2017 was “manufacturing”;

<sup>19</sup> The type of employment reported in 2017 was “research and development”;

<sup>20</sup> The type of employment reported in 2017 was “sales”;

## APPENDIX (Continued)

Indicator	Unit	2017	2018	2019	2020
<i>Aspect B2: Health and Safety</i>					
B2.1 Number and rate of work-related fatalities					
Number of work-related fatalities	Person	/	0	2	0
B2.2 Lost days due to work injury					
Lost working days due to work injury	Person	/	16	11	8
Injury rate per thousand employees	Hour	/	6,584	97,030	2,002
Rate of work injury	%	0.177	0.120	0.0780	0.065
B3.1 Percentage of trained employees by gender and employee category					
<b>Percentage of trained employees by gender</b>					
Male employees	%	/	/	82	82
Female employees	%	/	/	18	18
<b>Percentage of trained employees by type of employment</b>					
Manufacturing workers	%	/	/	64	58
Engineering technology	%	/	/	13	19
Management	%	/	/	22	18
Service	%	/	/	1	4
<b>Percentage of trained employees by employee rank</b>					
Senior management	%	/	/	1	1.67
Middle management	%	/	/	4	5.84
General staff	%	/	/	95	92.49
B3.2 The average number of training hours completed by each employee by gender and employee type					
<b>Average training hours for employees by employee type</b>					
Manufacturing workers	Hour	/	/	37.46	45.69
Engineering technology	Hour	/	/	66.58	92.37
Management	Hour	/	/	48.62	87.50
Service	Hour	/	/	37.40	31.58
<b>Average training hours for employees by employee rank</b>					
Senior management	Hour	/	/	113	162
Middle management	Hour	/	/	89	105.02
General staff	Hour	/	/	41.93	60.01



## APPENDIX (Continued)

### Content Index of Environmental, Social and Governance Reporting Guide

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)				Section
Environmental				
A1 : Emissions	General Disclosure	(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to exhaust and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		Environment: coordinating development and fulfilling environmental responsibility
	A1.1	The types of emissions and respective emissions data.		Emission reduction
	A1.2	Greenhouse gas emissions in total and intensity.		Energy saving and low carbon
	A1.3	Total hazardous waste produced in total and intensity.		Emission reduction
	A1.4	Total non-hazardous waste produced in total and intensity.		Emission reduction
	A1.5	Description of measures to mitigate emissions and results achieved.		Emission reduction
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.		Emission reduction
A2 : Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.		Consumption reduction
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity		Consumption reduction
	A2.2	Water consumption in total and intensity		Consumption reduction
	A2.3	Description of energy use efficiency initiatives and results achieved.		Consumption reduction
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved		Consumption reduction
	A2.5	Total packaging material used for finished products and with reference to per unit produced		Consumption reduction

## APPENDIX (Continued)

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)			Section
<b>Environmental</b>			
A3 : Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Environment: coordinating development and fulfilling environmental responsibility
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environment: coordinating development and fulfilling environmental responsibility
<b>Social</b>			
B1 : Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employee Growth
	B1.1	Total workforce by gender, employment category, age group and geographical region	Employee Rights
	B1.2	Employee turnover rate by gender, age group and geographical region	Employee Rights
B2 : Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
	B2.1	Number and rate of work-related fatalities	Health and Safety
	B2.2	Lost days due to work injury	Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	Health and Safety

## APPENDIX (Continued)

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)				Section
Environmental				
B3: Development and Training	General Disclosure	Policies on improving employees knowledge and skills for discharging duties at work; Description of training activities		Talent Growth
	B3.1	The percentage of employees trained by gender and employee category		Talent Growth
	B3.2	The average training hours completed per employee by gender and employee category		Talent Growth
B4 : Labor Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.		Employee Rights
	B4.1	Description of measures to review employment practices to avoid child and forced labor		Employee Rights
	B4.2	Description of steps taken to eliminate such practices when any violations are discovered		Employee Rights
B5 : Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain		Win-win cooperation
	B5.1	Number of suppliers by geographical region		Win-win cooperation
	B5.2	Description of practices relating to engaging suppliers, number of suppliers on whom the practices are being implemented, how they are implemented and monitored		Win-win cooperation

## APPENDIX (Continued)

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)			Section
Environmental			
B6 : Product Responsibility	General Disclosure	Information on:	
		(a) the policies; and	Quality Control and Dedicated Services
		(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	
	B6.1	Percentage of total products sold or shipped subject to recalled for safety and health reasons	Quality Control
	B6.2	Number of products and service-related complaints received and how they are dealt with	Quality Control
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Quality Control
	B6.4	Description of quality assurance process and recall procedures	Quality Control
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Dedicated Services



## APPENDIX (Continued)

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)				Section
Environmental				
B7: Anti-corruption	General Disclosure	Information on:		
		(a) the policies; and		Anti-corruption
		(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		
	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		Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored		Anti-corruption
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		Anti-pandemic feature Community Harmony
	B8.1	Focus areas of contribution		Anti-pandemic feature Community Harmony
	B8.2	Resources contributed to the focus area		Anti-pandemic feature Community Harmony



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