



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

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

H Share Stock Code: 2039

A Share Stock Code: 000039

2022

Corporate Social
Responsibility &
Environmental, Social and
Governance Report



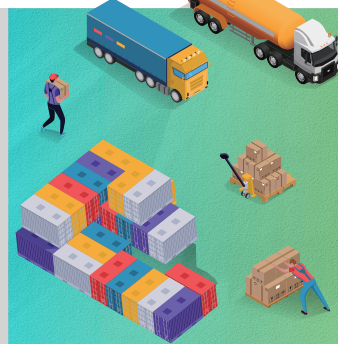


content 目录

- 2 Sustainability Achievements in 2022
- 3 Business Philosophy
- 4 Statement of the Board of Directors
- 5 About the Report
- 6 Chairman & CEO's Statement
- 11 About Us
- 19 Over the journey of our development for forty years, we remain true to the original aspiration and strive for self-improvement
- 22 Innovation and green facilitate high-quality development and long-term growth

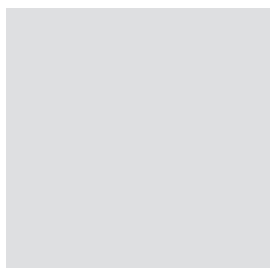
02 Improving Global Logistics

- Leading Innovation and Value Growth 47
- Creation of Brand Power with High Quality 56
- Strategic Cooperation for Joint Establishment of Future 61
- Sharing Experience for Common Development 64



01 Strengthening Responsibility Management

- Corporate Governance and Interactive Communication 26
- Sustainable Development Management 29
- Stakeholder Communication 34
- Integrity and Compliance 40



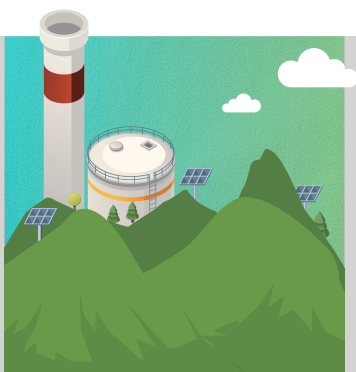
04 Developing with Joint Efforts

People-oriented

Common Cause 80

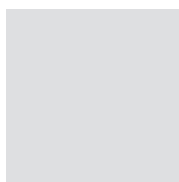
Caring for the People's

Livelihood 94



03 Tackling Climate Change

Low-Carbon Operation to Shoulder Responsibility and Mission	66
Ecological Protection and Emission Reduction	68
Cherishing Resources and Protecting Ecology	73
Creation of Green Brand Through Green Development	76

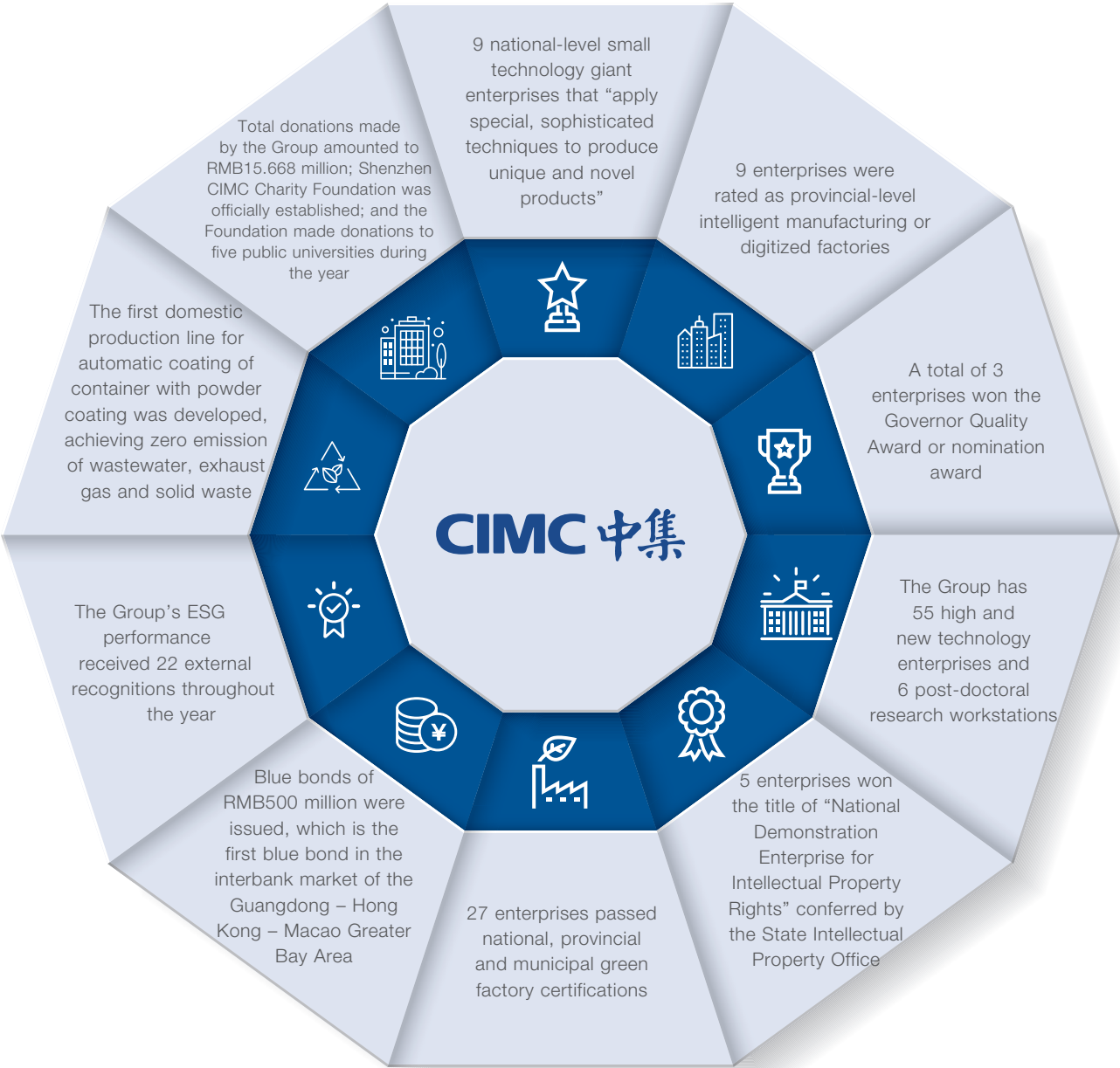


100 Future Prospect

101 Appendix

108 Comments and Feedback

Sustainability Achievements in 2022



Business Philosophy

Vision

To develop CIMC into a world-class high-quality and respected company

Mission

Providing high-quality and reliable equipment and services for logistics and energy industries, bringing good returns to shareholders and employees, and creating sustainable values for the society

Core Values

**Integrity & Honesty, Customer Success,
Exploration & Innovation, Continuous Improvement,
Win-win Cooperation, Results Orientation**

Enterprise Spirit

Unremitting Striving, Pursuing Excellence

Core Human Resources Idea

People Oriented, Common Cause

Operation/Management Ideas

Development Idea: Quality Growth

Management Idea: Conciseness & Efficiency

Globalization Idea: Global Operation, Local Wisdom

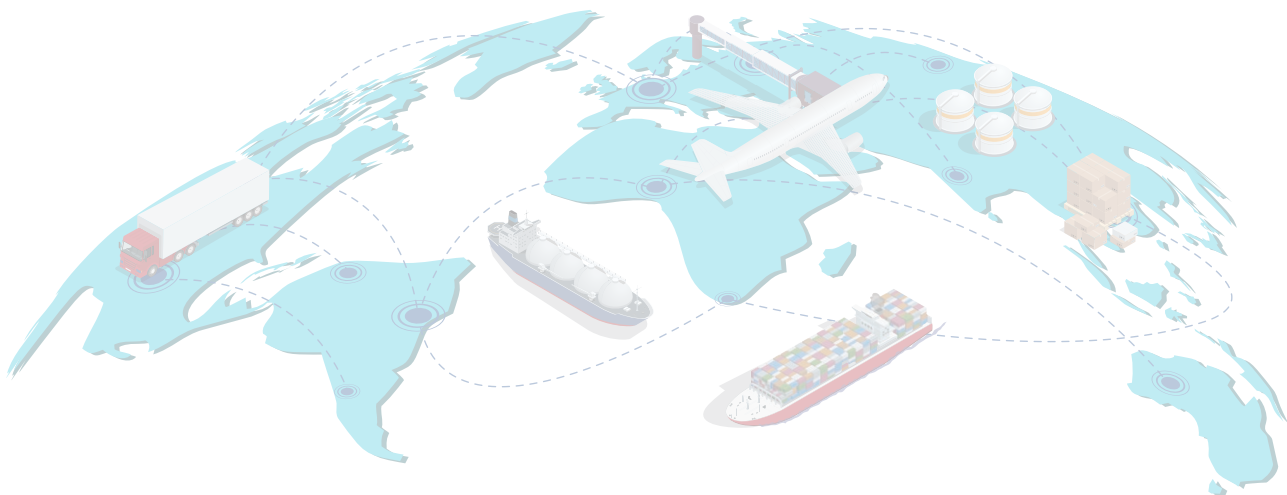
HSE Idea: Safety and Health, Green Operation

Statement of the Board of Directors

The Board of Directors is pleased to present the 2022 Corporate Social Responsibility & Environmental, Social and Governance Report of CIMC Group. In order to standardize the ESG management mechanism and enhance the quality of ESG management, CIMC Group further deepens an ESG governance structure with the Board of Directors having the highest responsibility and decision-making authority for ESG matters, bearing full responsibilities for the Company's ESG strategy, target management and information disclosure, and approving ESG improvement proposals. As the committee assuming the primary responsibility, the Strategic Development Committee of the Board of Directors takes on the work to study the sustainable development strategy, supervise the formulation and implementation of the ESG policies, conduct the identification and assessment the risks and opportunities associated with sustainable development and climate change, and identify and manage key issues according to stakeholder research results. The Strategic Development Committee also assumes the responsibility to review and approve ESG management objectives, approve and publish reports, and assist the Board of Directors in performing ESG governance functional departments. The CIMC Group Executive Committee is composed of senior management of CIMC Group, including leaders of each of its functional department. The CIMC Group Executive Committee periodically submit the ESG report to the Strategic Development Committee of the Board of Directors, review ESG issues, supervise the implementation and execution of decisions made by the Board of Directors on environmental, social and governance matters related to sustainable development, and ensure the resources earmarked for the ESG field. The Steering Group for the ESG report is responsible for promoting and establishing the "sustainable development report" management system and providing regular reports to support the Group Executive Committee, Strategic Development Committee and the Board of Directors.

Based on the external environment and the development strategy of CIMC Group, in December 2022, the Board evaluated the ranking list of 32 material issues and identified 8 key issues as ESG key tasks in 2023 through investigation of internal and external stakeholders during the reporting period, including employee safety and health, green products and services, energy conservation and consumption reduction, implementation of sustainable development strategy, product quality and safety, information security and privacy protection, air pollutant emission management, integrity and good faith management. In the future, we will continue to regulate our sustainable development management strategy and promotion methods according to the expectations of stakeholders and the actual operation of the Group, in an effort to continuously improve the level of sustainable development.

The Report provides detailed information on the progress and effectiveness regarding CIMC's ESG efforts in 2022 and has obtained approval from the Board of Directors on 28 March, 2023. The Board of Directors and all directors of CIMC hereby guarantee that the information presented in this Report is free from any false records, misleading statements or material omissions, and undertake joint and several liabilities for the authenticity, accuracy and completeness of the information.



About this Report

This is the sixth Corporate Social Responsibility and Environmental, Social and Governance Report (“CSR&ESG Report”, or the “Report”) published by China International Marine Containers (Group) Co. Ltd. (the “Company” and its subsidiaries) and its subsidiaries (collectively “CIMC”, “CIMC Group”, “the Group” “we” or “our”) since 2017.

Reporting Scope

This report is complementary to the Annual Report 2022 of the Group and discloses the environmental, social and governance management practices, initiatives and performance of the Group from January 1, 2022 to December 31, 2022 (the “Year”) (partially backdated to previous years or extended to the date of disclosure). For more details on corporate governance, please refer to the section titled “Corporate Governance Report” in the Group’s Annual Report 2022. The coverage of the text disclosed herein is the same as that of the Annual Report 2022 of the Group. For details of data on social scope, please refer to the notes of ESG Performance Table. The data on environmental scope covers the following: (1) domestic manufacturing enterprises under containers, vehicles, energy and chemical, airports, marine engineering and recycled load (including all key pollutant discharge enterprises), all of which are basically covered; (2) four enterprises of the logistics segment and the Marine Engineering Research Institute; (3) eight overseas enterprises of the vehicle, energy and chemical and airport segments, with the overseas enterprises included in the statistics accounting for more than 70% of the total overseas revenue; and (4) some innovative enterprises such as CIMC TCB and CIMC IoT.

Preparation Process

Kick-off meeting and ESG training, stakeholder research, preparation of report, internal discussion and revision, design of report, management review, and release of report

Reporting Standards

The Report was prepared with reference to the Appendix 27 The Environmental, Social and Governance Reporting Guide (“ESG Guide”) to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”), the Rules Governing the Listing of Shares on Shenzhen Stock Exchange (Revision 2022), the Self-regulatory Guidelines for Companies Listed on Shenzhen Stock Exchange No. 1 –Standardized Operation of Companies Listed on the Main Board, the “Core” Option of the Global Reporting Initiative Standards (GRI Standards), the Guidelines on the Social Responsibility for Industries of China 2.0 (GSRI-CHINA 2.0) and the Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-ESG 5.0) issued by Chinese Academy of Social Sciences. Unless otherwise stated, the currencies involved in the Report are measured in Renminbi (“RMB”).

Source of Information

The information disclosed in the Report is obtained from the official documents, reports or relevant public information of the Group and its subsidiaries, and the Board of Directors is responsible for the truthfulness, accuracy and completeness of the contents of the Report.

Reliability Statement

The Board of Directors and all directors warrant that the contents of the Report do not contain any false records, misleading representations or material omissions.

Publication Cycle

The Report is published once a year, specifically in March each year.

Form of Publication

The Report is published in English and Chinese versions respectively. In case of discrepancies between the Chinese version and the English translation, the Chinese version shall prevail. Readers and stakeholders may access the Report on the Company’s website (www.cimc.com), CNINFO (www.cninfo.com.cn) and the website of Hong Kong Stock Exchange (www.hkexnews.hk).

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Chairman & CEO's Statement



The year 2022 marks the 40th anniversary of CIMC. On September 22, 1982, CIMC officially commenced production in Shekou, Shenzhen, the forefront of China's reform and opening up.

Over the past 40 years, CIMC has been forging ahead with enterprise and fortitude. From a small factory on the verge of bankruptcy, it has developed into a global diversified multinational conglomerate with a leading position and wide influence in many industries around the world!

Over the past 40 years, CIMC has been maintaining sound and steady development. Since the Company realized turnaround in 1987, CIMC has been profitable for 35 consecutive years, providing good returns for shareholders and the capital market.

We should put conscious effort into learning from history to create a bright future. Standing at the new historical starting point of our development, we make continuous efforts to achieve high-quality development while keeping our original aspiration in mind in the new era.

I. CIMC's pursuit of sustainable development in the past 40 years

It is the reform and opening-up that has given life to CIMC. Over the past 40 years, CIMC seized opportunities of the reform and opening-up to promote its development at each stage. As a mixed conglomerate that grew during the reform and opening-up, CIMC always remains ahead of the times, and takes the initiative to take up responsibilities for the country and help addressing the concerns of the country through close integration of our development with national development, national rejuvenation and people's happiness.

In the past 40 years since its founding, CIMC has been participating in and witnessing the reform and opening up.

On January 14, 1980, in order to introduce sophisticated container manufacturing technology and proven management experience from Europe, under the leadership of Mr. Yuan Geng, the then executive vice chairman of China Merchants Group, CIMC was established in Shekou Industrial Zone by China Merchants and East Asiatic Company, with Mr. Yuan Geng serving as its chairman. As one of the first Sino-foreign joint ventures established in China after its launch of the reform and opening-up, CIMC became a project playing the pioneering role in China's efforts to reshape its economic system, open the door to the world and introduce foreign investments, and it has participated in and witnessed the historical process of the reform and opening up.

At the turn of the century, the Central Committee of Communist Party of the PRC made a major decision to "go global". CIMC seized the opportunity of the policy and met the challenge. By doing so, it became one of the first explorers and pioneers for Chinese enterprises to "go global" and participated in China's integration into economic globalization. As its global presence has been gradually established and expanded for more than 20 years in the past, CIMC developed a global operation system that allows CIMC to leverage its advantages, enabling the Group's domestic and overseas enterprises to share resources, draw from each other's strengths, and achieve win-win outcome through cooperation.

CIMC has been serving the nation by developing industry and flourishing the country with solid work in the past 40 years

Industry is the foundation to build, thrive, strengthen and prosper a country. 40 years ago, CIMC came into being as one of the first container factories in China, in order to realize the ideal of "serving the nation by developing industry". Through the founding of CIMC, future of individuals and CIMC was closely linked with the future of China as CIMC shouldered the major historical task of ending the backwardness of Chinese industry. China has completed a process of industrialization that took developed countries several centuries in the space of mere decades, in which CIMC played an active role and made due contributions as an industry leader.

CIMC ended backwardness in several industries and improved its international standing. Over the past 40 years, CIMC has successively entered several modern industrial manufacturing sectors in line with its strategic orientation of "CIMC engaging in those weak sectors in which CIMC has advantages as needed by the country". As a leader in the industry, CIMC has actively implemented technological innovation and product upgrading, and taken the lead in exploring high-end manufacturing and the integration of informatization and industrialization in a bid to promote the sustainable and sound development of the industry. CIMC has driven other industry players to actively participate in the formulation of international standards to develop our voice in the international market. CIMC joined hands with other industry players to defend ourselves in the "AD and CVD" investigation and won a historic victory, which has expanded our international influence and enhanced the international status.

CIMC has catalyzed localization and premiumization of several industry chains. In May 1996, when CIMC just became the global largest manufacturer of containers, I proposed that "we should tenaciously work together to realize sound development of China's national industry and to take container manufacturing to be truly in the hands of Chinese people". To this end, CIMC gave full play to its scale advantage and persistently promoted the upgrading of the container industry chain, enabling China to fully localize manufacturing of containers in the early 21st century in contrast to the 100% reliance on imports in the past, thus ensuring the security of the national supply chain. Subsequently, CIMC has continued to lead the localization of the industry chains in many other industries, such as vehicles, energy, energy, chemical and food, airports, and marine engineering. CIMC is committed to promoting the product upgrade and technology development for the industry chain so as to develop high-end and intelligent industry chain. Further, CIMC and other players on the industry chain have been supporting each other in exploring the international market. As one of the largest users of raw materials such as steel and paint in China, CIMC has kept advancing the upgrading and localization of products in many fields such as steel and chemical industry.

Over the past 40 years, CIMC struggled to win global recognition as a "world champion"

The ambition and determination of CIMC people to keep chasing the world champion is behind the "serving the nation by developing the industry". CIMC people know that only by building strength can we gain the respect of the world, and "champion products" are the outstanding sign of such strength. It is the unswerving pursuit of CIMC people for decades to cause other countries and regions to trust and recognize CIMC products so as to change their impression of Chinese products and respect Chinese enterprises and the whole country. For this reason, CIMC has made a vow: "As long as we enter an industry, we pledge to become a respected global leading enterprise in this industry."

In 1996, after CIMC became the largest container manufacturer in the world, it created a number of "champion products" one after another, winning the recognition and respect of the global mainstream markets for Made in China. As long as CIMC becomes the world champion in an industry, it has never lost the championship. CIMC proves to the world that Chinese players can also manufacture world-class products.

CIMC has been dedicated to social responsibility in the past 40 years

CIMC's approach to social responsibility focuses on its core functions and missions as an enterprise. To this end, it buttresses the triple bottom lines of economy, society and environment, and is committed to operating in a scientific, transparent, ethical and compliant manner to provide quality and safe products and services for the society in its efforts to contribute to the sustainable development of the society.

In order to cope with global climate change, CIMC has actively formulated and implemented its Green Development Plan to achieve a continuous reduction in total greenhouse gas emissions. We are the first to roll out the application of water-soluble paint in the industry, and contribute to the minimization of resource consumption, reduction of pollutant emissions, promotion of green transformation and development, and response to climate change with advanced technologies and products such as bamboo floor, clean energy equipment, and modular buildings.

Upon occurrence of the Wenchuan earthquake in 2008, CIMC quickly established modular elementary schools and hospitals in the disaster area with its proven modular construction technology. CIMC also actively contributes to construction of apartments for medical and nursing staff and emergency isolation sites. CIMC employees provided full cold-chain express transportation services for hospitals in Henan Province through the flood area. CIMC has been participating in poverty alleviation and village revitalization with its bamboo floor, clean energy, mobile cold storage, marine fisheries, and rural micro-pipeline equipment. In 2022, CIMC actively responded to the call of the Central Committee of CPC for “common prosperity” and established the “CIMC Charity Foundation” to help poor public students complete their education, contributing to the development of China’s education.

II. The soul of achievements CIMC made in the past 40 years

We gained the following insights on our sustainable development over the past 40 years:

Love the Party, the country, and the people

Without the Party’s wise decision, there would be no reform and opening up, and there would be no CIMC. In this regard, CIMC people are grateful for the Party. Under the strong leadership of the Party, we, backed by a strong motherland, have been pursuing development in Shenzhen, the promising special economic zone of China. Especially the ten years since the 18th CPC National Congress have been truly extraordinary for CIMC as it has made new breakthroughs in its operation and development by focusing on the new requirements of the new era, extensively implementing the new development concept, and actively integrating itself into the new development pattern.

On June 13, 2018, General Secretary Xi Jinping inspected CIMC Raffles in the rain and learned in detail about CIMC Offshore’s development path of independent innovation and the development of independent design, research and manufacture of high-end offshore engineering equipment, and placed deep expectations on CIMC Offshore: “Basic and core technologies cannot be obtained, bought or negotiated. Only by our self-reliance and independent innovation can realize those technologies. I see that you are confident in this, and I hope you will rise to the challenge and make further efforts.” The General Secretary’s earnest teaching and ardent expectation greatly inspired the motivation and drive of CIMC people. In the following years, CIMC has seriously studied and implemented the spirit of the General Secretary’s important speech in all aspects of our strategy and operation management.

Adhering to modern corporate governance model

CIMC has built a modern corporate governance structure since its founding, i.e., it has been implementing the general manager responsibility system under the leadership of the Board of Directors, which laid the foundation for our modern corporate system. Our listing on the Shenzhen Stock Exchange in 1994 consolidated and optimized the foundation of the modern corporate governance system with Chinese characteristics. In 2020, Shenzhen Capital Holding took a stake in CIMC and supported CIMC to continue to maintain a market-oriented institutional mechanism, which is crucial for the future development of CIMC.

For CIMC, which is fully market-oriented and fully participates in global competition, the institutional arrangement of corporate governance structure with unique Chinese characteristics has been the most important institutional foundation for CIMC’s steady progress over the past 40 years. It has also been highly evaluated by various stakeholders.

Upholding the corporate spirit of “self-improvement and pursuit of excellence”

Over the past 40 years since reform and opening up, the world and Chinese economies have experienced several cycles of industrial fluctuations, and the internal and external environment faced by Chinese companies has continued to change drastically.

Over the past 40 years, in the face of storms and treacherous shoals, CIMC has been able to grow and maintain its vitality because of its corporate spirit of “self-improvement and pursuit of excellence”.

After its survival in 1986, CIMC people have deeply realized that we have to struggle hard and maintain tenacious. For this reason, we have been pursuing development on a self-reliance basis. We always stay hungry for business and never give up business development. We dare to be pioneer in reform and innovation. We are brave to face difficulties and setbacks, and firmly believe that “a nice weather is an opportunity, and a storm is also an opportunity”. With the courage and vigor to surmount all obstacles, we keep pushing forward the cause of CIMC.

Upholding the concept of “people-oriented, common cause”

To take “people-oriented” approach is to pursue the unity of knowledge and action, and action louder than words. The “common cause” of CIMC is a long-term common cause, which represents the soul of CIMC.

For decades, CIMC has been genuinely caring about and improving quality of its employees. We have invested a lot of time in our cadres, with all-round coaching and empowerment, which can even last for a long time throughout a cadre's career, allowing them to undergo fundamental improvement and metamorphosis.

For decades, CIMC has been sincerely motivating and developing its employees. Every excellent CIMC employee is a business partner of CIMC, and he or she does not maintain a simple employment relationship with the company. We provide a stage for every CIMC employee to showcase his or her brilliance. Following the principle of “sharing results and risks”, and through the guarantee of system and process, we reward our employees for their efforts and help them finally realize their ideal and value in life.

Our talent development practice proves the great power of the concept of “People-oriented and common cause”, which fully stimulates the potential of our employees. Over the past decades, CIMC has united its employees and has them, heart and soul, in common struggle for development of the company. More and more CIMC people identify with and practice the concept of “People-oriented and common cause”, and the concept has become the common action guide for everyone.

These valuable historical experiences and important inspirations are the cultural foundation of CIMC's development in the past, and they are the powerful spiritual force that drives CIMC forward. In today's world, the economic situation is complicated, and the more difficult the road ahead is, the more we have to adhere to the leadership of the Party, the more we have to adhere to modern corporate governance, and the more we have to carry forward the spirit of “self-improvement” and the concept of “common cause”.

III. CIMC's way to the future: to develop CIMC into a world-class high-quality and respected enterprise

We are proud of our history and shoulder the responsibility for future sustainable development of CIMC. In February 2022, the Central Committee of CPC considered and adopted the “Guidance on Accelerating the Construction of World-Class Enterprises”, proposing to accelerate the construction of a number of world-class enterprises with excellent products, outstanding brands, leading innovation and modern governance. Over the past 40 years, CIMC has made certain achievements in its operation and development. However, we also soberly realize that there is still a certain gap between CIMC and the world-class enterprises, and we still need to continue our efforts to move CIMC from a good enterprise to an excellent enterprise.

Focusing on the goals put forward by the Central Committee of CPC and considering the actual development of CIMC, at the historic point of the 40th anniversary of CIMC, CIMC clearly puts forward its development vision for the next ten years: to strive to develop CIMC into a world-class high-quality and respected enterprise.

In the new journey to build China into a modern socialist country in all respects and advance toward the Second Centenary Goal, in order to realize the above-mentioned grand blueprint, CIMC should follow the guidance of the 14th Five-Year Plan and the Long-Range Objectives for 2035, with the country's most fundamental interests in mind. Based on the new development stage, CIMC will implement the new development concept to serve for building a new development pattern. In this regard, CIMC will make precise efforts in the following aspects:

First, to further promote sound operation and quality growth

We are witnessing major changes unfolding in our world, something unseen in a century. We can only travel safe and sound when we walk steadily. The top priority for CIMC's future development is how to maintain steady growth and achieve long-term development.

To this end, CIMC should steadily allocate various elements such as technology, talents and capital to the advantageous business, and should further improve the quality of operation and firmly divest inefficient business and inefficient assets. We should make more efforts to cultivate and develop new businesses to materialize a multi-segment and multi-level new business development pattern. We should grasp the industrial opportunities of carbon emission peaking and carbon neutrality to practice the concept of green development. To build a good ecological environment in the group, we continuously improve the one-stop solution capability of “equipment + service” to achieve a synergistic development among business sectors, member enterprises and innovative enterprises. We should further optimize the Group's control ability, further consolidate and enhance the ability platform for hierarchical management, stimulate the vitality of the operating entity, continue to promote the operational excellence system, and continuously enrich and improve the connotation of 5S control, while preventing major risks to ensure the sustainable and sound development of our enterprises.

Second, to further improve the innovation capability to create champion product

We should place technology innovation at the core of the overall development of CIMC and further enhance its independent innovation capability to build up our core competitiveness in various business fields by strengthening technology innovation and product upgrading. We should leverage advanced technology tools to continuously promote the upgrading of CIMC manufacturing based on the achievements of CIMC Lean Operation and in line with the trend of upgrading and change in manufacturing. We should further improve our R&D planning; cultivate a team of high-level leading technology professionals.

Through comprehensive innovation in such aspects as technology and business models, we will further create globally-competitive products and services to cultivate well-known global brands. We should strive to develop more world champions on the basis of maintaining and consolidating the current champion product clusters.

Third, to enhance the ability to develop globally and allocate more efforts to develop the domestic market

Under the new dual circulation development pattern in which domestic economic cycle plays a leading role while international economic cycle remains its extension and supplement, an enterprise with global competitive advantages and relatively extensive strength like CIMC still needs to continue global presence and development to enhance globalization capability in the increasingly complex international environment, while constantly seeking new development opportunities.

Meanwhile, we should further scale up efforts to develop domestic market. We should explore more business opportunities in target several key domestic industries closely related the consumer sector, such as cold chain, natural gas, hydrogen energy, automated logistics, recycled load, fire and rescue equipment. We should effectively integrate globalization and localization to achieve efficient and intensive resource allocation.

Fourth, to further practice high standards of social responsibility

We will actively respond to the national call, and fulfill social responsibility well by integrating the concept of social responsibility into the corporate strategy, corporate governance, as well as production and operation of products throughout the life cycle, achieving full integration of social responsibility and business operation. We will create a model of green and low-carbon development, and make efforts in the fields of clean energy, green water and green mountains, as well as rural revitalization. We will actively participate in social welfare and charity.

Fifth, to continuously optimize corporate governance

We will continue adopting the modern corporate governance system mechanism characterized by clear definition of authority and responsibility, transparent control, well-regulated authorization and effective checks and balances. We will promote various forms of medium and long-term incentives so that incentives and constraints are put in place. We should further support to guide the independent development and public listing of the segments and member enterprises, improve the corporate governance structure, and strengthen internal supervision to standardize the governance.

Sixth, to further strengthen the fostering of talents

We should cultivate more CIMC entrepreneurs with global strategic vision, market development expertise, management innovation ability and sense of social responsibility. We will intensify the fostering of talents at various levels. The scientific and effective mechanism of selecting, fostering and appointing talents should be improved so that the outstanding are rewarded and the incompetent are dismissed. At the same time, we should cultivate various high-caliber experts so that enough talents are available for our cause.

Upholding the entrepreneurial spirit of self-improvement and pursuit of excellence, we should actively explore and practice the path of creating a world-class enterprise with Chinese characteristics to create more brilliant achievements, thus making new and greater contributions to the great rejuvenation of the Chinese nation!

Chairman and CEO
Mai Boliang
March 2023

About Us

Group Profile

Headquartered in Shenzhen, China, China International Marine Containers (Group) Co., Ltd. ("CIMC Group" or "CIMC") is the world-leading supplier of logistics equipment and energy equipment. CIMC is dedicated to the following major businesses: containers manufacturing, road transportation vehicles, energy, chemical and liquid food equipment, offshore engineering, airport facilities and logistics equipment, fire safety and rescue equipment, logistics services, recycled load, etc., providing high-quality and reliable equipment and services. The booming development of these businesses is supported by: financial companies providing professional capital management and financial leasing companies providing financial solutions. As a diversified multinational industry group serving the global market, CIMC has over 300 member companies in Asia, North America, Europe, Australia and other regions and three listed companies. Its customers and sale network has covered more than 100 countries and regions around the world. In 2022, CIMC Group achieved operating revenue of approximately RMB141.537 billion and net profit of approximately RMB4,601 million.

CIMC Group was founded in January 1980 as a joint venture invested in by China Merchants Group and East Asiatic Company in Shenzhen, and CIMC Group was initially managed by EAC executives. It was listed in Shenzhen Stock Exchange in 1994 and listed in the Stock Exchange of Hong Kong Ltd. in December 2012. Currently, CIMC is a public A+H share listed company, whose main shareholders are Shenzhen Capital Holdings and China Merchants Group. Stimulated by the deep-seated international genes since its establishment, supported by the outstanding governance structure and propelled by the endless pursuit of technological innovation and management efficiency, CIMC has rapidly grown into a leader in many global industries.

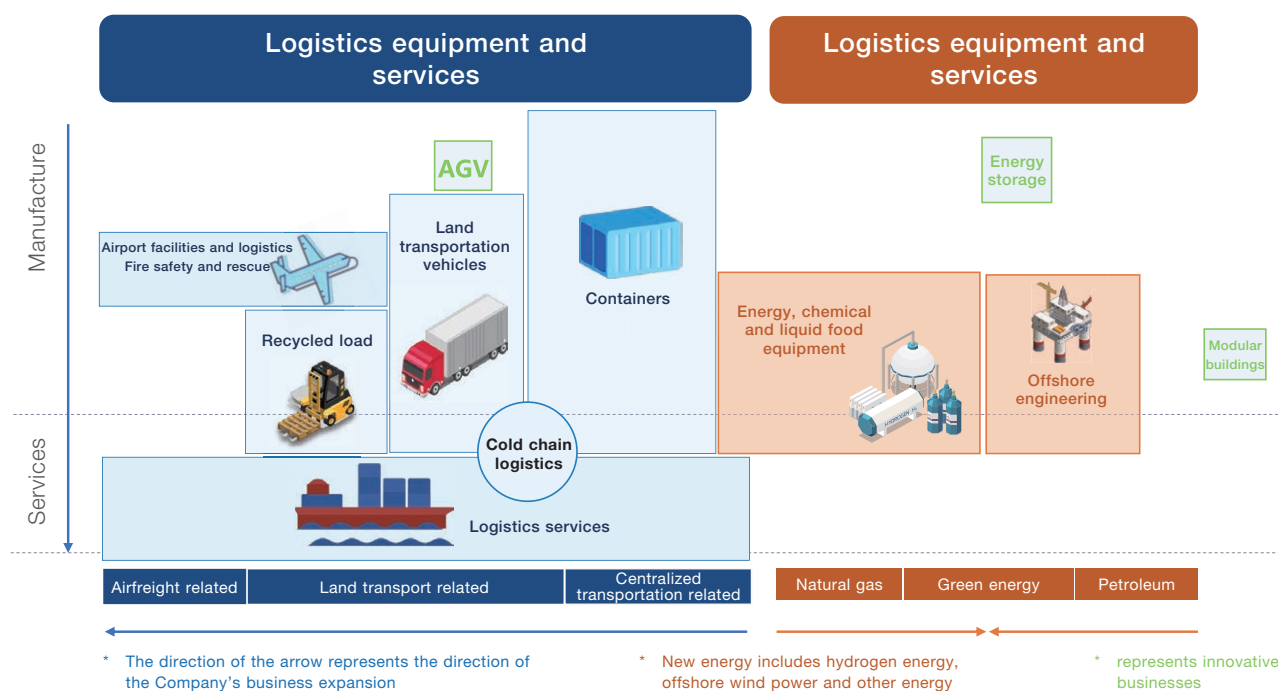
Three Listed Companies

CIMC 中集
000039.SZ/02039.HK

CIMC | 中集车辆
301039.SZ/01839.HK

CIMC | 中集安瑞科
03899.HK

Our Major Industries



Overview of ESG Work

In 2022, guided by the strategy of “operating prudently and pursuing quality growth”, CIMC Group maintained the overall momentum of “quality and efficiency enhancement”, presenting strong resilience in business and remaining stable in its 100 billion business structure. 2022 was a special year for CIMC as it marks the 40th anniversary of CIMC’s official commissioning. A series of celebration activities took place to retrospect the road to success, to depict the development vision, to inspire outstanding benchmarks, and to inherit CIMC culture.

The Group adhered to the concept and principle of sustainable development, focusing on the vision of a “world-class high-quality and respected company” and aiming at creating more “best-in-class products”. Safeguarded by its promotion of excellent operation, the Group took “strengthening responsibility management, improving global logistics, tackling climate change, and developing with joint efforts” as the orientation of ESG work. The Group achieved high standards of sustainable development and social responsibility to set the direction of doing business for social good. Furthermore, the Group promoted the harmonious development of economy, environment and society and continued to create new value for all stakeholders. In the past year, we conducted the following work on ESG governance and reporting management:

1. Continued to deepen ESG governance and enhanced the systematization of governance mechanisms

In accordance with the ESG Reporting Guide issued by the Hong Kong Stock Exchange, we deepened the ESG governance structure with the Board of Directors having the highest responsibility and decision-making authority for ESG matters in 2022. The Board of Directors listened to ESG work reports on a regular basis. The important issues list and key issues stated by the Board of Directors came into effect as the key points of ESG reporting and crucial tasks for next year’s operation enhancement. The Group and each segment undertook and implemented the key issues stated by the Board of Directors through explanations for the dominant keynote in the business plan, strategic topics, and ESG consolidated budgets to promote closed-loop management of key issues. The Executive Committee listened to ESG management reports on a regular basis, including data analysis of indicators of type A and B, ESG daily work, management improvement suggestions, etc., to ensure budgetary expenditures in all aspects of ESG. The Steering Group for ESG Report held four meetings routinely to review key ESG issues and listened to reports on key works. In accordance with the ESG guidelines released by the Hong Kong Stock Exchange, GRI and other latest requirements of domestic and foreign standards, the Group prepared and released four ESG reports in collaboration with its subordinate sections. In 2022, the Group further consolidated the financial foundation, strengthened the construction of the compliance system, and improved the risk management and control mechanism.

2. Continued to innovate methods of stakeholder investigation and established a mechanism to effectively connect key issues with business plans

CIMC has regularly implemented the communication and survey work of stakeholders for five consecutive years, and introduced innovative research methods such as Focus Group in 2022 to obtain targeted feedback. In 2022, we identified 32 important issues and effectively evaluated the prioritization of important issues in sustainable development through the analysis of 23,000 questionnaires and interviews. The Group undertook the requirements of the eight key issues stated by the Board of Directors through explanations for the dominant keynote in the 2023 business plan, strategic topics, and ESG consolidated budgets, etc. The Group regularly reviewed the implementation in daily management to form the closed-loop management of the key issues stated by the Board of Directors.

3. Continuously improved the quality of ESG data and routinely submitted ESG management reports

To improve the quality of ESG data, we conducted a survey on ESG data reporting in the subordinate factories, identifying 9 types of common problems and 74 specific issues or suggestions. According to the survey results, we optimized the indicator definition and IT system to clarify the data definition, make clear the data responsibility, and realize the traceable process. We organized the data analysis of type AB indicators by quarter, tracked the annual work progress, and submitted the ESG management report to the Executive Committee. We identified key management issues to be improved through management reports.

4. Adhered to the “reporting promotes management” guideline and promoted development in line with high standards

We established the CIMC Charity Foundation and a volunteer employee team to promote the in-depth development of public welfare activities. In 2022, we increased the research on “dual carbon” policy and prepared the “Dual Carbon Policy Trends and Countermeasures Research Report”. We also strengthened and accelerated the promotion of the Report. The Group conducted research and analysis on product quality and safety, and gradually implemented organization and management initiatives to strengthen product quality and safety. We vigorously promoted the rooftop photovoltaic project and started 26 projects within the year, creating conditions for carbon reduction across the Group. In order to enhance the leadership’s understanding of high-quality development under the dual carbon background, the Group organized a themed salon to expand and integrate the “six-dimensional” sustainable business strategy model based on the three-point model of CIMC “country-industry-enterprise”. In addition, the Group conducted multiple trial analyses of commercial projects to enhance the sustainable development capabilities of the business.

The application of these specific ESG issues and leading operational excellence standards not only avoid future risks in sustainable development but also facilitate business departments in seizing business opportunities in the process of sustainable development while enhancing the sustainable development capabilities of the business.

5. Continued to implement the policy of energy saving and carbon reduction and lead the future with green and low carbon

While continuing to track and focus on the national “Dual Carbon” policy, we analyzed the Group’s energy consumption and carbon emission data quarterly and identified improvement opportunities based on the data prioritization dashboard. The Group completed energy saving diagnosis of two key energy consuming enterprises, identified opportunities and projects for energy saving and carbon reduction, and provided reference for enterprises to save energy and reduce carbon.

By the end of 2022, the Group had carried out carbon footprint examinations of 12 star products. CIMC TianDa completed the declaration of “Near-Zero Carbon Emission Enterprise Pilots” in Shenzhen. We released powder coating containers for the first time, provided dozens of sets of hydrogen storage and refuelling equipment for the Beijing 2022 Olympic Winter Games, officially delivered the first batch of LNG-powered cement tank ship, and strived to contribute green and low-carbon CIMC solutions in the fields of logistics and energy.

6. Continued to promote high-quality development with externally recognized ESG performance

We have followed the principle of “Full compliance of information disclosure, equal opportunity for investors, honesty and credibility and interactive communication” in the investor relations management, and strengthened publicity by various channels for all-round and effective communication with shareholders and other relevant parties. We delivered 2 keynote speeches at the CBCSD conference and gave ESG thematic lectures at the “Overseas Boss Workshop” for member companies of Shenzhen Public Companies Association.

Led by the Group’s high standards and guided by the four dimensions of operational excellence, technological innovation, digitalization and green development, 29 core enterprises continued to build demonstration enterprises of operational excellence. We made breakthroughs in the Provincial Government Quality Award which had three enterprise winners: Wuhu Ruijiang won the Quality Award of Anhui Provincial People’s Government; Jingmen Hongtu won the 9th Changjiang Quality Award in Hubei Province. We also won a number of new awards for “best-in-class products” and technologically advanced small and medium-sized enterprises. In addition, we had three new National Green Factories and 12 new Provincial Green Factories.

In 2022, the Group’s ESG performance received 22 external recognitions throughout the year. In 2022, CIMC Group won the “Demonstration Responsible Enterprise of 2022” issued by Southern Weekend, CBCSD 2022 China’s “Top 100 Chinese Enterprises for Sustainable Development” (tied for second place), “China’s Top 100 ESG Listed Companies” in the “16th China Awards of the Value of Listed Companies in China” issued by Securities Times, and was selected into 4 external case collections including “ESG practice cases of listed companies of China Association for Listed Companies”, which effectively enhanced CIMC’s responsibility influence and brand reputation.

In the past year, we adhered to the United Nations Sustainable Development Goals and new national development concept, and carried out ongoing innovative practices in sustainable development, which promoted the continuous improvement of economic, environmental and social performance.

In terms of economic performance (see the Improving Global Logistics section for details), we took the global logistics improvement and energy upgrades as the responsibility, the creation of “best-in-class products” as the goal, and the technological innovation and digital transformation as the main instrument. We also actively developed new green and low-carbon businesses while realizing the rapid growth of traditional business. We are determined to create a “digital workshop” and “future factory” for containers, and released powder coating containers for the first time. We provided dozens of sets of hydrogen storage and refuelling equipment for the Beijing Olympic Winter Games to facilitate it in achieving the goal of “carbon neutrality”. We cooperated with Zhaoqing City to vigorously develop the “gasification of the Xi River” and officially launched the first batch of LNG-powered cement tank ship. Thus, we helped reform the mode of bulk cement transportation from all aspects and realized a more environmentally friendly and efficient shipping industry in the Pearl River and the Xi River basin.

CIMC Group built a scientific and technological innovation ecosystem to form a “unified and three-layer synergistic” technological innovation management system and a swift and collaborative innovation mechanism. The Group has more than 55 national high-tech enterprises, 6 post-doctoral research stations, 9 technologically advanced small and medium-sized enterprises, and has cumulatively won 4,934 patents. 5 enterprises have won the title of “National Demonstration Enterprise for Intellectual Property Rights” conferred by the State Intellectual Property Office. 7 Group-level collaborative R&D platforms have been established. We continued to improve the “CIMC Intelligent Manufacturing Action Plan”, and carried out top-down planning of overall business upgrade and development within the Group, mapping out the Group’s blueprint for innovation-driven growth. The Group sticks to business model innovation, expands the value chain of service, integrates upstream and downstream resources, continuously optimizes the existing product system, and extends the value chain. In 2022, we recorded operating revenue of RMB141,537 million and net profit of approximately RMB4,601 million (see Table of Financial Performance Indicators for detail).

In terms of environmental performance (see the Tackling Climate Change section for details), CIMC executed the “CIMC Green Development Plan”, established the “CIMC Operational Excellence Assessment Criteria of ONE Model”, and continued to improve in terms of excellent operation, technological innovation, digitalization, and green development. We continued to promote the creation of a demonstration enterprise of operational excellence, integrated the concepts of green, low-carbon and recycling into the design, research, development, production and promotion of its own products and services, and actively explored and practiced green development. In 2022, the Group prepared and released the “Environmental Protection Management System of the CIMC Group” to facilitate enterprises in assuming the main responsibility for ecological and environmental protection. Thus, we ensure corporate compliance operations and achieve continuous improvement in environmental protection performance. To date, 68, 76, 62, and 48 enterprises in the Group have passed occupational health and safety management system certification, environmental management system certification, safety standardization certification, and clean production certification, respectively. 27 enterprises have obtained national and provincial and municipal green factories certification. In terms of environmental performance, except for the slight increase in the total amount of oil consumption, other indicators have dropped simultaneously with the slight decline of operation. In addition to oil and sewage discharge intensity, etc., the intensity of all other indicators has decreased, and energy consumption intensity decreased by 10.43%, and greenhouse gas emission intensity decreased by 15.86% (see Table of Environmental Key Performance Indicators for details). At the same time, we extended the sustainable concept into the supply chain to jointly facilitate the value chain in fulfilling social responsibilities. Three companies have been recognized as national and provincial green supply chain management demonstration enterprises.

In terms of social performance (see the Developing with Joint Efforts section for details), we advocated the core human resource’s philosophy of “People Oriented, Common Cause” to help employees grow alongside the Group. We focused on the rights and interests’ protection of employees, and established a targeted incentive system with attractive salaries and benefits and extensive development channels for employees. As of December 31, 2022, the Group had recorded a total of 44,045 trainees. The training coverage rate is 85.45%. The per capita training time is 78.52 hours, representing a significant increase. The Group kept in mind its obligations of social citizenship and cared about people’s livelihood. We supported local economic development, actively participated in public welfare activities, and aimed to create benefits for the regions where we operate. In 2022, the Group generated significant tax revenue of RMB6.6 billion for the places where it operated. To revitalize the rural industry, the bamboo chain has formed a dry separation of fiber and powder processing technology system with CIMC characteristics. We completed the production and application of small batches of kraft liner, which has been recognized by customers. The “LPG micro-pipeline network” successfully delivered the first pump truck in China and established the first domestic intelligent production line for distributed small propane energy storage tanks with independent intellectual property rights. As for the “marine protein” industry, Jinghai Fishery has put into production a total of 8 cages and the fish product was sold on the market successively. We continued to practice social responsibility and initiated the CIMC Charity Foundation. We signed agreements with 5 domestic colleges and universities to offer the first phase of grants of RMB2 million to students. At the same time, the Group set up the “CIMC Volunteer Service Team” and “Staff’s Home”, witnessing the booming development of volunteer activities. We have carried out a total of 292 public welfare activities. Total donations made by the Group amounted to RMB15.668 million. The number of volunteers involved is 2,682 person-times. The total service hours of volunteers are 13,267.5 hours (see Table of Social Key Performance Indicators for details).

The 2022 Corporate Social Responsibility & Environmental, Social and Governance Report published by CIMC Group fully presents the Group’s standing at the crucial point of its 40th anniversary. The Group is well prepared to overcome external difficulties and uncertainties in the future with unswerving determination. The Report also depicts more excellent practices on the road to sustainable development.

ESG Performance Table

Table of Financial Performance Indicators

Indicators	Unit	2022	2021
Operating revenue	RMB thousand	141,536,654	163,695,980
Operating cost	RMB thousand	119,911,750	134,175,949
Operating profit	RMB thousand	7,505,208	13,471,549
Total assets	RMB thousand	145,899,949	154,322,501
Net assets	RMB thousand	62,656,084	56,980,090
Net profit	RMB thousand	4,601,142	8,360,768
Total tax	RMB thousand	6,614,181	5,712,171

Note: The total tax amount is the actual taxes and surcharges paid by the Group

Table of Environmental Key Performance Indicators

					2022 Data Intensity (per revenue of RMB100 million)	2021 Data Intensity (per revenue of RMB100 million)	2022/2021 Intensity Data Comparison
	Unit	2022	2021	Change			
Total amount of sewage discharged	thousand cubic meters	3,403.83	3,563.04	95.53%	2.40	2.18	110.32%
Total gas emissions: VOCs	tonnes	312.26	376.46	82.95%	0.22	0.23	95.92%
Carbon emissions	tonnes of CO ₂ e	828,668.92	1,139,131.93	72.75%	585.48	695.87	84.14%
Direct carbon emissions	tonnes of CO ₂ e	175,034.35	206,638.80	84.71%	123.67	126.23	97.97%
Indirect carbon emissions	tonnes of CO ₂ e	653,615.84	932,493.13	70.09%	461.80	569.64	81.07%
Total amount of hazardous waste generated	tonnes	32,573.16	48,029.41	67.82%	23.01	29.34	78.44%
Total amount of non-hazardous waste generated	tonnes	238,415.89	284,836.40	83.70%	168.45	174.00	96.81%
Total energy consumption	tonnes standard coal	208,526.06	269,250.00	77.45%	147.33	164.48	89.57%
Electricity consumption	MWh	904,563.91	1,327,124.21	68.16%	639.10	810.71	78.83%
Gas consumption	thousand cubic meters	55,955.17	63,538.58	88.06%	39.53	38.81	101.87%
Oils consumption	kiloliter	19,582.34	18,003.32	108.77%	13.84	11.00	125.78%
Gasoline consumption	kiloliter	1,727.56	1,388.74	124.40%	1.22	0.85	143.60%
Diesel consumption	kiloliter	17,854.78	16,614.58	107.46%	12.61	10.15	124.29%
Total water consumption	thousand cubic meters	6,169.38	7,126.42	86.57%	4.36	4.35	100.20%

(1) Environmental data covers full coverage of domestic manufacturing companies, 4 enterprises under logistics segment and offshore engineering institutes, and 8 overseas enterprises under the segments of vehicle, energy and chemical, and airport.

(2) The statistical accounting methodologies applied to data in 2022 were largely the same as those in 2021, differing in the following ways: the total emissions of the Group in 2022 covered the actual total emissions of all enterprises included in the statistics. In 2021, the three segments (containers + offshore engineering + load business) adopted the estimated total domestic emissions for domestic enterprises, while the other segments adopted the actual emissions. Among them, the estimated total emissions of each segment are calculated by attributing the proportion of revenue of the actual total emissions of the enterprises included in the statistics to the segment.

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

ESG Indicators	Level 1 Indicator	Level 2 Indicator	2022	2021
B1 Employment	1. Total workforce	Total workforce	62,194	72,736
	2. Total number of contract employees	Total contract employees	51,543	51,746
	– By geographical region	Domestic	90.8%	90.0%
		Overseas (including Hong Kong, Macau and Taiwan)	9.2%	10.0%
	– By gender	Male	83.1%	84.4%
		Female	16.9%	15.6%
	– By age group	Aged below 30	18.5%	17.6%
		Aged 30-49	67.7%	69.6%
		Aged 50 and above	13.8%	12.8%
	– By profession	Production staff	47.67%	51.21%
		Management	7.91%	7.85%
		Sales personnel	7.86%	6.60%
		Technical staff	9.68%	10.18%
		Finance staff	2.90%	2.74%
		Other personnel	23.98%	21.42%
	– By education	Doctorate	0.08%	0.06%
		Master	3.19%	3.15%
		Bachelor	24.19%	21.71%
		Associate	21.74%	20.58%
		Below associate	50.81%	54.50%
	3. Total number and rate of contract employee turnover	Number of contract employee turnover	10,177	8,240
		Rate of contract employee turnover	19.74%	15.92%
	– Turnover rate by gender	Male	19.73%	15.79%
		Female	19.83%	16.67%
	– Turnover rate by age group	Aged below 30	34.42%	33.09%
		Aged 30-49	17.54%	13.24%
		Aged 50 and above	10.91%	6.78%
	– Turnover rate by region	Mainland China	17.82%	17.07%
		Overseas (including Hong Kong, Macau and Taiwan)	38.69%	5.54%
B2 Health and Safety	Work-related fatalities in the past three years		2022: 0	2021: 0
			2021: 0	2020: 3
			2020: 4	2019: 4
			2022: 0	2021: 0
		Number of work-related fatalities (per 1,000 persons)	2021: 0	2020: 0.0466
			2020: 0.0648	2019: 0.0643
		Lost days due to work injury of domestic employees (day)	8,028	14,603

ESG Indicators	Level 1 Indicator	Level 2 Indicator	2022	2021
B3 Development and Training	Training coverage rate of contract employees (%)		85.45%	89.53%
	– By gender	Male	88%	90.37%
		Female	72.95%	84.98%
	– By employee	Senior management	68.81%	75.95%
		Middle management	69.90%	72.47%
		General staff	86.44%	90.53%
	Average training hours of contract employees (hour)		78.52	20.02
	– By gender	Male	85.08	20.05
		Female	46.27	19.92
	– By employee	Senior management	44.64	41.11
		Middle management	35.17	30.78
		General staff	81.11	19.64
B5 Supply Chain Management	Total suppliers		4,111	2,485
	– By geographical distribution	Mainland China	86%	93%
		Overseas	14%	7%
	System certi-fication	Quality management system certi-fication	64%	54%
		Occupational health and safety management system certi-fication	40%	30%
		Environmental management system certi-fication	41%	32%
		Signed the Sunshine Cooperation Agreement (or Commitment)	64%	80%
		Annual supplier performance assessment	63%	81%
		Annual supplier performance assessment covering environmental and social issues	64%	54%
	New suppliers added during the year	Number and Proportion of new suppliers added during the year	207, 5%	94, 4%
		Proportion of new suppliers that accepted assessment covering environmental and social issues during the year	62%	60%
		Number and proportion of existing suppliers that accepted reassessment during the year	788, 19%	607, 24%
		Proportion of existing suppliers that accepted reassessment covering environmental and social issues during the year	54%	90%
	Comprehensive procurement	Number of suppliers whose cooperation was terminated during the year	9	2
		Number of suppliers whose cooperation was terminated due to environmental and social issues during the year	1	0
		Proportion of suppliers that were trained due to environmental and social issues during the year	31%	37%
		Proportion of purchase amount on the electronic platform	46%	66%
		Proportion of purchase amount from strategic cooperative suppliers	27%	35%

ESG Indicators	Level 1 Indicator	Level 2 Indicator	2022	2021
B6 Product Responsibility (Product Safety, Intellectual Property Protection, Information Security)	Product quality	Percentage of product recall	0	Vehicle segment: 0.0445%; Others: 0
		Number of customer complaints	The Group: 4	The Group: 12
		Customer satisfaction rate (average)	94.7% on average, of which the highest are energy and chemical, airport and recycled load segments of 97.0%	93.48% on average, of which the highest is recycled load segment of 96.20%
	Patent	Number of authorized invention patents during the year	106	75
		Number of authorized patents during the year	498	397
		Total number of authorized patents	4,934	4,883
		Total number of trademark applications	306	221
		Total number of trademark registrations	249	186
		Total number of Chinese patent awards	17	13
	Information security	Number of complaints received for leaking information on consumers	0	0
		Information security incidents	0	0
	Legal cases regarding corrupt practices	Total number of legal cases regarding corrupt practices	0	0
		Number of concluded legal cases of the cases	0	0
B7 Anti-corruption	Effective whistle-blowing	Number of effective whistle-blowing	21	13
		Processing rate of effective whistle-blowing	21	13
	Anti-corruption training	Participants of anti-corruption training	7,441	4,017
		Anti-corruption training coverage among directors and supervisors	100%	97.19%
B8 Community Investment	Public welfare activities	Number of public welfare activities among the Group: (times)	292	25
		Donation amount for the year among the Group (RMB ten thousands)	1,566.8	957.3
		Volunteer service among the Group: (hours)	13,267.5	6,325
		Volunteer service: (participants)	2,682	405

- (1) B1 Employment: total number of employees= contract workers + others (i.e. dispatched workers, outsourced workers, interns and trainees, etc.), covering employees within China and overseas (including Hong Kong SAR, Macau SAR and Taiwan region);
- (2) B2 Health and Safety: the total number of work-related fatalities is for global employees; as of December 31, 2022, based on the government's determination of production safety liability;
- (3) B3 development and training: including the Group headquarters, containers, vehicle, energy and chemical, offshore engineering, logistics, airport, load business, financial leasing, Finance Company, capital, Tongchuang, IoT, security, rear services, factoring, CIMC fresh produce, and does not include overseas subsidiaries;
- (4) B5 supply chain management: the scope has changed from 2021, the container segments have expanded to the satellite business; the vehicle segment has added non-production material suppliers; the airport segment has added new business suppliers, accounting for 76% of the total purchase cost of materials;
- (5) B6 Product liability information security: including the Group headquarters, container, vehicle, energy and chemical, offshore engineering, logistics, airport, load business, Heavy Trucks, Finance Company, and financial leasing; excluding capital, Tongchuang, and IoT;
- (6) B8 community investment: including the Group headquarters, container, vehicle, energy and chemical, offshore engineering, logistics, airport, load business, Heavy Trucks, Finance Company, Tongchuang, and IoT.

01

Topic

Over the journey of our development for forty years, we remain true to the original aspiration and strive for self-improvement

On September 22, 1982, in Shekou, Shenzhen, the forefront of reform and opening up, CIMC, which was entrusted with the dream of serving the country with industry, officially went into operation. Over the past 40 years, CIMC has gone through trials and tribulations and forged ahead bravely, becoming a diversified and global multinational enterprise group with leading positions and extensive influence in many industries around the world.

In its development over the past 40 years, CIMC, as a world-leading supplier of equipment and solutions for the logistics and energy industries, took the initiative to embark on a sustainable development path in line with the development strategy of the new era. While providing high-quality and reliable equipment and services for the logistics and energy industries, CIMC always regards creating sustainable value for the society as its own mission. As a participant in China's efforts to pursue "dual carbon" and common prosperity, CIMC also adheres to "Made in China" and "Intelligently Manufactured in China" in reform and innovation, and has made outstanding contributions to the industry, the motherland, and the human society.

Unremitting pursuit of perseverance and excellence

On September 22, 2022, CIMC grandly held a celebration meeting for the 40th anniversary of its commissioning in Shenzhen, summarizing the way to success, describing the development vision, encouraging excellent benchmarks, and inheriting CIMC culture. On the occasion of the 40th anniversary, CIMC's 40th anniversary historical documentary was filmed and screened immediately. The documentary has a total of 40 episodes, covering the major historical milestones and key events in the development of CIMC. Taking "unremitting pursuit of perseverance" as the theme, the documentary presents and conveys the representative corporate spirit of CIMC, and pays tribute to all employees who have contributed to the development of CIMC with blood and sweat in the past 40 years.



People-oriented, common cause

CIMC advocates the core human resources concept of "people-oriented, common cause", builds a business community of "shared results and shared risks", and combines the development direction of the enterprise with the goals of employees to achieve the common development of both the enterprise and employees. Through CIMC's business platform, employees forge ahead, display their talents, realize their own life values and ideals, and turn the "CIMC Dream" of a fulfilling, rich and wonderful life into reality.



Continuous improvement with greater initiative and innovation

In recent years, CIMC has continuously promoted the research and development of intelligent products and services as a part of its transformation and upgrading. CIMC applies advanced technologies such as the Internet of Things and artificial intelligence to superimpose the advantages of CIMC products, and has successfully developed and put intelligent products such as intelligent tank containers, unmanned jet bridges, and intelligent three-dimensional parking garages into production. Through advanced intelligent equipment and services, CIMC has been assisting customers in improving the efficiency and effectiveness of global logistics and energy transportation.



Environment

Over the past 40 years, CIMC has continuously implemented the concept of "safety, health, and green operation" and achieved steady improvement in environmental performance. It adheres to "CIMC Green Development Plan" as a guide, aiming at creating green factories, continues to accelerate the upgrading of intelligent manufacturing of production lines, focuses on energy conservation and carbon reduction of core factories and champion products, constantly promotes energy conservation and emission reduction, and facilitates the coordinated development of green manufacturing, green products, and green finance.

Society

Over the past 40 years, CIMC has continuously advocated the concept of "people-oriented, common cause" and realized the vigorous development of CIMC's business community. It insists on carrying forward the corporate spirit reflected by CIMC's unremitting pursuit of excellence. CIMC builds an employee training and development system as it pays attention to protecting rights and interests, safety and health of employees. CIMC initiates the establishment of CIMC Charity Foundation, and implements business measures in the direction of rural revitalization, and supports the development of local economic and social public welfare undertakings.

Governance

Over the past 40 years, CIMC has gradually moved from a corporate governance structure characterized by balanced shareholding between two shareholders to a group enterprise and a global operating system of "global operations, local wisdom", and has been successively listed on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange. The work and operation mechanism established by the group, with the board of directors as the top responsible and decision-making organization for ESG matters, has been gradually refined. It adheres to the compliance management concept of "governing the enterprise according to the law, with honesty and credit", and comprehensively strengthens corporate risk management.

Economy

Over the past 40 years, CIMC has gradually expanded its business from containers to many star products such as "Blue Whale No. 1". The Group continues to abide by the principle of "stable operation and quality growth", and always adheres to the positioning of the manufacturing industry, with an aim at creating champion products. Guaranteed by the promotion of excellent operations, the Group relies on technological innovation and intelligent manufacturing to actively expand advantageous businesses and strategic emerging businesses.

40-Episode Series on History of the CIMC Group
Documentary "The Journey of the Common Cause"
Episode 1: The Birth of CIMC



Scan by Wechat to watch the video



In 1982

- The first containers rolled off the production line.

In 1987

- After reorganization of the CIMC, its corporate governance structure featuring a balanced shareholding between two shareholders has been maintained and improved at this stage.
- CIMC explored market in Japan as its first step to develop business in the international market.



In 1990

- CIMC's first jet bridge was delivered to Tianjin Airport.
- "Song of CIMC" was created



Serving the Nation by Developing Industry Amidst Adversity
1980-1991



In 2003

- The acquisition of HPA Monon lifted curtain on CIMC's journey towards overseas mergers and acquisitions, marking that CIMC commenced to develop a global operation system with Chinese advantages, thus giving full play to "global operations, local wisdom".

In 2006

- CIMC won the order of more than 120 jet bridges for the second terminal of Beijing Capital Airport, and CIMC jet bridges thus became a name card of "Made by CIMC"

In 2007

- The two mergers and acquisitions of CIMC, CIMC's tank products to storage tank business, tank equipment, gas equipment, and liquid equipment.



Promoting Diversified Development for a Global Presence
2000-2009

In 1993

- Container production bases were successively established in coastal cities, leading to a unique business model in which comprehensive customer service capability is extended to all coastal regions of China.
- Construction of the headquarters was commenced, marking that the company was transformed from a monolithic enterprise to a group enterprise.

In 1996

- The sales volume of dry cargo containers reached 199,000 TEUs, making CIMC the world's largest manufacturer of dry cargo containers and CIMC maintained such position so far.

In 2001

- A new strategy of "providing equipment and services for modern transportation" was established.

In 1991

- "Container News" started its publication

In 1994

- The B shares and A shares of CIMC were listed and traded on the Shenzhen Stock Exchange successively.

In 1998

- The quality evaluation of JR containers has shown that the product quality surpassed the quality of products of Korean manufacturers and was at the same level as that of Japanese manufacturers, which greatly improved the quality awareness of employees.

Becoming the Champion Through Self-reliance and Self-improvement 1992-2000

In 2008

- CIMC established the "CIMC Lean ONE Model" and continuously enriched its connotations. Today, in CIMC's production and management frontline, the ONE culture of "Optimization Never Ending" has been well recognized by its employees.

In 2011

- A hierarchical management system of "Group Headquarters – Business Segment Headquarters – Members" began to take shape.
- 5S management and control system was introduced and improved.

In 2012

- A major breakthrough was made in the research and development of composite bamboo floor, and independent intellectual property right for the floor was obtained, which contributed to a major change in the container industry. CIMC therefore won the second prize of State Science and Technology Advancement Award.
- CIMC was listed on the Main Board of the Hong Kong Stock Exchange.
- As a pilot enterprise for internal control of companies listed on the main board of the Shenzhen Stock Exchange, it achieved excellence in the internal control and became a benchmark for internal control system for listed companies in China.

In 2014

- In the manufacturing fields of semi-trailers, containers, energy and chemical equipment, etc., CIMC explored the integration of informatization and industrialization to accelerate the transformation and upgrading to intelligent manufacturing.
- CIMC E-Commerce was established, the first enterprise of CIMC engaging in mass entrepreneurship and innovation, with core employees holding shares and strategic investment being introduced

In 2017

- "China Container Industry Association Green Action Declaration" was officially released, which, as the industry's first green action declaration, effectively reduced the VOCs emissions of the container industry, and was promoted nationwide as a model of environmental protection and emission reduction by the Ministry of Ecology and Environment.
- "Bluewhale 1", the ultra-deepwater semi-submersible drilling platform with two rigs, undertook the first pilot production of submarine combustible ice of China with great success.

In 2022

- The first LNG new energy cement tank ship constructed by the Inland Waterway Green Development Demonstration Project of Guangdong Province was completed and delivered, providing green logistics solutions for cement ships across Xijiang River.
- CIMC Charity Foundation with public welfare education as the core value was formally established, being committed to making more contributions to the national education cause.

The first domestic LNG new energy cement tanker



Scan to watch the video

Transformation and Upgrading with Quality Growth 2010-2022



02
Topic

Innovation and green facilitate high-quality development and long-term growth

Ecological conservation is of vital importance for the sustainable development of the Chinese nation, and green development is indispensable for ecological conservation. In January 2023, the State Council released the white paper Green Development of China in the New Era, proposing to “vigorously develop strategic emerging industries, guide the orderly development of resource-based industries, continuously adjust and optimize industrial structures, promote the green transformation of traditional industries, and drive green and low-carbon development of resources, and advance the environmental production methods such as conservation and intensive utilization of resources”.

“Innovation” drives development, and “greenness” leads the future. As an enterprising, pioneering and devoted market player, CIMC has been committed to contributing to the high-quality development of the industrial economy of China. CIMC has always been acting as a “pioneer”, and based on its main business, it constantly trying various innovation and green transformation arrangements, and actively exploring emerging business.

In addition, in recent years, on the basis of its own industrial advantages, CIMC has accelerated tapping potential in green material industries such as bamboo floor, renewable fiber development, and continuous fiber thermoplastic composite materials, so as to contribute to efforts of China and enterprises of CIMC to promote green and low-carbon development, and help relevant regions get rid of shackles of poverty and achieve prosperity, bringing about both economic and green benefits, and truly practicing the green development concept that “Lucid Waters and Lush Mountains Are Invaluable Assets”.

Case of Container Segment No. 1

The China’s first automatic powder coating production line unveiled

In August 2022, CIMC’s Container Segment, Xinhui CIMC’s “full-container full-automatic powder coating production test line” was unveiled. That was also the first domestic automatic powder coating production line for containers, and could essentially achieve “clean production” of coating with zero wastewater, exhaust gas and solid waste.



Case of Vehicle Segment No. 2

CIMC Lingyu new energy mixer truck family

CIMC Lingyu officially commenced its R&D and application of new energy special-purpose vehicles in 2019. We have cooperated with all major OEMs, and our new energy products such as hybrid products, direct-charging products, battery swap products and electric drive bridge are well received by many customers. Our market share has increased while we are making positive contributions to the realization of the “dual carbon” goal.



Lingyu New Energy Mixer Truck

Representative green products

Environmental features

Container Manufacturing Segment

Products manufactured through green and low-carbon processes:

- Marine dry container
- 53-foot special container
- Reefer container

The Container Segment called for water-based paints to replace oil-based paints in the industry, and in 2022, it developed the first domestic production line for automatic coating of container with powder coating, which could essentially realize "clean production" in the coating process.

Road Transport Vehicle Segment

Lightweight products:

- Semi-trailer for transportation of dry mixed mortar
 - Alloy steel tank for acid and alkali
 - Semi-trailer for powder and particles
- New products:
- K2 New environment-friendly foam refrigerated truck

The materials for lightweight products are upgraded to high-quality and high-strength steel and other materials, which realizes high strength and light weight, and reduces the self-weight of the semi-trailers and other products. The new products use cyclopentane as the foaming agent to reduce the damages against the ozone layer.

Energy, Chemical and Liquid Food Equipment Segment

Natural gas related products:

- LNG, CNG transportation vehicles, vehicle bottles, cryogenic tanks, and marine fuel tanks, etc.

Hydrogen related products:

- R&D and production of hydrogen storage and transportation equipment;
- Integrated solution for hydrogen refuelling station

Natural gas related products:

Transport clean fuels such as LNG and CNG to accelerate the popularization and application of clean energy.

Hydrogen related products:

Storage and transportation equipment can accelerate the popularization and application of hydrogen energy, hydrogen refuelling stations can promote the popularization of hydrogen energy can facilitate the use of hydrogen energy.



Case of Marine Engineering Segment No. 3

China's first hydrogen-powered cogenerating mobile skid equipment developed by Shijiazhuang Enric

In February 2023, China's first hydrogen-powered cogenerating mobile skid equipment jointly developed by Shijiazhuang Enric, being CIMC's Energy and Chemical Segment, and Panasonic was unveiled in an exhibition. Such equipment is the first mobile pure hydrogen fuel cell project under the cooperation of Shijiazhuang Enric and Panasonic. The equipment effectively extending, supplementing and strengthening chains of the hydrogen energy industry, and injects more new drivers into the industry.



Case of Other Segment No. 4

3060 series offshore wind power installation vessel of CIMC Offshore

In 2022, CIMC Offshore and its partners jointly initiated the development plan of "high-end, high-efficiency, and low-cost 3060 series offshore wind power installation vessel". According to the plan, they initiated the construction of a new generation of wind power installation vessels in the world. The wind power installation vessels use methanol/diesel dual fuel, which can significantly reduce exhaust gas and greenhouse gas emissions.



Marine Engineering Segment

- Offshore wind power services: initiating the construction of "3060 series of offshore wind power installation ships"
- Providing comprehensive sea area development solutions based on offshore photovoltaics

The new-generation wind power installation ships use methanol/diesel dual fuel, and the PCC/PCTC dual-fuel car carriers use fuel/gas dual-fuel power main engine to reduce emissions of greenhouse gases, sulfur oxides, and nitrogen oxides.

Logistics Service Segment

Focusing on railway-related multimodal transportation business:

- Sea-rail combined transportation products
- International railway transportation products
- Road and rail combined transportation products
- Rail-water combined transportation products

CIMC Wetrans actively implemented national policies such as multimodal transportation and "road to rail", and reduced carbon emissions by more than 200,000 tons in 2022 compared with road transportation of the same mileage.

Recycled Load Segment

Comprehensive solution for recyclable packaging

Providing comprehensive solutions for recyclable packaging to help customers achieve cost reduction, efficiency enhancement, and green development.

Finance and Asset Management Segment

- Green loans
- Blue bonds

CIMC Finance issued a total of RMB117 million in green financial loans in 2022, with a balance of green loan of RMB128 million.

Other

CIMC IoT smart travel products and solutions:

- Mechanical three-dimensional garage for new energy buses
- Smart City Big Data APP
- Container-truck mechanical three-dimensional parking garage

Prefabricated buildings:

- Module design of steel structure MiC and concrete MiC, module manufacturing process, logistics transportation and installation, LCL and node processing, whole process management

CIMC IoT is based on advanced Internet of Things technology, and its smart travel products and solutions are both practical and environment-friendly.

The prefabricated buildings facilitate the modern construction industry for development characterized by integration of industrialization, green and intelligence.



Case of Energy and Chemical Segment No. 5

CIMC Wetrans' "sea-railway train between Changzhou-Shanghai port" contributes to energy conservation and emission reduction

The Changzhou Line of CIMC Wetrans' Shanghai Port Sea-Railway started service in January 2019. With the support of Shanghai Port Sea-Railway and railway departments, it operates 10 trips per week stably, with a heavy container rate of over 95%. In 2022, it achieved the transportation of about 50,000 TEUs of heavy containers, saving approximately 2,800 tons of standard coal in energy consumption and carbon reduction, and won the title of "Shanghai Port Sea-Rail Demonstration Base"



Case of Recycled Load No. 6

Case: Metal and plastic recycled loads replace primary packaging for less waste and pollution

The metal and plastic recycled loads for which CIMC Transpack, the entity of the Group that operates the metal and plastic recycled load segment, has focused on efforts to develop, can replace primary packaging in a large number, reducing waste and pollution. Taking the recycled packaging box of CIMC Transpack for automotive engine transmission as an example, the product can replace 70% of traditional wooden boxes, saving nearly 700,000 wooden boxes for the industry every year, with great social value and economic benefits.



Strengthening Responsibility Management

CIMC Group attaches great importance to the sustainable development of the Group. It actively responds to the Sustainable Development Goal 16 of the United Nations, and lawfully operates its business according to the concept of “compliance with corporate governance laws and acting in good faith”. In this regard, CIMC Group strengthens corporate social responsibility management, continuously improves its governance and management mechanisms, handles sustainable development risks and seizes business opportunities despite the incidental risks. CIMC Group ranked 84th on the Fortune China Top 500 for 2022.



Our Actions:

- To consolidate and support the ESG leadership role of the Group and its subsidiaries;
- To incorporate the key topics that stakeholders are concerned about into the business plans of the Group's operation and management and promote them
- To explore digital risk control, strengthen special risk governance, and promote the development of independent risk control environment;
- To continuously improve the communication mechanism to enhance information disclosure and external interaction;
- To strengthen ESG training and publicity to improve ESG awareness of all employees;
- To strengthen information security management system and management measures.

Our Efforts:

- To implement sustainable development strategy, and improve and achieve sustainable development goals;
- To continuously optimize ESG data and reporting system;
- To promote the inclusion of ESG reports into CIMC's 5S management system so as to make improvements in material topics;
- To create a practical and effective risk control system that can actively prevent and control risks;
- To continuously improve the depth, breadth and strength of regular stakeholder communication;
- To enhance the comprehensive risk management capability in information security.

Our Achievements:

- The “compliant operation and legal corporate governance” have been implemented effectively;
- Digital risk control modeling pilot has been implemented to achieve the transformation and upgradation of risk control;
- ESG governance system was in effective operation, and “Report-based Management” was taken to a higher level;
- We were awarded 22 social responsibility awards;
- CIMC was selected to be included in the “2022 outstanding ESG practice cases of listed companies of China Association for Public Companies”, “Golden Key – China's Excellent Solution Collection for Sustainable Development”, “Market capitalization analysis of Shanghai and Shenzhen A-shares listed companies (2022)”, and “100 Enterprise Cases for High-quality and Low-carbon Transformation”.

Highlights of CIMC in 2022



Scan by Wechat to watch the video



Corporate Governance and Interactive Communication

Shareholders' Status

As of December 31, 2022, the Company recorded the total share capital of 5,392,520,385 shares, including 2,302,682,490 A-shares and 3,089,837,895 H-shares. Shenzhen Capital Holdings and China Merchants Group were the two major shareholders of the Company. Please refer to the 2022 Annual Report for the equity structure diagram of the Company for 2022.



The total issued share capital of the Group was

5,392,520,385

shares

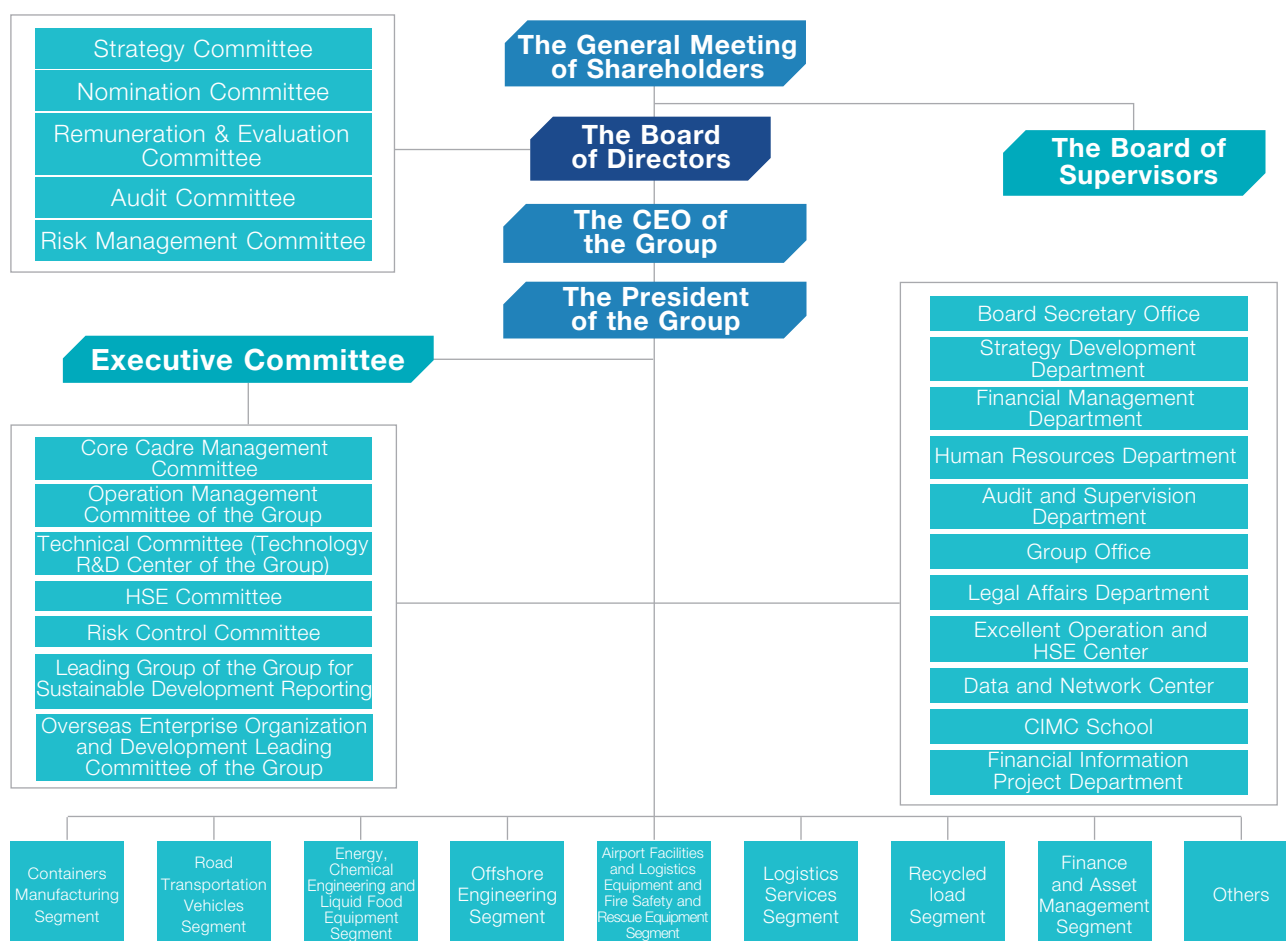
2,302,682,490

A-shares

3,089,837,895

H-shares

Governance Mechanism



The Company has established a corporate governance structure that meets the requirements of modern enterprise management, ensures the full exercise of respective functions and mutual checks and balances. In accordance with the Articles of Association and a series of rules and regulations such as the rules of procedure of the General Meeting of Shareholders, the Board of Directors and the Board of Supervisors, the functions and responsibilities of the General Meeting of Shareholders, the Board of Directors and the Board of Supervisors were fully performed by giving full play to the role of independent directors and special committees of the Board of Directors, and the functions and responsibilities of the General Meeting of Shareholders, the Board of Directors and the Board of Supervisors were performed in a balanced way, effectively safeguarding the interests of shareholders and the Company and ensuring the sustainable and healthy development of the Company.

(1) The General Meeting of Shareholders

Strictly in accordance with the requirements of the Rules for the General Meetings of Shareholders of Listed Companies issued by the China Securities Regulatory Commission, the Group has established the Procedural Rules for General Meetings of Shareholders of China International Marine Containers (Group) Co., Ltd., specifying that the General Meeting of Shareholders is the supreme authority of the Company, and ensuring all shareholders, especially the small and medium shareholders, enjoy equal status and fully exercise their power. When holding the General Meeting of Shareholders, the Group usually arranges the directors and management members to communicate on-site with the investors present at the meeting.

The details of the general meetings of shareholders in 2022 are as follows:

Session of the General Meeting of Shareholders	Date of meeting	Investor participation ratio
The First General Meeting of A-Share Shareholders in 2022	June 28, 2022	31.80%
The First General Meeting of H-Share Shareholders in 2022	June 28, 2022	81.23%
2021 General Meeting of Shareholders	June 28, 2022	60.13%
The First Extraordinary General Meeting of Shareholders in 2022	August 3, 2022	59.49%
The Second Extraordinary General Meeting of Shareholders in 2022	September 28, 2022	59.28%
The Third Extraordinary General Meeting of Shareholders in 2022	November 14, 2022	59.30%

Note: The investor participation ratio of the Separate Meeting of Classes of Shareholders refers to the ratio of the number of shares held by the participating investors to the total number of voting shares of the class. The investor participation ratio of the Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders refers to the ratio of the number of shares held by the participating investors to the total share capital of the Company.

(2) The Board of Directors

The Board of Directors of the Company is elected by the General Meeting of Shareholders and is accountable to the General Meeting of Shareholders. Its basic responsibilities are to provide strategic guidance to the Company and effectively supervise the management personnel, so as to ensure the interests of the Company and be accountable to the shareholders.

1) Composition of Board of Directors

The eight incumbent directors of the 10th Board of Directors of the Company all have extensive and rich business and management experience. Among them, three independent non-executive directors take pride in profound academic/professional qualifications and rich industrial experience in financial, legal, management and other fields. In particular, the independent non-executive director Mr. Yang Xiong has appropriate accounting and financial management expertise; the independent non-executive director Mr. Zhang Guanghua has appropriate management expertise; and the independent non-executive director Ms. LUI FUNG Mei Yee, MABEL has appropriate legal affair management expertise. The professional expertise and rich experience of the incumbent directors help the Board of Directors strictly review and control the management procedures, and ensure the interests of all shareholders, including small and medium shareholders. Among other things, the Company stipulates the policy that the members of the Board of Directors should be diversified, that is, the candidates for the Board of Directors shall be selected based on a series of diversified factors, including but not limited to gender, age, cultural and educational background, professional expertise, skill and knowledge. On this basis, the decision shall be made based on the candidates' comprehensive value for the business and development of the Company, value created for the Board of Directors and objective conditions that can assure the diversification of the members of the Board of Directors of the Company. The Board of Directors thinks that the current practices of the Company satisfy the diversification requirements defined by the Listing Rules of Hong Kong Exchanges and Clearing Limited for the members of the Board of Directors.

2) Special committees under the Board of Directors

The Board of Directors of the Company has set up five professional committees, namely, Audit Committee, Remuneration & Evaluation Committee, Strategy Committee, Nomination Committee and Risk Management Committee. The special committees have the functions and obligations in accordance with the Guidelines on the Governance of Listed Companies, the Listing Rules of the Stock Exchange, the Articles of Association, the Rules of Procedure of the Board of Directors and the implementation rules of each professional committee, and earnestly perform duties.

(3) The Board of Supervisors

The Board of Supervisors of the Company is accountable to the General Meeting of Shareholders. All supervisors can earnestly perform their duties in accordance with the provisions of the Articles of Association, attend all board meetings as nonvoting delegates and insist on reporting to the General Meeting of Shareholders; be able to supervise the legality and compliance of the Company's finance, internal control and the performance of duties by the Company's directors, presidents and other senior executives in the spirit of being responsible to all shareholders.

Information Disclosure

As a listed company, the Group has performed the information disclosure obligation in strict accordance with related laws and regulations, including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines on the Governance of Listed Companies, the Listing Rules of the Shenzhen Stock Exchange, the Listing Rules of the Hong Kong Exchanges and Clearing Limited, and the Articles of Association. In 2022, CIMC Group revised the Investor Relations Management System, the Articles of Association, the Procedural Rules for General Meeting of Shareholders, the Procedural Rules for the Board of Directors, the Procedural Rules for the Board of Supervisors and the Management System of Connected Transactions. Adhering to the concept of authenticity, accuracy, integrity, timeliness and compliance, the Group disclosed periodic reports, interim announcements and other documents on designated media. The Group obtained the A-level information disclosure assessment of the Shenzhen Stock Exchange from 2017 to 2021 for five consecutive years.



A total of **533** announcements were disclosed in 2022
Including **167** A-share announcements
183 H-share announcements in Chinese
183 announcements in English

Investor Relations

In 2022, CIMC Group attached importance to and devoted itself to improving investor relations management, followed the principles of “compliance, equality, initiative, integrity and trustworthiness”, and formed a corporate culture of serving and respecting investors. In order to further improve the Company's investor relations management level, effectively protect the legitimate rights and interests of investors, in particular for small and medium-sized investors, and enhance the Company's value, the Group has revised, supplemented and improved the Company's Investor Relations Management System in accordance with the latest Guidelines on Investor Relations Management of Listed Companies issued by the CSRC in April 2022 and other relevant laws, regulations and rules, and in combination with the actual situation of the Company. The latest Investor Relations Management System of the Group further clarifies the definition, scope of application and principles of investor relations management, adds and enriches the contents and methods of investor relations management of the Group, strengthens the constraints within the Group from the standpoint of investors, and assumes the primary responsibility for the reasonable and legal demands of investors.

In daily communication, the Group adheres to the principle of equal opportunities for investors. In order to protect the rights and interests of small and medium-sized investors, the Company ensures smooth communication with investors to the greatest extent through phone call, on-site reception and other means; the Group strengthens the construction, operation and maintenance of investor network communication channels, sets up an investor relations column on the Company's official website, collects and replies to investors' consultations, complaints and suggestions, etc., and timely releases and updates relevant information on investor relations management. It is helpful for investors to comprehensively, objectively and accurately understand the information disclosed by the Company and enhance market recognition. it is also helpful for the Company to improve its management and operation by obtaining the opinions and suggestions of investors on the Company. The measures taken by the Company in investor communication mainly include:

- At the General Meeting of Shareholders, an investor exchange activity is set up to share the Company's strategic direction, business layout, business status and prospects, and invite senior executives with comprehensive business knowledge of the Group to participate in investor exchanges and listen to and answer investors' questions.
- Actively communicate with investors through investor reception days, daily or temporary arrangements to have investors for investigation or visits, etc.
- Strengthen investors' understanding of the Company's business and operation through direct online communication such as phone call, email and online conference.
- Through irregular participation in roadshow activities, securities trader strategy meetings organized by professional investment management platforms and other meetings.
- Set up an “Investor Relations” column on the official website of the Company to publish and update relevant information such as company announcements, securities information, performance presentation (业绩推介) and display.
- Actively respond to investors' enquiries about the Company through the “Easy Interaction” platform of Shenzhen Stock Exchange.

In 2022, the Group answered investors' questions nearly 80 times through the hotline and 110 times through the Easy Interaction. The total number of online and offline surveys was 45 and 7 respectively. The Group actively solicited and sorted out the opinions of shareholders, submitted them to the management of the Company in the form of monthly customs reports and other official documents, absorbed reasonable opinions and suggestions, actively studied and implemented the plan, and empowered the operation and management.

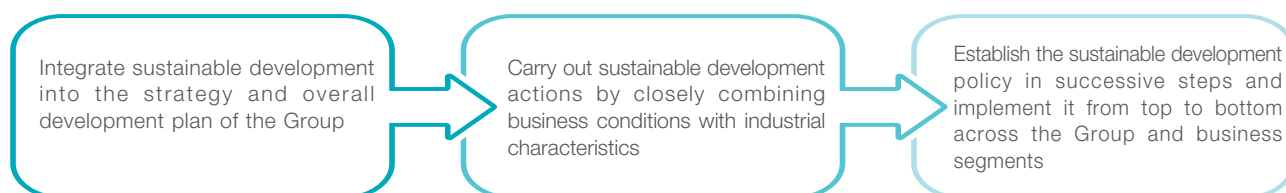
Sustainable Development Management

Adhering to the mission of “providing high-quality and reliable equipment and services for logistics and energy industries, bringing good returns to shareholders and employees, and creating sustainable value for society”, CIMC Group used its international vision and standards to blaze a path to serving the country and made continuous efforts to optimize its sustainable development management.

Implementing the Concept of Sustainable Development

Regarding sustainable development as a vital component of driving the growth, progress and core competitiveness of the Company and the gene of high-quality development and long-lasting business of the Company, CIMC Group has integrated sustainability into the Company’s mission, culture and values, and incorporated sustainable development practices into the routine operation and management activities of the Group and its subsidiaries and in the communication with stakeholders.

CIMC Group has pursued the realization of the Sustainable Development Goals (SDGs) of the United Nations and considered the impact of its activities on society and resolved the social issues from a long-term perspective. We have made contribution to social development by taking tangible action and working with all stakeholders. Therefore, CIMC Group will devote a long-term commitment to strengthening and promoting rich, diversified and effective sustainable development practices in E (environmental protection), S (social responsibility) and G (corporate governance), and strive to achieve the organic unity of economic, environmental and social responsibilities, so as to build a sustainable business and bring about better times.



Implementing the Sustainable Development Strategy

CIMC Group has formulated and implemented its sustainable development strategy unswervingly, ensuring clear planning and arrangements in the areas of E (environment), S (society) and G (governance), while fully considering the risks and challenges of sustainable development.

■ Strategic topics:

Firmly adhere to the strategic topics of “sound operation and qualitative growth”, focus on logistics and energy, expand the domestic market, focus on the industrial opportunities of rural revitalization and carbon neutrality, focus on the arrangements of smart logistics vehicles, cold chain equipment, automatic logistics equipment, multimodal transport, clean energy and other strategic emerging businesses, and arrange and explore forward-looking industries through innovation incubation, industrial funds and other ways.

■ Addressing climate change:

Addressing climate change has become the current global focus. CIMC Group is deeply aware of the importance, necessity and urgency of participating in global climate governance and promoting the realization of the two-carbon goal, and actively takes relevant actions to address climate change. We have incorporated climate change issues into the Group’s sustainable management system and have begun to explore the disclosure framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD), gradually establish a climate change management framework, strengthen climate change risk management, and pay attention to the green and low-carbon development opportunities of logistics and energy industry.

Based on their own business and operation characteristics, CIMC Group and its subsidiaries identify the possible impact of climate change on CIMC's business and finance from the perspective of climate change-related risks and green and low-carbon transformation opportunities. According to different levels of risk, the Group and its subsidiaries take corresponding measures. When the severity of the risk does not become a crisis event, establish corresponding management procedures to prevent and control the risk. When the risk is more likely to become a crisis, it should be included in the crisis management.

We actively respond to the national “30 • 60 carbon peaking and carbon neutrality goals”, systematically plan and take the initiative to integrate the concept of green and low carbon development into the whole process of production and operation, implement the policy of energy conservation and carbon reduction, independently develop and use the carbon emission data reporting and management system, innovate the technology of resource conservation and recycling, and develop special work such as photovoltaic power generation to improve the utilization rate of clean energy, making continuous progress and improving year by year, minimize the impact on the environment and help the country achieve the “carbon peak and carbon neutrality” goal.

We have disclosed environmental and carbon emissions data and related work to address climate change in our annual sustainable development report. In 2023, ESG reporting leadership team of CIMC has included climate change as a key research topic, and will identify, assess and manage relevant risks and opportunities in accordance with the following CIMC climate change management framework with reference to TCFD recommendations and relevant HKEx requirements, and gradually strengthen the management capability of climate risks and opportunities to facilitate the sustainable development of the Company.

CIMC Climate Change Management Framework
(exploration + establishment + continuous optimization)



ESG Management

CIMC Group takes a positive attitude to improve sustainable development management for contributing to the realization of high-quality development. In effect, “ESG report for management” is an institutional arrangement for CIMC to promote its sustainable development. We have promoted the continuous improvement of CIMC’s sustainable development management level by taking the strong ESG management structure as the cornerstone, the sound sustainable development management system as the system, the promotion of management improvement and the promotion of ESG performance as the goal, and the cultivation of talents and the shaping of culture as the foundation.

A relatively complete set of “six implementation” management system for promotion and improvement of routine work has been established for “reporting for management”. We not only embody management in operation, but also require closed-loop management in the whole process, with measurement, evaluation and improvement mechanisms, and fully implement the principles of PDCA on the basis of the Group’s 5S system. The Group establishes a clear annual work plan and budget and “promotes management through preparation”. The process of report preparation is regarded as a process of checking and evaluating the operation of sustainable development, and therefore puts forward suggestions for management improvement.

ESG reporting: Two management activities

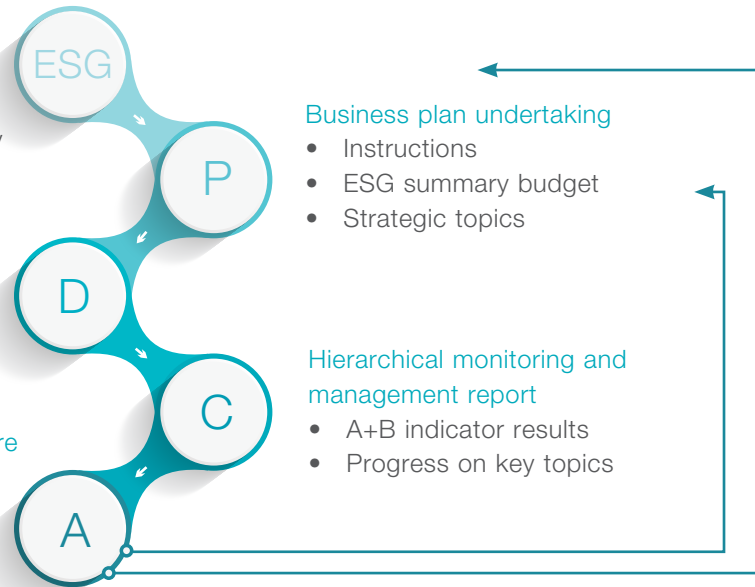
- Investigation on stakeholders (list of important topics)
- Statement of the Board of Directors(key topics)

Implementation of hierarchical management

- Group
- Sectors
- Enterprises

Three-level reporting and external disclosure

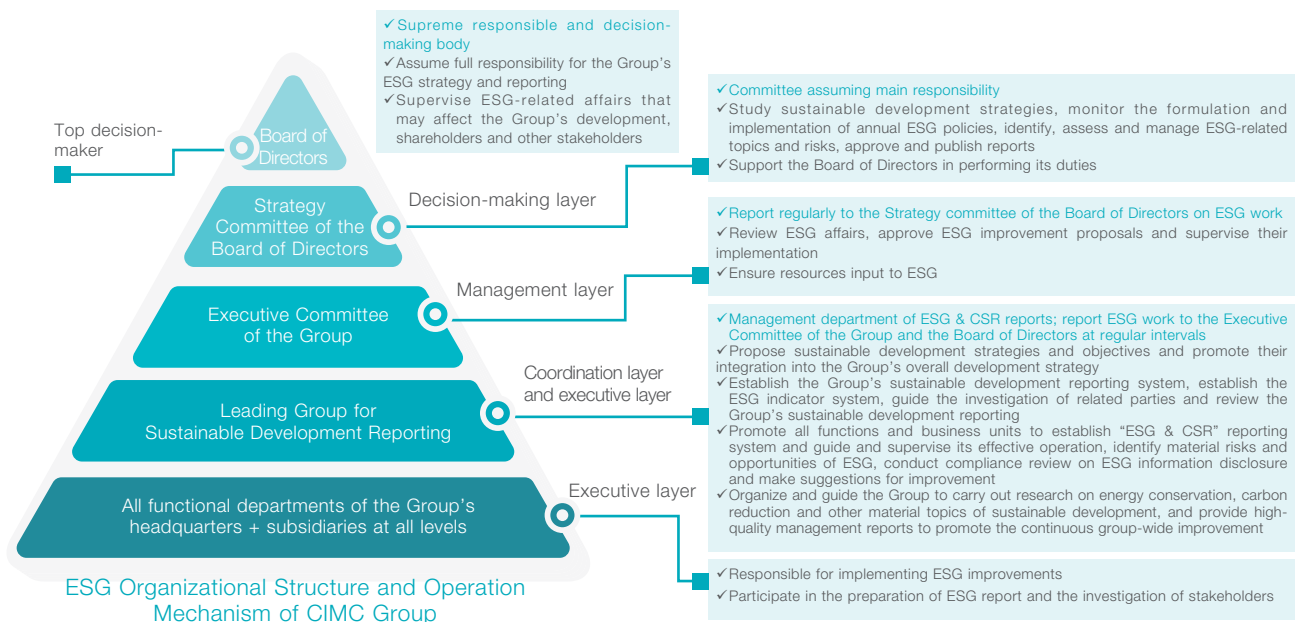
- Report of the ESG Committee
- Report of the Executive Committee
- Report of the Board of Directors



1. Implementing the ESG management structure and operation working mechanism to ensure that all levels perform their duties and responsibilities

We persistently improve the ESG management structure, and starting from the clarification of functions, integrate ESG management into the Group's existing organizational structure, making the ESG management an organic part of the Group's management system. The ESG Working Mechanism of China International Marine Containers (Group) Co., Ltd. reviewed and approved by the Board of Directors of the Group in 2020 clarifies the ESG responsibilities and operation modes at all levels. The Rules for the Implementation of the Strategy Committee of the Board of Directors of China International Marine Containers (Group) Co., Ltd. was revised to clarify the responsibilities of the Strategy Committee in ESG. As a result, CIMC establishes a mature and efficient ESG organization system and operation system characterized by up-down linkage.

The Board of Directors of the Group is the supreme authority of ESG affairs. The Strategy Committee of the Board of Directors acts as the committee assuming main responsibility. The Executive Committee of the Group regularly reports ESG work to the Strategy Committee of the Board of Directors and manages and reviews ESG affairs. The Leading Group for Sustainable Development Reporting works as the ESG & CSR reporting management department. The Group and its main sectors have established the "Secretariat of the Leading Group for Sustainable Development Reporting" to be responsible for daily specific management and promotion efforts. All functional departments of the Group's headquarters and subsidiaries at all levels carry out and implement ESG efforts.



List of social responsibility management functions of the Group in 2022

Social Responsibility Items	Responsible Organizations													
	Board of Directors	Operation Team	Board Office	Strategy Development Department	Financial Management Department	Audit and Supervision Department	Legal Affairs Department	Human Resources Department	Office of the President	Excellent Operation and HSE Center	Data & Network Center	CIMC School	Industry	Member Enterprise
Corporate Governance and Interactive Communication		●	●	○		●	○	○	○	●			●	●
Sustainable Development Management	●	●	●	●	●	○	○	○	○	●		○	●	●
Stakeholder Engagement		○	●	○				○	○	●			○	○
Integrity and Compliance		○	●	●	●		●	○	○	○	●		●	●
Shouldering Responsibility and Mission of Low-Carbon Operation		○		●						●	○		●	●
Energy Saving & Emission Reduction and Environmental Friendliness		○		●		○				●	○		●	●
Cherishing Resources and Protecting Ecology		○		●						●	○		●	●
Creation of Green Brand through Green Development		○		●						●			●	●
Leading Innovation and Value Growth		○		○			●			●	●		●	●
Creation of Brand Power with High Quality		○								●			●	●
Strategic Cooperation for Joint Establishment of Future		○		●						●			●	●
People-Oriented Common Cause		○				○		●	○	●		●	●	●
Caring for the People's Livelihood		○		●				○	●	○			●	●
Future Prospect		○		●				○	○	●	○	○	●	●

● means “playing a role of responsible organization or major participants”; ● means “playing a role of organization responsible for a specific part”; ○ means “playing a role of participant” or “supporter”

2. Implementing the normalized stakeholder investigation and important topics management mechanism

CIMC has established a regular communication and investigation mechanism for stakeholders, always maintains an internal and external perspective to examine sustainable development management and grasps the expectations and demands of stakeholders. In 2022, a mechanism for undertaking the business plan on the key topics stated by the Board of Directors was established and opened, so that the Board of Directors could provide important input to ESG management and disclosure.

3. Implementing the routine mechanism of “data-driven improvement”

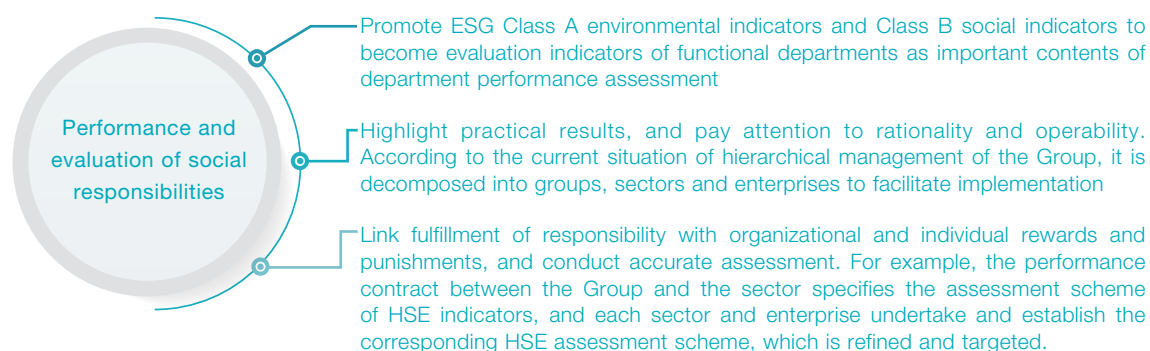
We recognize the knowledge and process of measurement, analysis and improvement are indispensable. According to the requirements of the new ESG guidelines of the Stock Exchange of Hong Kong Limited, we have established a data system covering all ESG A+B indicators, including environmental, employment, health and safety, development and training, labor standards, supply chain management, product responsibility, anti-corruption, community investment and other indicators as well as 80 secondary indicators, and all of them have realized informatization submission. In addition, we have established a management dashboard and the workflow of regular analysis for regularly inspecting, analyzing and making recommendations on the operation of each indicator, and the ESG management report was provided to the Executive Committee on a quarterly basis.

4. Implementing the working policy of “reporting for management”

The Group completed various efforts in a solid manner centering on the main line of “consolidating and optimizing the ESG reporting system and promoting the improvement of functional work”. In particular, we strengthened the thematic research on ESG material topics, and promoted the implementation of projects such as carbon footprint, rooftop PV and public welfare funds. In addition, for three consecutive years, we have implemented the “Key improvement project of ESG information disclosure gap”, organized the benchmarking of external regulations and external rating gap in an effort to promote targeted improvement of the Group and the sectors.

5. Implementing the “management accountability system”, consolidating the management foundation and improving the standardization, seriousness and efficiency.

We ensure standardized operation by timely updating the Measures for the Management of CIMC’s Sustainable Development Reporting. We have also gradually established the ESG accountability system, and we took the lead in incorporating “ESG information disclosure” into the Group’s accountability system and forming a supervision mechanism in 2021.



Case No. 7

The 2021 ESG Report Review Seminar of CIMC Group was held

We held debriefing meeting of 2021 ESG Report on 28 July 2022 in the headquarters, with about 60 participants from the Group, segments and enterprises joined in person or online. The meeting was fruitful in content, with wonderful lecture from external expert and sharing from different segments. Everyone brainstormed and discussed and put forward great suggestions, which well promoted the mechanism of summarizing experience, finding improvement points and deepening reports to promote management improvement.



6. Implementing a normalized and transparent responsibility communication mechanism to respond to stakeholders from all walks of life

CIMC Group has continuously improved the ESG responsibility communication mechanism and built a sound internal and external communication platform for stakeholders. We present the efforts and achievements of CIMC in sustainable development and maintain regular communication with stakeholders through various forms such as CIMC Group official website, CIMC official WeChat, CIMC official video account and CIMC Brand Brochure. We have appointed independent third parties to conduct surveys of stakeholders for five consecutive years.

Focusing on special publicity of the practical achievements of sustainable development, we publicize the Group's responsible brand internally through the Group's OA, internal magazine, WeChat work group and other means. We showcase the Group's responsible corporate image to the public through mainstream media such as China Securities Journal, CSIC, Sina Finance and Caixin.

Communication with Stakeholder

Communication Mechanism

Widely listening to the opinions of stakeholders is one of the important guarantees for the sustainable and healthy development of CIMC Group. Strengthening communication with stakeholders is an important part of CIMC Group's transparent operation responsibility to stakeholders from all walks of life, an inherent requirement to get the support of stakeholders for CIMC's development, a critical path for CIMC to build a high-quality and respected industry-leading enterprise, and a key measure to optimize the sound operation and sustainable development of CIMC.

We actively build an appropriate internal and external communication platform, focus on the establishment of a smooth and transparent communication mechanism with stakeholders, listen to the voice of stakeholders, and have them integrated into the business decisions. In 2022, we made sustained efforts in building close ties with stakeholders through diversified channels, proactively understanding and responding to the expectations and needs of stakeholders. Meanwhile, CIMC further consolidated the foundation of stakeholder communication and built a systematic, standardized, structured, and institutionalized communication system.

Stakeholders	Communication methods	Their expectations	CIMC's response and results
 Employees	<ul style="list-style-type: none"> Online exchange mechanism Staff conference Employee training Employee activities The Company's internal publications and Intranet Employee satisfaction survey ESG survey questionnaire 	<ul style="list-style-type: none"> Employees' rights and interests Salary and fringe benefits Occupational development Occupational Health & Safety 	<ul style="list-style-type: none"> Quickly refine online communication platform Sign labor contracts in accordance with laws and support the role played by the Trade Union Review and refine salary and fringe benefit system Organize various trainings and promote professional development Strengthen occupational safety management and improve production and office environment Conduct employee satisfaction survey
 Government and supervisory authorities	<ul style="list-style-type: none"> Regular information reporting Supervision and check Written reports (annual report, CSR & ESG reports, etc.) mailed by the Group ESG survey questionnaire 	<ul style="list-style-type: none"> Compliant operation Tax payment according to law Promote local development Create employment Information disclosure 	<ul style="list-style-type: none"> Comply with laws and regulations Strengthen HSE management and reduce safety and environmental risks Help households in needs to get employed
 Investment institutions/ shareholders	<ul style="list-style-type: none"> General Meeting of Shareholders Corporate website and announcements Investors' meetings Strategy meetings with securities companies Plant visits Written reports (annual report, CSR & ESG reports, etc.) mailed by the Group ESG survey questionnaire 	<ul style="list-style-type: none"> Operating performance Corporate governance Shareholders' equity Information disclosure Expand business Improve productivity Improve asset quality 	<ul style="list-style-type: none"> Adhere to high-quality growth and create value for shareholders Timely and accurate disclosure of information to ensure transparency Organize visits, surveys and other investor activities
 Suppliers/ contractors/ service providers	<ul style="list-style-type: none"> Review and assessment meetings Suppliers' portal website Regular communication and exchange ESG survey questionnaire 	<ul style="list-style-type: none"> Improve product quality Coordinate industrial development Green development Strengthen energy consumption management Product research and development 	<ul style="list-style-type: none"> Implement sunshine purchasing Sign long-term strategic cooperation agreements Attend supplier exchange meetings
 Customers	<ul style="list-style-type: none"> Online exchange and communication Customer service centers and hotlines Customer visits Customer satisfaction surveys ESG survey questionnaire 	<ul style="list-style-type: none"> Product innovation Coordinate industrial development Respond to common prosperity Environment-friendly production 	<ul style="list-style-type: none"> Respond to customer demand online Refine quality management and assure product quality Sign after-sales service agreements Conduct customer satisfaction surveys periodically
 Research institutions	<ul style="list-style-type: none"> The Company's website and social media The Company's announcements Visit the Group Surveys ESG survey questionnaire 	<ul style="list-style-type: none"> Operating performance Information disclosure 	<ul style="list-style-type: none"> Organize strategy meetings with securities companies and open day events Timely and accurate disclosure of information to ensure transparency
 Industry associations	<ul style="list-style-type: none"> Industry forums and exchange meetings Visit the Group Surveys ESG survey questionnaire 	<ul style="list-style-type: none"> Observe industry regulations Promote industry development Promote industrial reform Rural revitalization Collective prosperity 	<ul style="list-style-type: none"> Attend industry exchange meetings Hold exhibitions Establish industrial standards
 Media	<ul style="list-style-type: none"> Media opening day Interviews and special reports ESG survey questionnaire 	<ul style="list-style-type: none"> Information disclosure Media interaction Common prosperity Rural revitalization 	<ul style="list-style-type: none"> Organize media opening events Distribute promotional materials and invite media to visit
 Local community	<ul style="list-style-type: none"> The Company's website and social media Organize philanthropic events ESG survey questionnaire 	<ul style="list-style-type: none"> Community influence Support community development Strengthen links among the Group, the community and the masses Actively carry out cooperation and communication between enterprises 	<ul style="list-style-type: none"> Respond to rural revitalization Participate in philanthropic causes
 Partner institutions	<ul style="list-style-type: none"> University promotional activities Industry-university-research cooperation and talent training 	<ul style="list-style-type: none"> School-enterprise cooperation project Provide more on-campus training classes 	<ul style="list-style-type: none"> Strengthen interactive communication

Material Topics Identification and Management

We have appointed independent third parties to conduct surveys of stakeholders for five consecutive years, formed the 2022 ESG topics library on the basis of 2021, and identified a total of 32 topics, including 3 governance topics, 13 environmental topics, 11 social topics and 5 market topics. We obtained stakeholders' scores for the importance of these ESG topics and their opinions and suggestions regarding the sustainable development of the Group through interviews with the senior executives of the Group, online survey questionnaires and interviews with external stakeholders. In the current year, in addition to carrying out the investigation of the Group's directors and achieving the full coverage of the whole chain including "the Board of Directors of the Group, Group executives (Executive Committee of the Group and executives of the segments), general managers of first-line enterprises and first-line excellent employees". We also innovatively carried out a focus group focusing on material topics at the level of the Board of Directors in 2021, widely listened to the suggestions of internal and external stakeholders and promoted the effective implementation of material topics management.

Evaluation Process of Material Topics in 2022 CSR & ESG Report of CIMC Group

01 Identifying topics and generating the topics library

- The work focus of the Group's sustainable development and feedback from stakeholders were comprehensively organized, and the scope of the topics was delineated by benchmarking industry focus and leading practices;
- By referring to the "14th Five-Year Plan", ESG rating of the capital market (e.g., MSCI, S&P DJSI, CDP and Morningstar) and other relevant evaluation factors, the key concerns of the industry in the field of sustainable development were identified by taking into account GRI (Global Reporting Initiative) standards, UN SDGs (United Nations Sustainable Development Goals), SASB (Sustainability Accounting Standards Board) and other international standards and goals related to sustainable development management.

02 Communication with and investigation of stakeholders

- Through interviews with stakeholders and focus group symposiums, feedback and suggestions from stakeholders on our sustainable development practices and their views on future sustainable development strategies were collected;
- Online questionnaire for the evaluation of ESG material topics was developed, and stakeholders were invited to rate the corresponding ESG material topics.

03 Evaluating material topics

- Based on the results of the questionnaire for stakeholders and the development of the enterprise, the material topics were evaluated from the two dimensions of "importance to stakeholders" and "importance to the development of CIMC Group", and the importance of each topic was ranked according to the score and the matrix graph was generated.

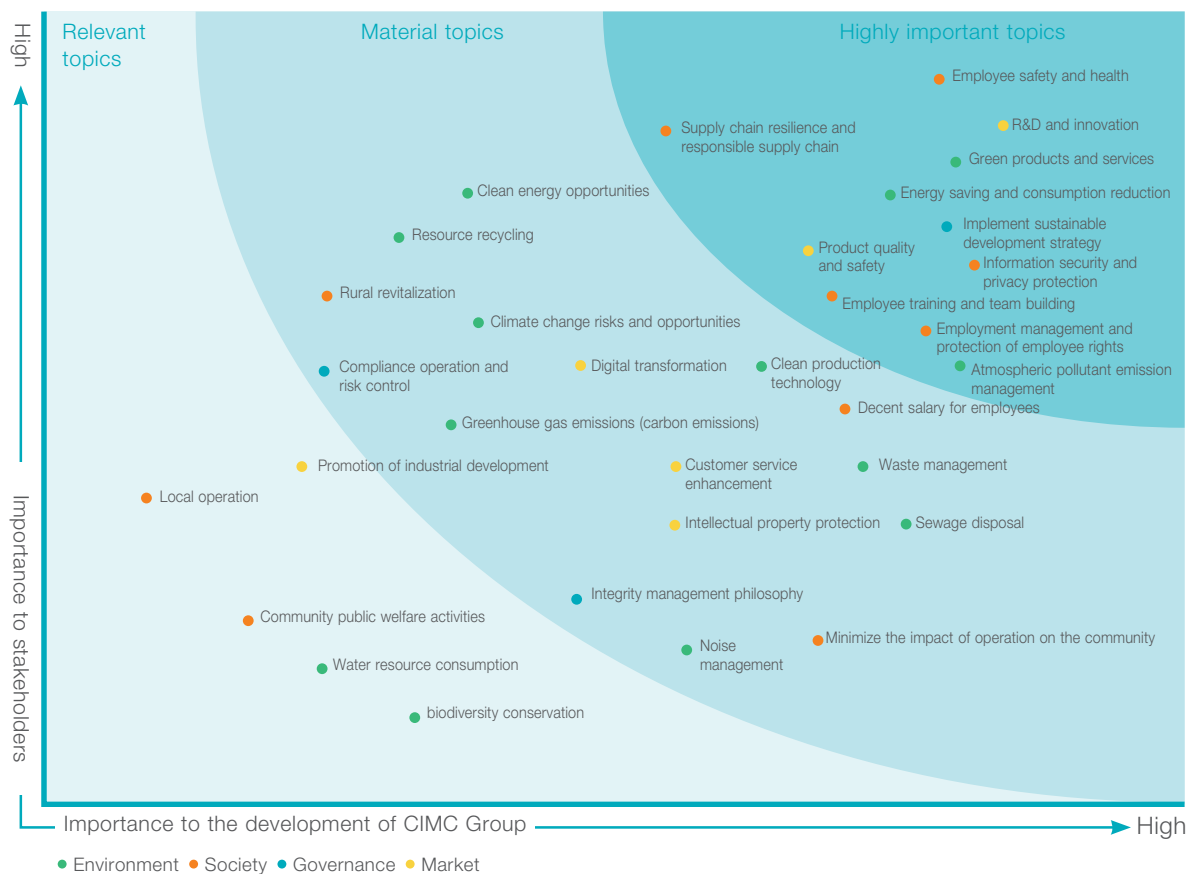
Finally, we identified a total of 11 highly important topics, 16 important topics and 5 relevant topics. Based on the results of the analysis of substantive topics, this report provides detailed disclosures on topics of high-importance in response to internal and external concerns.

Internal interviews involved senior executives of the Group, leaders of business sectors, general managers of first-line enterprises and employee representatives.

Collected **22,942** valid questionnaires, a rise of **18.35%** year on year, which cover ten types of stakeholders.

The external interviews covered nine types of stakeholders. In order to further enrich the composition of external stakeholders, communication with on-site inspection agencies is added from the perspective of attaching importance to product quality.

Importance Matrix of CSR&ESG Topics of CIMC Group in 2022



The Selection of Key Topics of The Statement of the Board of Directors:

In December 2022, the Group's Board of Directors considered the "Resolution Regarding the 2022 ESG Material Topics List and the Key Topics of the Statement of the Board of Directors" and eight key topics (please refer to the Statement of the Board of Directors for details) took effect. The main contents are described as follows:

1. The seven key topics stated by the 2021 Board of Directors are basically reserved. For some of the key topics in 2021 that have declined in ranking (such as air pollutant emission management and integrity management philosophy), we consider tightening and improving management for another year and observing the result.
2. According to the research results of 2022, a new topic "Information Security and Privacy Protection" was added.
3. The order of the eight key topics has been adjusted based on the ranking of the survey, reflecting changes in importance, for example, the adjustment of integrity management philosophy from the sixth position in the statement to the eighth position.
4. In 2023, works shall be done according to the main tone of business planning and operation, strategic themes, ESG budget summary and other methods. The implementation shall be regularly reviewed in daily management, so as to form a management closed-loop for key ESG topics of the Board of Directors.
5. Gradually form a mechanism for gradually adjusting key topics based on research sequencing and internal management maturity. It effectively responds to the concerns and expectations of stakeholders. It also reduces the management risk of ESG in certain topics.

Statement and response to the relevant importance assessment results in the Report

Categories	Topics	Ranking in 2022	Level of Importance	Changes in Ranking	Ranking in 2021	Responses in the Report	Page
Society	Employee safety and health	1	Highly important	–	1	People-Oriented Common Cause	89
Market	R&D and innovation	2		↑ 16	18	Leading Innovation and Value Growth	47
Environment	Green products and services	3		↑ 2	5	Topic II: Innovation and green facilitate high-quality development and long-term growth	22
Environment	Energy saving and consumption reduction	4		–	4	Cherishing Resources and Protecting Ecology	73
Governance	Implement sustainable development strategy	5		↓ 3	2	Sustainable Development Management	29
Market	Product quality and safety	6		↓ 3	3	Creation of Brand Power with High Quality	56
Society	Information security and privacy protection	7		↑ 12 Integrated topic	19	Integrity and Compliance	44
Society	Supply chain resilience and responsible supply chain	8		↑ 9 Merged topic	17,26	Strategic Cooperation for Joint Establishment of Future	61
Society	Employee training and team building	9		↑ 1	10	People-Oriented Common Cause	85
Society	Employment management and protection of employee rights	10		Merged topic	8,9,33	People-Oriented Common Cause	82
Environment	Atmospheric pollutant emission management	11		↓ 4	7	Energy Saving & Emission Reduction and Environmental Friendliness	70
Environment	Clean production technology	12		↓ 1	11	Creation of Green Brand through Green Development	76
Society	Decent salary for employees	13		↑ 7	20	People-Oriented Common Cause	83
Market	Digital transformation	14		↑ 2	16	Leading Innovation and Value Growth	51
Environment	Waste management	15		↑ 6	21	Energy Saving & Emission Reduction and Environmental Friendliness	69
Environment	Clean energy opportunities	16	Important	New topic	/	Creation of Green Brand through Green Development	77
Environment	Greenhouse gas emissions (carbon emissions)	17		↑ 6	23	Shouldering Responsibility and Mission of Low-Carbon Operation	67
Environment	Sewage disposal	18		↓ 5	13	Energy Saving & Emission Reduction and Environmental Friendliness	72
Market	Customer service enhancement	19		↑ 10	29	Creation of Brand Power with High Quality	60
Market	Intellectual property protection	20		↑ 2	22	Leading Innovation and Value Growth	54
Environment	Climate change risks and opportunities	21		↑ 6	27	Shouldering Responsibility and Mission of Low-Carbon Operation	66
Society	Minimize the impact of operation on the community	22		↓ 8	14	Caring for the People's Livelihood	98
Environment	Resource recycling	23		New topic	/	Cherishing Resources and Protecting Ecology	73
Environment	Noise management	24		↓ 9	15	Energy Saving & Emission Reduction and Environmental Friendliness	72
Society	Rural revitalization	25		↑ 3	28	Caring for the People's Livelihood	95
Governance	Integrity management philosophy	26	Relevant	↓ 20	6	Integrity and Compliance	41
Governance	Compliance operation and risk control	27		↓ 15	12	Integrity and Compliance	40
Market	Promotion of industrial development	28		↑ 2	30	Leading the Industry for Common Development	64
Environment	Biodiversity conservation	29		↓ 4	25	Cherishing Resources and Protecting Ecology	74
Environment	Water resource consumption	30		↓ 10	20	Cherishing Resources and Protecting Ecology	74
Society	Community public welfare activities	31		↑ 4	34	Caring for the People's Livelihood	97
Society	Local operation	32		↑ 3	35	Caring for the People's Livelihood	99

External Exchange and Communication

CIMC Group attaches great importance to good communication with stakeholders. CIMC actively publicizes to the outside world, so that the Company's value can be seen, and helps CIMC establish a high-quality, trustworthy and respected brand image. With the help of WeChat official accounts, TikTok, Channels, Bilibili and other we-media channels, the Group, sectors and enterprises pushed press releases and reprinted media reports among relevant interest groups, and also received wide attention and positive comments from netizens. In 2022, CIMC strengthened "making the communication more and more beautiful, making the culture more and more wonderful, and strive to use the content to influence stakeholders". Moreover, we increased the publicity and coverage in all aspects on television, newspaper, radio and the Internet. We seized the opportunity of social hot spots, major projects of the Group, and new business and new products to form a small stage peak of CIMC's external news publicity. The communication practice of "actively going out" and "actively bringing in" of CIMC Group has achieved good communication effect, consolidated the good social image of CIMC externally, and made investors, customers, employees and other important stakeholders understand the real CIMC.

Case No. 8

"High Quality Development Research Tour" entered CIMC

In October 2022, the latest stop of the large-scale interview activity "Striving for Progress with Stability and Forging Ahead Towards the Future • Shenzhen Media 'High Quality Development Research Tour'" came to CIMC Group. After the "High Quality Development Research Tour" entered CIMC, many authoritative official media reported the achievements of CIMC.



Scan by Wechat to watch the video

Case No. 9

The investor observation group entered CIMC

In December 2022, jointly hosted by Valuable Capital Limited and Visionary Enterprise Services*(远见企业服务) and organized by Peanut Media throughout the whole process, an in-depth offline investigation with professional investors to focus on the latest trends and development opportunities of enterprises was carried out. The executives of CIMC Group, CIMC Vehicles and CIMC Enric jointly attended the meeting to explore the value path of CIMC Group with a group of investors.



Case No. 10

1.297 million people watching CIMC at the same time! CCTV's online interpretation of CIMC's 2021 financial report

In 12 May, Wu Sanqiang, the secretary to the Board of Directors of CIMC Group, was invited to conduct a live broadcast of the "2021 Annual Report Special Programme of China's Listed Companies" of New Media of CCTV Finance for about 1 hour. CCTV Finance conducted full live streaming through major new media channels such as CCTV, CCTV Finance APP, WeChat Channels, Douyin, Kuaishou, Bilibili, etc. Total live streaming reached over 1.297 million people (live streaming users, excluding the second spread of short videos).



Integrity and Compliance

Compliance and Risk Control

The Group strictly complies with the relevant regulations of the China Securities Regulatory Commission (Shenzhen Office) and the Stock Exchange of Hong Kong and establishes and improves the risk management and internal monitoring system. The Company’s risk management and internal control systems are designed, implemented and monitored based on the Basic Norms for Enterprise Internal Control jointly issued by the Ministry of Finance, China Securities Regulatory Commission, National Audit Office, China Banking Regulatory Commission and China Insurance Regulatory Commission and its application guidelines, the requirements of the Corporate Governance Code and the Corporate Governance Report in the Listing Rules of Hong Kong Exchanges and Clearing Limited, and with reference to guidance documents such as COSO’s Enterprise Risk Management – Integrated Framework and ISO31000: Principles and Implementation Guidelines of Enterprise Risk Management.

In 2022, with the vision of “building a practical and effective risk control system that can proactively prevent and control risks” and the corporate mission of “serving the strategy, helping the operation and creating value”, the Group promoted the customization of risk control rules, strengthened special risk management and the horizontal expansion of its achievements, vigorously promoted digital risk control, actively explored the construction of risk control system, and carried out pilot evaluation on the operation effectiveness of the risk control system.

➤ Strengthened the formulation of risk control systems and created an organizational atmosphere of independent risk control

Multi-sequence risk control system requiring work licences

Core cadres

Sensitive business process

Key risk areas

Dispatch Directors and Supervisors to perform their duties

General Manager of the enterprise performs his/her duties

General manager should know

Sale risk control guidelines

Risk control guidelines for contract management

EPC risk control guidance

Engineering risk control guidelines

Guidance on risk control of mergers and acquisitions

Guidelines for purchasing risk control

Outsourcing risk control guidelines

.....

Risk tips for overseas operation

Risk Control Guidelines for Mass Entrepreneurship and Innovation Enterprises

Supervision of listed companies

Overseas operation.....2.0

New employees should know about risk control

.....

Combing with external supervision, relevant laws and regulations and the Company’s management and control priorities, the Company has issued a wider range of Measures for Accountability of Responsibility Events (second edition); the Company launched the Guidelines for Risk Control of M&A, Guidelines for Risk Control of Outsourcing Business and Guidelines for Risk Control of Contract Management, and constructed a series of risk control guidelines with more intensive longitude and latitude.

The Company has continuously carried out quarterly video risk control meetings and quarterly risk control seminars for risk control directors of directly managed enterprises throughout the Group, and customized and developed a series of risk control publicity and implementation and training materials.

The Company regularly pushed the Overseas Risk Control Information Feature and Thoughts on Risk Control (漫话风控). The Company publicized and implemented domestic and foreign risk control information in a vivid and easy-to-understand form, promoted organizations at all levels to quickly understand internal and external risk dynamics and trends, and built a series of risk control information dashboards with timely dynamics, prominent key points and high user attention.

The Company insisted on carrying out quarterly internal and external risk self-inspection and self-correction, and promoted the closed-loop management of audit findings.

➤ **Strengthened special risk management and increased the horizontal implementation of preliminary risk control results**

- The Company has continuously promoted the special and risk assessment work for EPC review and governance; centering on the strategic and business pain points, the Company cooperated with the business sector to complete the special governance of more than ten key risks such as asset operation efficiency risks and customer credit management risks. The Company has carried out a special project on corporate governance of mass entrepreneurship and innovation enterprises, outputting a centralized and decentralized manual on key management and control matters and innovating the reporting mechanism for major topics of enterprises.

➤ **Vigorously promoted the special project of risk control informatization and digitalization, and promoted the transformation and upgradation of risk control efforts of the Group**

- The Company has completed the horizontal expansion of the achievements of “online management and control of connected transactions” in multiple sectors, realized the optimization of the underlying database of the platform and the sorting of the connected party information database of the sector, promoted the management and control of connected transactions from passive to active, and reduced the risk exposure of connected transactions to a certain extent.
- The Company has continuously promoted digital risk control modeling, continuously iterated model functions, and gradually expanded its coverage areas. In addition, the Company promoted the pre-management of risk control, and initially realized the rapid locking and rectification of risks in purchasing, sale, engineering management and other fields.

➤ **Explored the establishment of a pragmatic and effective risk control system that could prevent major risks**

- Based on the COSO system and business features of the sector, the Company selected the pilot sector and built a pragmatic and effective risk control system with CIMC features. The Company has preliminarily completed the upgradation and optimization of the effectiveness evaluation method of CIMC risk control system and tried to complete the effectiveness evaluation of the risk control system of three enterprises.

In 2023, the Company will keep on accelerating the horizontal expansion and application deepening of digital achievements in risk control, systematically sort out the key control requirements of the Group and external supervision, and further consolidate the normalized, hierarchical and classified pilot spot inspection mechanism. The Company will continue to promote the identification of key risks and special governance at all levels, pilot the implementation of the results of the core elements of the risk control system, and expand the scope of implementation of the effectiveness evaluation of risk control.

Integrity Management Philosophy

CIMC Group always holds fast to the operating concept of corporate governance according to law, honesty and credibility, firmly opposes commercial bribery and other unfair competition behaviors, and strictly observes the requirements of laws and regulations combating bribery, blackmail, fraud and money laundering. We continuously combat corruption and advocate clean practice in accordance with the CIMC Group Code of Conduct for Staff, the CIMC Group Supervision System for Cadres and Sensitive Position Personnel, the CIMC Group Clean Practices for Cadres and Sensitive Position Personnel, the Measures for the Administration of Supervision, Complaint and Reporting of CIMC Group, the Measures for the Discipline Inspection Commission of CIMC Group on the Management of Gifts and Cash Received by Party Members, Cadres and Employees in Business (Public) Activities and the CIMC Group Accountability Procedure for Responsibility Events. We are devoted to continuously refining the internal control, audit and supervision system to safeguard and assure legitimate rights and interests of investors, employees, customers and suppliers and establishing an operating environment with fair play.

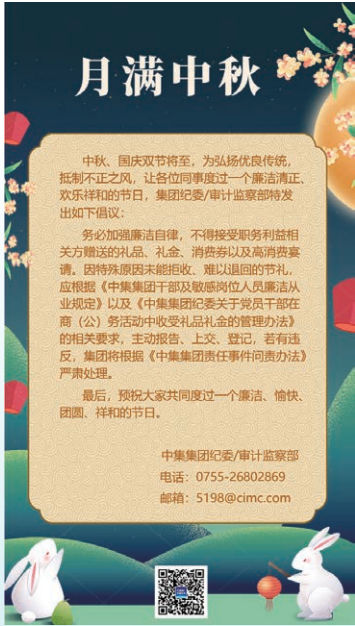
In 2022, we carried out a lot of work in strengthening the enterprise itself and rallying social forces in anti-fraud and incorruptible employment publicity and implementation:

I. Create a clean working environment through internal and external integration and by taking a two-pronged approach

Internally, we organized cadres and employees in sensitive positions to sign a statement of honest practice and clarified the requirements for honesty and self-discipline; we pushed new developments of anti-fraud work and case compilation to all employees of the Group via “CIMC Monitoring” WeChat official account and sent warm reminders of honest practice before major festivals including Spring Festival and Mid-Autumn Festival, to guard against bribery in the form of gifts. Furthermore, we publicized and followed the national regulatory trend of adhering to the dual investigations of offering and accepting bribes through the group-wide risk control meeting and other channels, and reported the investigation and handling of typical fraud cases, so as to keep the alarm ringing.

The subordinate enterprises of the Group actively implemented the goal of integrity and self-discipline of the Company and all employees. In the current year, CIMC IoT obtained the Anti-Bribery Management System Certificate (ISO37001-2016), further implementing the standardized management system from the management system.

Externally, we promoted the signing of sunshine purchasing agreements with suppliers, prevented and resisted all kinds of commercial frauds and acts that violated fair competition, and punished partners who sought business cooperation opportunities through bribery, bid-rigging, and illegal bidding. If fraud is verified, it shall be included in the “blacklist” and given economic punishment.



II. Focus on the principle of publicity and implementation and prevention in advance, keep on promoting the publicity and implementation of clean practice, and maintain a fair business environment

The Group's Code of Conduct for Employees clearly stipulates that when the personal interests of employees hinder or appear to hinder the interests of the Company in any way, it is a conflict of interest, and employees shall consciously avoid matters where personal interests conflict with the interests of the Company. The Group strictly prohibits accepting gifts and cash from units and individuals that may affect the correct handling of business relations and the impartial performance of official duties. It also organizes employees in sensitive positions to sign a letter of commitment on integrity every year to enhance employees' awareness of professional red line such as offering and accepting bribes and conflicts of interest.

The Group kept on promoting the mechanism of risk control and employment with certificates for key/sensitive positions



In 2022, **79** newly appointed directors and supervisors of the Group and its subsidiaries to participate in the study and examination of duty performance guidance

with a certification pass rate of

100%

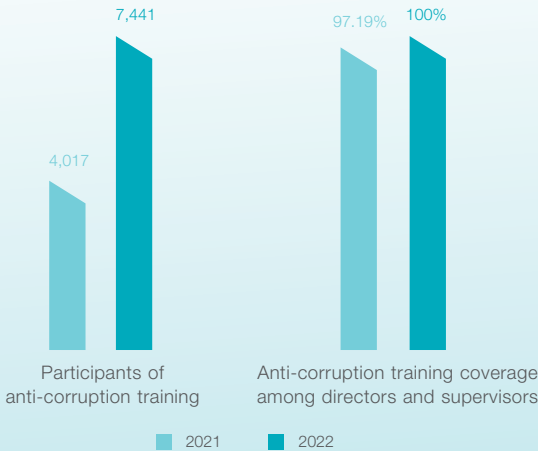
In 2022, the Group carried out **21** anti-corruption trainings involving **7,441** persons

The number of key members of sensitive businesses in terms of sale, purchasing and engineering who passed the risk

control examination stood at **7,085**

with a passing rate of **99%**

Anti-corruption Training Comparison



III. Implement the accountability system and enhance the compliance awareness of cadres

The Group implemented the accountability system, regularly collected and notified the number and categories of liability events of employees at all levels that reached the Group's accountability system, so as to ensure that those who fail to fulfill their responsibilities be held accountable, enhance the awareness of compliance performance of cadres at all levels, and create a risk control organizational environment where employees know the red line and maintain the bottom line.

IV. Broaden reporting channels and strictly investigate reported matters

The Group has established monitoring and complaint reporting channels covering employees, suppliers, customers and other stakeholders to accept anonymous and real-name reports, including the Group's official website, WeChat official account, email, telephone, letters and visits. The channels are managed by dedicated personnel to ensure that all effective reports be followed up and handled. The Group has "zero tolerance" for corrupt conduct. The audit and supervision results are used as an important basis for the evaluation and appointment of cadres. We implement the "negation by one vote" for any identified serious violations of discipline and regulations.

In 2022, the Group received a total of 21 reports, mainly involving employees' violations of discipline and regulations. All reports were investigated and verified and appropriate actions were taken to solve them. No litigation lawsuits involving major fraud occurred during the year.

The Group and its subordinate segments implement relevant management regulations

Logistics segment:

- ✓ The name, work unit, home address and other relevant information of the whistleblower and the contents of the report shall be kept strictly confidential.
- ✓ It is strictly prohibited to transfer the reporting materials to the unit or person being reported.
- ✓ Accept the report or check the situation with the whistleblower without disclosing the whistleblower's identity.
- ✓ The reporting materials shall be included in the management of confidential documents, and no one is allowed to carry them out, copy, shoot or reproduce them without authorization. Hand over the clue materials of the accepted case to the relevant units for investigation and handling of the transferred case, and the report materials shall be transcribed and extracted in vain.
- ✓ Publicity, reporting, and rewards for persons who have rendered great services in reporting illegal acts shall not disclose the name and work unit of the whistleblower except with the consent of the whistleblower.
- ✓ No unit or individual may hinder or suppress the reporting behavior of whistleblowers and crack down on retaliation against whistleblowers under any pretext.
- ✓ Those who disclose reporting information in violation of regulations or take retaliation against whistleblowers and their relatives, investigators and personnel assisting in handling cases shall be dismissed or even their labor contracts shall be terminated. Those who violate the law shall be transferred to judicial branch for handling in accordance with the law.

V. Keep on promoting the development of China Enterprise Anti-fraud Alliance and gather social forces to oppose commercial bribery

As one of the main sponsors of China Enterprise Anti-fraud Alliance, CIMC Group actively participates and recommends excellent enterprises to participate in the construction of the alliance's anti-fraud management system, and strengthens sharing and co-construction with other alliance members. At present, the members of the alliance have exceeded 900, and the alliance has become the most influential anti-fraud mutual aid organization for enterprises in China, making due contributions to a clean society.

Case No. 11

CIMC Group was invited to participate in the livestreaming of public welfare courses organized by the Alliance

CIMC Group shared its digital risk control experience with the members of the alliance to improve the high-quality and efficient development of the enterprise.



Information Security Protection

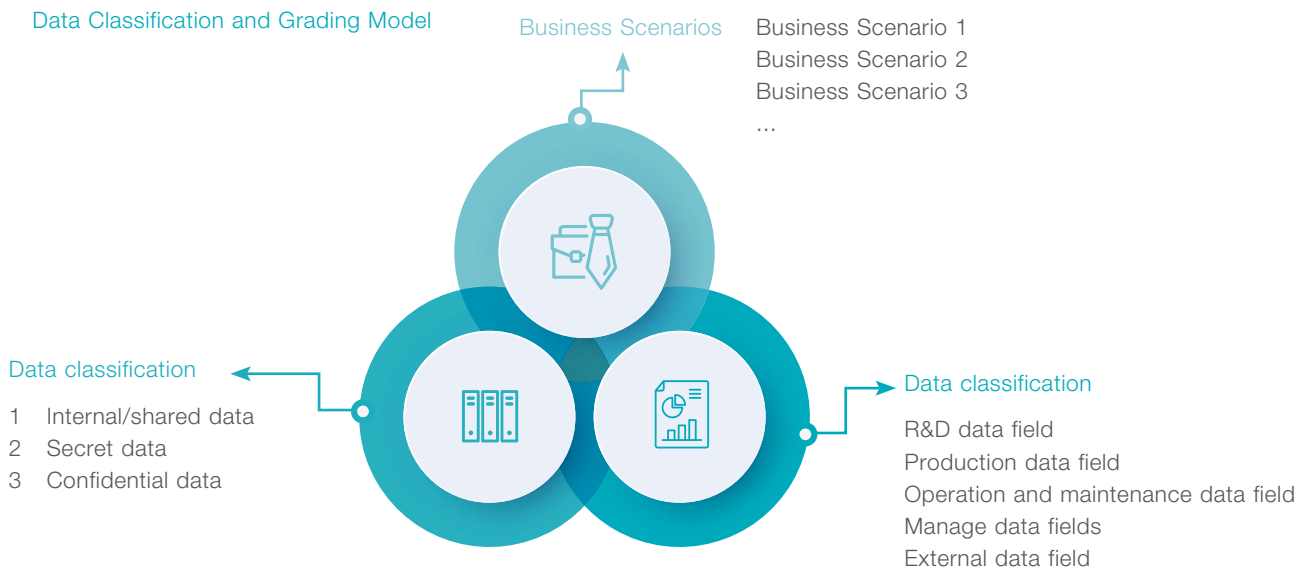
The Group attaches great importance to enterprise information security management, strictly implements the Cybersecurity Law of the People’s Republic of China, the Data Security Law of the People’s Republic of China, the Personal Information Protection Law of the People’s Republic of China and other relevant national laws and regulations on information security. The Group establishes and improves an effective information security management system, technical system, and operation system by relying on digital transformation and promoting the construction of integration of informatization and industrialization, safeguarding the security of business system.

During the Reporting Period, the Group carried out information security efforts in an all-round way, improved the level of information security management, protection ability and operation ability, and achieved the goal of ensuring business and data information security. There were no major information security and compliance accidents occurred, and no complaints about the Company’s disclosure of customer privacy were received.

The information security efforts shall be subject to hierarchical management and the head responsibility system, and the information security and compliance responsibility system of the headquarters, sectors and enterprises shall be implemented step by step in accordance with the principle of “those who are in charge shall take responsibility, those who are operating shall take responsibility, and those who are using shall take responsibility”.

In terms of information security management, the Group has established a standardized information system to simplify management and reduce risks, and formulated and improved the Data Security Management Specification and Personal Information Security Management Specification to further standardize the construction of the Group’s information security management system.

The Group divided the data into five categories and three levels in accordance with the Guidelines for Industrial Data Classification and Grading and with reference to the data classification and grading model. In addition, the Group carried out data classification and grading throughout the Group, screened 41 secondary data, and carried out risk assessment on the secondary data of the Group headquarters and the secondary data externally affected by sectors and enterprises to identify risks and supervise the rectification.



In terms of information security technology, the Group further improved the hierarchical information security protection system. In 2022, the Group built new information security capabilities such as honeypot technology, privileged account management (PAM) and network layer anti-virus, forming 23 major information security capabilities.

In terms of information security operation, the Group has spotted and fixed potential risks in a timely manner through internal audits, regular vulnerability scanning, penetration testing, emergency drills and other methods, improving information security risk response capabilities. For important activities, such as the Winter Olympics, Shenzhen's network security protection action, the Group's 40th anniversary, and the 20th National Congress of the Chinese Communist Party, the Group has actively carried out network protection efforts to ensure that no information security incidents occur. The Group has carried out remote security O&M pilot efforts to improve the Group's information security operation capability during non-working hours. In 2022, the Group conducted network protection actions, including the Group headquarters, sector headquarters and core enterprises, covering most of the Group's enterprises, and the intrusion risk was 100% fixed. The time to resolve issues was reduced by 29% on a year-on-year basis, and server and application risk was reduced by 40% on a year-on-year basis.

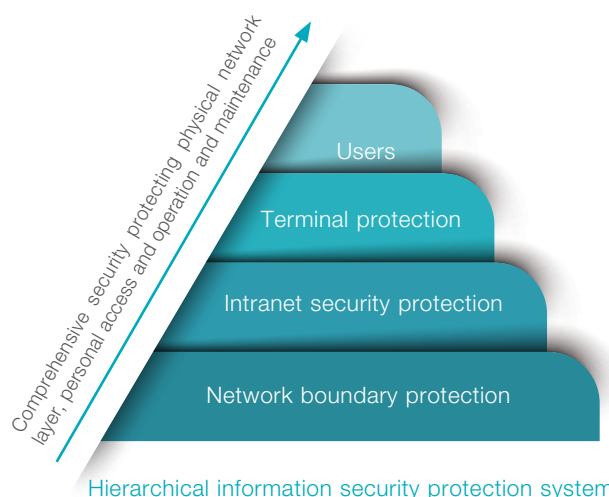


The time to resolve issues was reduced by

29 % on a year-on-year basis

server and application risk were reduced by

40 % on a year-on-year basis



Protection network monitoring analysis and emergency treatment

Safety monitoring

The attack event is monitored 24 hours a day through the system, security equipment and detection tools, and the abnormal alarm, log and behavior are checked and reported to the analysis team.

Analysis, research and judgment

Research and judge the attack events found in the monitoring, confirm whether it is a real attack, analyze the cause of the event, attack mode, attack path, attack range, determine the disposal plan, and send the confirmed attack IP to the disposal group.

Response and handling

It can be handled by blocking attacks, shutting down the system, etc., and comprehensively check and clean up system accounts and backdoor programs created by attackers in the system.

Retroactive control

Through the information left by the attacker, the source IP address of the attacker is analyzed, and then the attack host, the attack control host, the attacker and the attack organization are tracked.

Our overall information security capabilities have been enhanced on a comprehensive scale. During the Reporting Period, the Group actively carried out network security protection assessment in accordance with relevant provisions of the Cybersecurity Law of the People's Republic of China. Important application systems such as financial leasing platforms, official websites and mobile platforms have passed the classified protection certification.

Improving Global Logistics

Upholding the core value of “Exploration & Innovation”, CIMC Group understands that its survival and development depend on technological innovations. We have actively responded to Sustainable Development Goals No. 9, No. 12 and No. 17 proposed by the United Nations, kept on developing and improving the scientific and technological innovation system, stepped up patent R&D and commercialization of research findings, ramped up intellectual property protection and management, and sought to use innovation to facilitate the long-term sustainable development of enterprises and industries. CIMC Group shall implement and carry out a series of strategies and implementation guarantee measures: significantly optimize the quality of existing business portfolios and recover financial resources through equity optimization, asset liquidation and other initiatives; build a business portfolio that is anti-cyclical and stable in profitability to maintain the leading character of products, strengthen scientific and technological innovation, promote intelligent manufacturing; create intelligent products and increase the value contribution of products. We will innovate our business model and expand our value chain to the service link. CIMC shall focus on expanding the domestic market, while taking into account the development of globalization.



Our Actions

- Continuously engaged in cooperation and exchanges with industrial, academic, and research organizations, strengthened external technical cooperation, and started building an open scientific and technical innovation platform for CIMC;
- Accelerated intelligent manufacturing transformation and upgrading, explored the integration of informatization and industrialization, and expanded the scope of pilot projects;
- Participated in establishing standards and specifications, participated in and led industrial exchanges and the commercialization of results, and promoted the transformation and upgradation of the global logistics and energy segments;
- Strengthened strategic cooperation with suppliers and joined hands to promote the performance of social responsibilities along the value chain.

Our Efforts

- Adhere to the strategic direction of intelligent manufacturing upgradation, vigorously advance new industrialization by combining the comprehensive roadmap with pilot promotion, and realize the transformation and upgradation of manufacturing;
- Adhere to the champion product strategy, strengthen scientific and technical innovation, and boost global logistics by providing more high-quality products and services;
- Strengthen industrial exchange and the commercialization of innovation results and continuously enhance logistical transportation capabilities, efficiency and convenience;
- Obtain green supply chain certifications and collaborate with suppliers to develop more technologies and products that benefit the industry and society.

Our Achievements

- CIMC Group Technical Center is a national corporate technical center; and the Group owns over 55 national high-tech enterprises, six post-doctoral research stations and nine technologically advanced small and medium-sized enterprises, and has cumulatively won 4,934 patents;
- Five enterprises have won the title of “National Demonstration Enterprise for Intellectual Property Rights” conferred by the State Intellectual Property Office; Seven Group-level collaborative R&D platforms have been established.
- Continuously promoting the construction of digital plants based on the Longteng Project and the “Lighthouse Plant”.



Leading Innovation and Value Growth

Products Diversification and Innovation

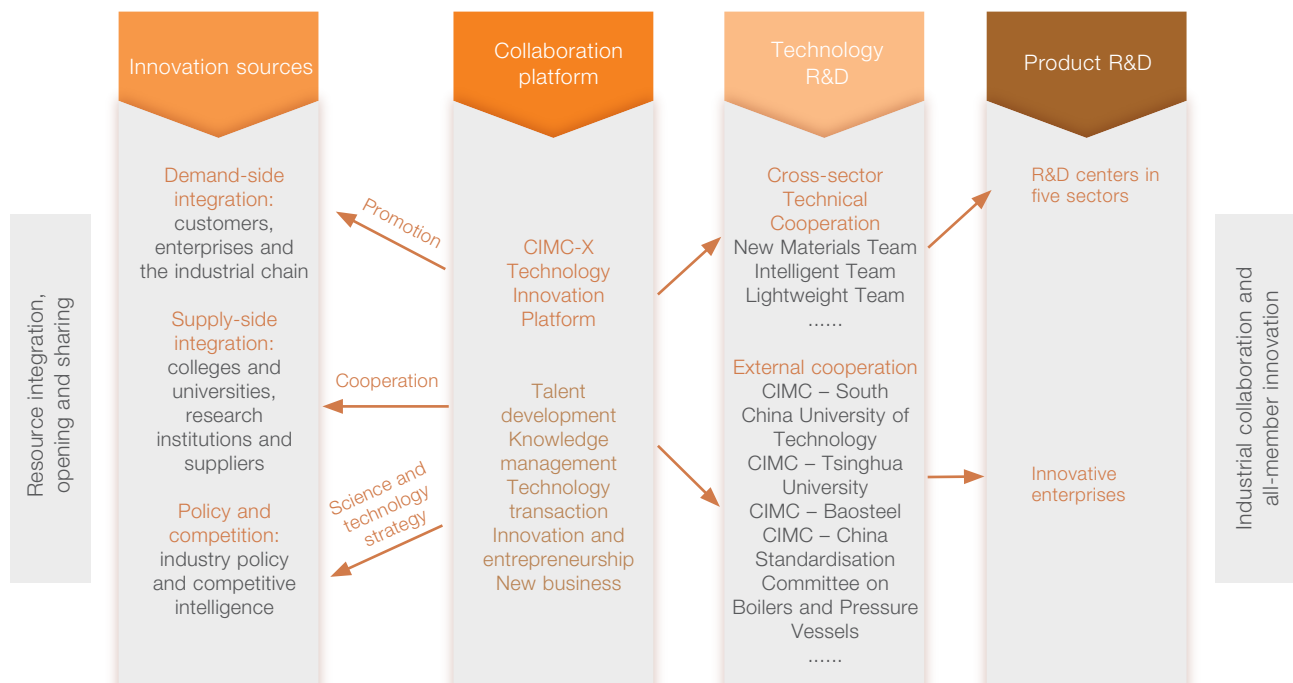
Building a new innovative system for CIMC Group

In the process of strategic upgradation and business transformation in recent years, we have established a “technology-driven” technological innovation mechanism focusing on “innovation-driven value growth” and kept on stepping up R&D operations related to new products, new technologies, new processes and equipment, introduced and incubated major technology projects that dovetail with our business development directions. CIMC Group established a R&D system that integrates the “Research Institute” and the “Technology Center” based on its structural business planning and kept on promoting technological innovation and product upgradation. In 2022, CIMC Group implemented the scientific and technological innovation strategy of “scientific and technological innovation drives the high-quality development of the Group”, and the scientific and technological innovation work further gained the attention of the whole Group. Each sector undertook the Group’s scientific and technological innovation strategy and implemented various measures such as product technology planning, research and development organization optimization, research and development talent training, digital and intelligent upgradation of production lines and building high-quality enterprises. Each sector has completed product technology planning for more than 20 key products and promoted them to more core products and star products of the whole Group, sorted out the direction of product and technology upgradation in the next three to five years, identified key R&D projects, improved product competitiveness and corporate profitability, and helped to achieve the Group’s goal of high-quality growth.

As the supreme technology decision-making body of the Group, the Technical Committee of CIMC Group is chaired by the President of the Group. The technical directors of each business segment and relevant functional heads of the Group serve as members of the technical committee, making decisions on various important scientific and technological matters of the Group and holding quarterly meetings. We built the communication and coordination mechanism connecting the Group with segment enterprises to support and promote the landing of various scientific and technological measures.

In accordance with the relevant policy requirements of the state and governments at all levels, and with the goal of creating more champion products and cultivating high-quality enterprises, CIMC Group actively carried out science and technology policy training and guidance, actively undertook the key research and development projects of the national governments at all levels, won a series of awards, and built a series of innovation platforms.

CIMC Group actively builds a core competence-oriented scientific and technological innovation ecosystem, realizes the core functions of “resource integration, open sharing, sector collaboration and all-member innovation”, and forms a “unified three-level collaboration” scientific and technological innovation management system and an agile collaborative innovation mechanism that connects everything. CIMC Group promotes the construction of an open innovation platform with “one network coverage and comprehensive sharing”.



A schematic diagram of CIMC open innovation platform

To stimulate the vitality of scientific and technological personnel, promote the research and application of forward-looking technologies such as new products, new technologies, new materials and new processes, and give full play to the core role of scientific and technological innovation in the Group's "high-quality growth" development strategy, the Group further implemented "ramping up technological innovations, and promoting product upgradation" in 2022:

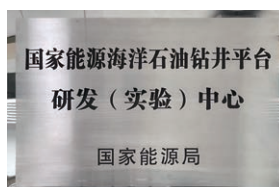
- As a State-level Technology Center for Enterprises, the CIMC Technology R&D Center is home to the Offshore Construction R&D National Engineering Laboratory and the National Energy Offshore Oil Drilling Platform Research and Development (Experiment) Center.



State-level Technology Center for Enterprises



Offshore Construction R&D National Engineering Laboratory



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



Postdoctoral Programme

In 2022, the total R&D investment of the Group was

2.52 billion RMB.

9 National Specialized Special New "Little Giant" Enterprises

6 postdoctoral scientific research workstations

More than **55** high-tech enterprises recognized by the state

3 products of boarding bridges, cargo trailers and semi-trailers, low-pressure liquefied gas storage pressure vessel selected as single champion products of manufacturing industry by the State Ministry of Industry and Information Technology

3 enterprises awarded as single champion demonstration enterprises by the State Ministry of Industry and Information Technology (Nantong Tank, Yantai CIMC Raffles and Qingdao Reefer Container)

Product Innovation

By strengthening technological innovation, building smart products and promoting smart manufacturing, CIMC Group maintains and improves the advantages of existing products, and creates an excellent operation demonstration enterprise.

Case No. 12

The first unmanned jet bridge developed by CIMC TianDa in Asia was officially put into use at Chengdu Tianfu Airport

In August 2022, the first unmanned jet bridge developed by CIMC TianDa in Asia was officially put into use at Chengdu Tianfu Airport. The jet bridge uses a cabin door identification and positioning system, which synchronizes information to the AI automation system in real time, and the motion control system completes accurate docking operations, reducing the average time for the airport to dock aircraft from three minutes to less than one minute, providing effective protection for flight punctuality and station site turnaround efficiency and significantly improving the operational safety of the airport's large equipment.



Case No. 13**CIMC Raffles signed a contract with China Railway Harbor and Channel Engineering Group Co., Ltd. to build the most advanced wind installation vessel in China**

In February 2022, CIMC Raffles and China Railway Harbor and Channel Engineering Group Co., Ltd. (HCEB) held a signing ceremony in Yantai for the construction of a wind installation vessel of 1,600 tons. It is currently the most advanced fourth-generation self-elevating and self-propelled wind installation vessel in China, which is capable of installing 15 to 20 MW offshore wind turbines.

**Case No. 14****CIMC Container Yangzhou Base won the "Escort Light Award" of Sungrow Power in 2022**

Yangzhou Base cooperates with Sungrow Power in the fields of photovoltaic power generation, energy storage, hydrogen energy and other new energy, and organizes and sets up a joint group to customize the specific objectives of product innovation and optimization, and to decompose the objectives to form a quantitative and incentive mechanism, which will contribute to the innovation of Sungrow new energy products and the maintenance of competitiveness. This ensures the safe and efficient delivery of Sungrow's supply chain. the base won the 2022 "Light of Escort Award" of Sungrow.

**Case No. 15****CIMC Chuangying masters the core technology of thermoplastic composites**

CIMC Chuangying has mastered the core technology and can produce continuous fiber-reinforced thermoplastic composites (CFRTs), which have the unique properties of "light weight and high strength". Under the global trend of lightweight and recyclable green environmental protection, continuous fiber reinforced thermoplastic composite (CFRTP) as one of the most promising high-performance lightweight materials. At present, this new material has been widely used in refrigerated trucks produced by CIMC Refrigerated Truck Shandong Base and refrigerated truck products of major brands in China.

Intelligent manufacturing innovation

CIMC Group serves wholeheartedly and spares no effort to ensure the high-quality and efficient construction of intelligent manufacturing innovation based on its rapid and orderly development. CIMC Group actively promotes innovation-driven development and adhered to forward-looking planning, high-standard construction and rapid development to move towards the intelligent and digital goal of "Made in China 2025".

Case No. 16**Yangzhou CIMC Intelligent Manufacturing Industrial Park officially started construction**

Themed intelligent manufacturing, the industrial park covers leading industries' production lines of wind power turbine cabin, new energy equipment, green building industrialization, etc., aiming to join hands with worldwide new energy industries and head enterprises in the building industry to build a green manufacturing high-tech innovation industrial base by integrating Yangzhou base's existing resources and leveraging advantageous resources of CIMC Group.



Coordinated innovation activities

Based on the existing industry-university-research and industrial chain technology cooperation in the early stage, CIMC Group strengthened external technical cooperation, and established a joint research and development platform with top-tier Chinese universities and strategic partners, with research projects launched on new material applications, intelligent product development, etc. Seven Group-level collaborative R&D platforms have been established. The carbon dioxide capture, utilization and storage project of hollow fiber membrane jointly promoted by CIMC Offshore Engineering and the National University of Singapore will further promote the green development of the two sides, enrich the connotation of cooperation between Shenzhen and Singapore, and promote the development of China-Singapore relations.

Case No. 17

CIMC Enric and Zhejiang University (ZJU) established the CIMC & Enric-ZJU Hydrogen Energy Technology Joint R&D Center in 2022

In 2022, CIMC Group, CIMC Enric and Zhejiang University signed a contract to establish a joint R&D center for hydrogen energy technology, aiming to establish a long-term cooperation mechanism to meet the market demand of the hydrogen energy industry, from the hydrogenized materials, advanced hydrogen energy equipment and technology to the development of hydrogen energy equipment related standards and professional personnel training, etc., to promote the improvement of the core competitiveness and large-scale landing of domestic hydrogen energy equipment.



Case No. 18

CIMC Technology Center organized and held the Group's 9th Science and Technology Festival in 2022

The Science and Technology Festival is a scientific and technological feast integrating the award ceremony, sharing of scientific and technological innovation achievements and advanced innovation units/individuals, summary report of the Group's scientific and technological work, scientific and technological innovation roundtable forum, scientific and technological innovation achievements exhibition, etc. All scientific and technological workers participated in this grand meeting to discuss the development of scientific and technological innovation and create a never-ending science and technology festival.



In addition to the Group, the Group's subsidiaries also held a variety of science and technology festivals.

- **Containers Segment:** The container segment held a special exchange activity of the container sector science and technology festival in Ningbo with the theme of "strengthening business through science and technology, and creating the future by talents". Through the exchange process of activities, enterprises and R&D centers in the sector have more unified ideas and clearer objectives in their scientific and technological innovation activities than ever before, and have also received suggestions on the implementation of follow-up innovative R&D activities.
- **Vehicles Segment:** Nearly 200 engineers from each member enterprise of CIMC Vehicles participated in the Group's "Science and Technology Festival" technical exchange conference online. Under the guidance of high-end manufacturing system, CIMC Vehicles has continuously created new product categories and made breakthroughs in manufacturing technology, digitalization, informatization and other aspects.
- **Recycled Load Segment:** "New Technology and New Future" CIMC Recycled Load Innovation Technology Sharing Conference and "Smart Operation Big Data Platform" launching ceremony were successfully held at the Shenzhen headquarters of CIMC Recycled Load. Digital operation management has become a strategic element of the intelligent Recycled load industry, and CIMC Recycled Load is also accelerating the layout of digital and intelligent operation service system to build a smart operation platform.

Cultivation of scientific and technological innovation talents

In 2022, CIMC Group kept on pushing forward the T2 phase training program for leading talents in technological innovation. We completed a number of online course studies and graduation ceremonies, cultivated double chief engineers for the Group to promote technological innovation and product upgradation, and facilitated the progress of creating champion products. The Group introduced and cultivated a batch of technical experts in intelligence, new materials, cold chain, clean energy, etc., to boost new product and business upgradations and technological breakthroughs in the Group's key strategic directions.

Case No. 19

CIMC Group T2 phase training program for leading talents in technological innovation



Marketing model innovation

With the rapid development of various industries and the upgradation of customer demand, it is imperative to build a win-win chain ecosystem. The Group and its subsidiaries actively seek new solutions together with partners.

Case No. 20

CIMC Vehicles and Shacman cooperated again and formed a strategic alliance of innovative marketing model to create new value for customers

In 2022, CIMC Vehicles and Shacman Group joined hands again to create a new model for the integrated development of the towing part and the modification of a vehicle in the commercial vehicle industry. In December, the "Three Good Development Center" jointly built by CIMC and Shacman was officially opened. Guided by "innovation-driven and high-quality supply", the "Three Good Development Center" aims to create new demand and new momentum for commercial vehicles, and the center is a sharp edge in promoting the supply-side structural reform of the industry.



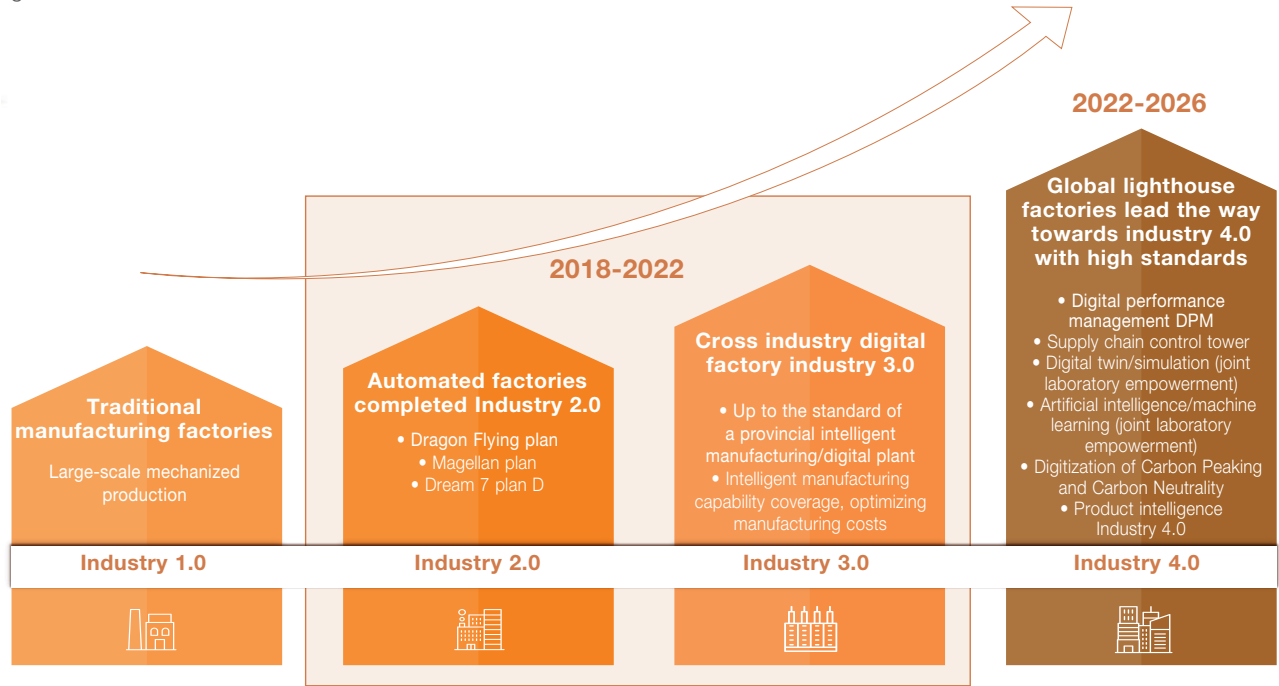
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New Industrialization

Build excellent operation demonstration enterprises and realize high-quality development

CIMC Group takes the initiative to undertake social and national development strategies, and develops action plans appropriate to national development based on the actual situation of the Group. The Company regards digital intelligence as the main means of transformation to new industrialization, adheres to the strategic direction of intelligent manufacturing upgradation, comprehensively carries out new industrialization work through comprehensive arrangements and pilot promotion, and gradually realizes the transformation and upgradation of the manufacturing industry. CIMC Group adheres to the strategic direction of intelligent manufacturing upgradation, and the Group keeps on improving the "CIMC Intelligent Manufacturing Action Plan". With a broad global perspective, it carries out top-level design for the comprehensive upgradation and development of the Group, and draws a blueprint for the innovative development of the Group.

All major business segments focus on automation upgradation, such as the Dragon Flying Plan, the Super Magellan Plan, the Dream 6 and Dream 7 Plans, etc. for Container, Vehicle and Energy & Chemical. Based on the improvement of automation level of core enterprises, provincial intelligent manufacturing or digital plants have been built, realizing the leap of Industry 3.0; Nine of the 27 core enterprises have reached the provincial level of intelligent manufacturing or digital plants. In 2022, three high-quality provincial intelligent manufacturing plants, Ningbo CIMC, CIMC Safeway Technologies and Luoyang Linyu, were added. Qingdao Reefer Container won the Ministry of Industry and Information Technology's Intelligent Manufacturing Demonstration Excellent Scenarios, and Wuhu Ruijiang won the Provincial Quality Award this year. The demonstration enterprises are moving towards Industry 4.0 with the goal of leading by high standards and global lighthouse factories.



Case No. 21

Focusing on demonstration enterprises and building a global lighthouse plant

All six demonstration enterprises have reached the provincial level of intelligent manufacturing or digital plants, and they are applying for or preparing to apply for the national level of intelligent manufacturing pilot demonstration enterprises. Four candidate enterprises (Wuhu Ruijiang, CIMC Safeway Technologies, Qingdao Reefer Container, Ningbo CIMC) are selected to promote the construction of global lighthouse factories. Among them, Wuhu Ruijiang has identified 2025 as the goal of the global lighthouse factory, and has completed the global lighthouse evaluation and landing plan in 2021. CIMC Safeway Technologies has integrated the global lighthouse factory capacity into the dream seven-line plan. Qingdao Reefer Container and Ningbo CIMC have identified the direction of the global lighthouse factory.



High-level in-depth integration of informatization and industrialization

This is a major strategic plan drawn up by the Party Central Committee and the State Council in the new era to accelerate the integration of industrialization and informatization. Among them, the integration of industrialization and informatization is the main national standard of Made in China 2025, which is directly promoted by the Ministry of Industry and Information Technology of the People's Republic of China. The Group and its subordinate enterprises have made employees at all levels master the methodology of "intelligent transformation and digital transformation" through the implementation of the integrated management system of industrialization and informatization, providing a strong guarantee for high-quality information construction. On the basis of the excellent operation management, CIMC Group uses the integrated management system of industrialization and informatization to continue to build new capabilities and achieve sustained and qualitative growth of the Company.

➤ In December 2022, Taicang CIMC Container Manufacturing Co., Ltd. obtained the 3A certificate of the integrated management system of industrialization and informatization issued by China Classification Society Quality Certification Co., Ltd., and it was also the first dry container enterprise in the container sector to obtain the certificate.

➤ Tianjin CIMC successfully passed the supervision and audit of the integration management system of industrialization and informatization. The success of the version transfer audit of the integration management system of industrialization and informatization marks the Company's landmark achievements in the construction and operation of the integration of industrialization and informatization in 2021-2022.

➤ In December 2022, Qingdao Reefer Container's "R&D, process and manufacturing integrated management and control capability" successfully won the 3A certification publicity of the national informatization and industrialization integration management system.

Case No. 22

Official launch of the first batch of MES functional modules of CIMC Vehicles Terabyte Body Business Group (TB BG)

On June 30, 2022, CIMC Vehicles Terabyte Body Business Group (TB BG) witnessed the official launch of the first batch of its MES functional modules. This marks a leap forward for Terabyte Business Group towards the construction of a digital and intelligent high-end manufacturing system. On July 15, 2022, PLM and SDM systems were officially launched successively, and the digital and intelligent high-end manufacturing system of Terabyte was further consolidated. Thus, the capability of rapid design technology and management was enhanced.



Other new industrialization achievements of CIMC Group's subordinate segments are as follows:

Container Segment:

The container segment has always focused on informatization construction, and the informatization system was upgraded and adjusted in June 2022. In 2022, the container segment kept pace with the forefront of market development and promoted the construction of digital plants and realized two-way transmission of data flow and information flow of all businesses.

Energy and Chemical Segment:

After the construction and operation of the first phase of Nantong Energy MES system in 2020, the second phase of MES system optimization was completed in 2022. By optimizing on-site operations, we strengthened change control and improved functions such as complete kit inspection and logistics distribution.

Recycled Load Segment:

In 2022, the recycled load segment invested more in industrial equipment, 20 sets of new pallet box robotic welding workstations, laser cutting machines, digital display milling machines, electro-hydraulic servo CNC bending machines and other large equipment. In June 2022, the SAP S4 HANA system was launched to build a cross-system integrated business process operation platform with SAP system as the core.

Intellectual Property Management

The Group respects and values the management and maintenance of intellectual property (IP), especially the protection and utilization of high-value patents, and conducts all-round management of the creation, protection, application, management and risk prevention and control of intellectual property through strictly abiding the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China and the Law of the People's Republic of China Against Unfair Competition and other IP-related laws and regulations during production and business operations, through effective implementation of the intellectual property management system documents and amendment to the Measures of CIMC Group on Patent Management, which stipulates CIMC Group's various departments and subsidiaries shall report major patent-related events, e.g. patent infringement and protection, involving technology, patent or business operations to the law affairs department of the Group, such that macro – level resolutions can be developed from the vantage point of CIMC Group and from the long-term perspective, with assistance and support provided by relevant departments where necessary. Before new products, new materials, new techniques or new processes are designed, developed or launched on the market by a unit within the Group, a patent search and analysis must be performed regarding the proposed improvement in the existing technique with a search report generated, which should be assessed and archived as a project initiation review material, to avoid the risk of patent infringement. A comprehensive patent information analysis must be conducted on CIMC Group's flagship products or champion products at least once every three years. The foregoing management systems and procedures have been effectively enforced and implemented in the routine management of enterprises within the Group. The intellectual property rights have been effectively maintained to avoid adverse effects on the Company due to infringement of third-party intellectual property rights.

In 2022, the new breakthrough in the number of China Patent Awards demonstrated the Group's long adherence to the intellectual property work policy "quality growth of patents". To effectively improve the quality of patent applications and realize a more effective and stronger protection of patents, the Group consolidated the foundation for quality growth of patents by adopting the intelligent patent management platform, strictly controlling the patent examination and approval procedures, and strengthening patent training and publicity. After continuous reform and exploration, the Group's patent quality improved significantly. Major cases such as CIMC Energy's trademark and trade name rights protection case carried out by the Group have achieved phased results, which has effectively safeguarded the legitimate commercial rights and interests of the Group.

In 2022, the Group closely focused on the Group's star products and key R&D projects and established a new work idea of "building strong intellectual property enterprises and strong products to achieve differentiated competitive advantages". This was planned and laid out as a target strategy and successfully included in the Group's 2023 annual strategy theme. Up to now, the Group has a total of five Intellectual Property Demonstration Enterprises. These five intellectual property demonstration enterprises are as follows:

Enterprise Name
China International Marine Containers (Group) Co., Ltd.
Zhumadian CIMC Huajun Vehicle Co., Ltd.
CIMC Safeway Technology Co., Ltd.
Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd.
Dalian CIMC Containers Co., Ltd.

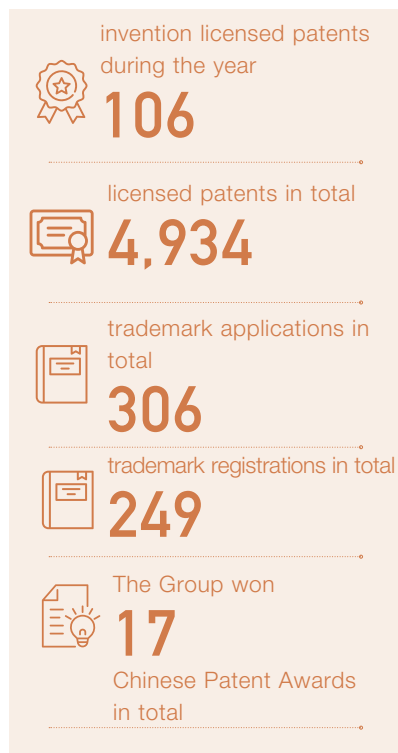
Case No. 23

The container segment builds a high-quality patent bank and gives full play to the value of intellectual property rights

The container segment has incorporated the intellectual property strategy into the overall business plan of the industry sector. In the early, middle and late stages of the new product, it will conduct a comprehensive search and analysis of the competitors and their intellectual property situation and do a good job of infringement prevention and early warning in a timely manner. In 2022, Dalian CIMC won the National Demonstration Enterprise for Intellectual Property Rights.



The patents obtained by the Group in 2022 are as follows:



Trademark applications and registrations



Case No. 24

CIMC annual Chinese Patent Awards hits a new record

In 2022, according to the "Decision on the 23rd Chinese Patent Award" issued by National Intellectual Property Administration, 4 patents of the subsidiaries of CIMC Cold Cloud, CIMC Raffles, CIMC Safeway Technologies and Nantong Energy such as "the refrigerated transportation container based on phase change materials", "the integrated large volume tank containers" and "the storage and transportation containers" won the China Excellent Patent Award, setting a new record in the Group's annual Chinese Patent Awards.



Storage and transportation containers
(Nantong CIMC Energy)



Refrigerated transportation container based on phase change materials (CIMC Cold Cloud)



Integrated large volume tank containers
(CIMC Safeway Technologies)

(Part of Chinese Patent Awards)

Creation of Brand Power with High Quality

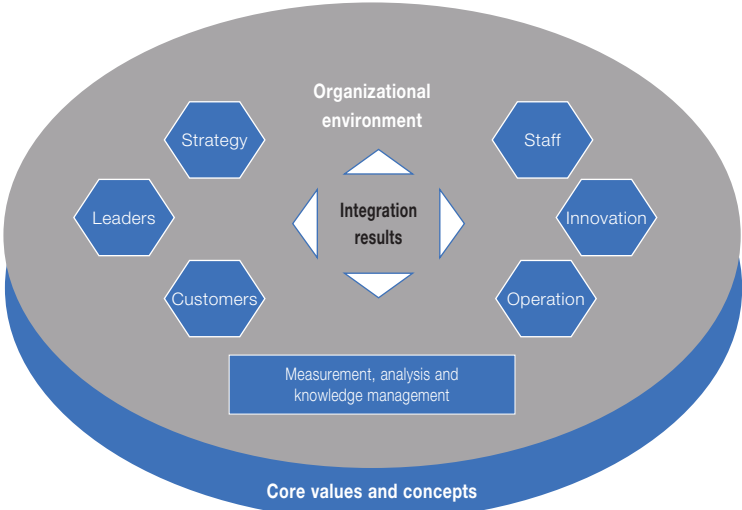
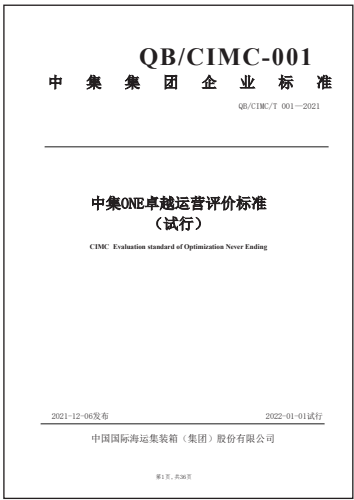
Product Quality and Safety

CIMC Group’s products are highly diversified and angled at the global markets, involving containers, road transport vehicles, energy, chemical and food equipment, airport facilities, offshore engineering equipment and ships, modular buildings, global logistics and other products and services that are strict in safety and reliability requirements. CIMC adheres to the customer-oriented quality concept. Committed to the mission “providing high-quality and reliable equipment and services for logistics and energy industries”, we always regard the health and safety standards of our products as the top priority for responsible product development; adhering to the idea of “continuous and constant improvement”, we seek to provide clients with secure, high-quality and highly efficient products and services.

Product quality is the foundation of CIMC Group. CIMC’s product quality management has formed a mature ONE management model. Tempered by the market, CIMC has established and practiced the quality concept of “product reflects the creator’s moral quality” by manufacturing products in line with international standards or technical standards of the customer’s country or region and continuously building the full-process quality assurance system of each product. Thus, we guaranteed the high quality of the product through strict procedures.

CIMC Group has been committed to achieving high-quality development and continuous improvement of product quality in an organized, standardized, methodical and step-by-step way. Referring to “the 2021-2022 Baldrige National Quality Excellence Performance Standard”, the GB/T19580 “Excellence Performance Evaluation Criteria” and the DB4403/T116-2020 “Shenzhen Mayor’s Quality Award Evaluation Criteria (Economic Category)”, CIMC has established the “CIMC ONE Excellence Operation Evaluation Criteria”, promoting CIMC manufacturing – core enterprises (with a revenue of over RMB1 billion, with champion/star products, top 30) to conduct evaluation, and forming a score increase plan. From the aspects of excellent operation, scientific and technological innovation, digitalization and green development, we continuously promote the building of excellent operation demonstration enterprises, improve product quality and enterprise development quality, and create excellent results through excellent processes. In 2022, the evaluation implementation rate of core enterprises was 50%, and such enterprises applied for quality awards awarded by local governments at all levels. In 2022, Wuhu Ruijiang won the Anhui Provincial Government Quality Award, Jingmen Hongtu won the Yangtze River Quality Award of Hubei Province, and the container sector won the Guangdong Provincial Government Quality Award nomination.

In terms of system and process management, CIMC has taken CIMC ONE Operational Excellence Evaluation Criteria as the traction, continuously benchmarked against Toyota’s TPS, UTC’s ACE, Danaher’s DBS, Huawei, etc., to create and continuously improve the lean ONE model (Optimization Never Ending, continuous improvement, endless) that meets the characteristics of CIMC, forming a series of tools, methods and core values including modules such as “quality in the process”, and the lean ONE model has reached 100% Covering CIMC Manufacturing – core enterprises.



Through the application of quality modules in the process, each segment and enterprise have established the policy and objectives of quality management covering all levels (companies, departments and teams) to standardize quality management, and to promote full participation, continuous product quality improvement, and quality talent echelon training as a traction, combined with the current situation, practice quality awareness enlightenment, product standard, important engineering, special engineering, change point management, abnormal handling, non-conforming product management, quality information collection and re-issuance prevention standardization and other elements and their management systems. From 2010 to 2022, an average of 153,700 pieces of creative work were done per year.

In terms of product quality and safety, CIMC adheres to the strategy of “Champion Products” and takes the creation of “Global Lighthouse Factory” and “Green Factory” as the starting point to continuously improve the quality of CIMC’s products, and gives CIMC higher quality and deeper connotation. At present, CIMC has 24 champion (star) products, of which in 2022, Jingmen Hongtu “Low-pressure Liquefied Gas Storage and Transportation Pressure Vessel” was recognized as the national “Single Champion Product in the Manufacturing Industry”; Yantai CIMC Raffles “Blue Whale Series New Generation Ultra-deepwater Semi-submersible Drilling Platform” and CIMC Safeway’s “High Efficiency and Safe Liquid Tank” won a total of two provincial science and technology progress awards; three national specialized, refined, characteristic and innovative enterprises, four China Patent Excellence Awards and one silver award, and two provincial digital smart factories were added. CIMC Tianda, Dongguan Southern and QDCRC were awarded national green factories, and eight provincial green factories were added to the Group in 2022.

With a view to ensuring effective customer protection, each segment and company in the Group has formulated a product recall management system based on the nature of their respective products and services to conduct timely investigations on defective products and eliminated product defects transparently and rigorously so as to minimize the negative effects on clients and losses caused to them. Furthermore, we have also established a marketing and promotion management system to achieve the goal of matching products and customer needs and ensure that accurate brand information be disseminated externally. In the current year, the Group complied with relevant laws and regulations on product safety and health, advertising, etc., and did not receive any complaints on violations. There have been no product recalls caused by health and safety issues.

CIMC Manufacture – 30 key enterprises (over RMB1 billion, having champion/star products, 100% covered by LEAN ONE model.

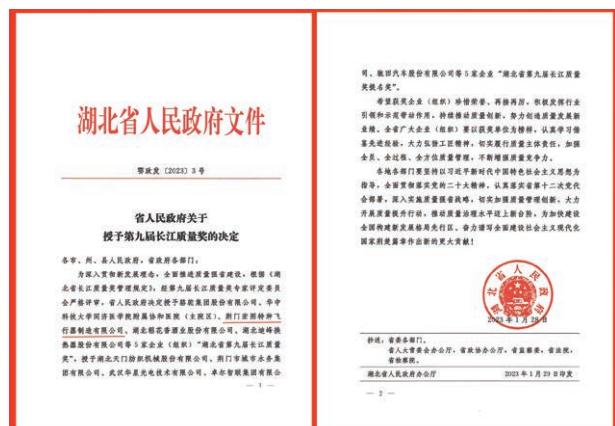
As of 2022, RMB3.465 billion of improved revenue was earned across the LEAN ONE model research topics.

Three enterprises won Provincial Governor Award or nomination, Ruijiang Tank Truck won Quality Award granted by the People’s Government of Anhui Province, Jingmen Hongtu won the Ninth Yangtze River Quality Positive Award of Hubei Province, the Container Segment won Nomination Prize of Quality Award of Guangdong Provincial Government.

Case No. 25

Jingmen Hongtu won the Ninth Yangtze River Quality Award of Hubei Province Positive Incentive

Jingmen Hongtu established a declaration project group for Yangtze River Quality Award of Hubei Province, completed the material review in 2022, and successfully passed the first round of pre-review. At the end of September, the provincial evaluation expert group learned about Jingmen Hongtu in depth. Finally, Jingmen Hongtu stood out among many enterprises participating in the evaluation in the province and won the “Ninth Yangtze River Quality Award of Hubei Province” positive incentive.



In terms of the CIMC energy and chemical engineering sector, the announcement meeting related to putting forward the 2022 quality A3 topic & the report on the prevention of reoccurrence was successfully held

In November 2022, CIMC energy and chemical segment held a quality improvement announcement meeting, reflecting the importance CIMC Enric attaches to quality work.



CIMC Safeway Technologies held a monthly quality summary meeting

In November 2022, a series of quality month activities were carried out, and training on quality management tools of "Change Point Management" and "Reoccurrence Prevention Measures" were be organized.



Nantong Energy 2022 Cost Year & Monthly Quality Summary and Excellent Improvement Announcement Meeting was successfully held

In December 2022, Nantong Energy Cost Year & Quality Monthly Summary Recognition and Excellent improvement Announcement Meeting was successfully held in the Company's activity center.



Enric Energy Equipment (High Voltage) Consortium organized the 2022 Technical Quality Conference

Enric Energy Equipment (High Voltage) Consortium organized the 2022 Technical Quality Conference, the Company's management cadres and technical and quality staff attended the conference.



Case No. 27

Xinhui CIMC won the "Annual Trusted Partner of China's Overseas Enterprises" at the Annual Ceremony of China IDC Industry

Xinhui CIMC won the award "2022 Trusted Partner of Chinese Overseas Enterprises" under the theme of "Decoding Sustainability". Xinhui CIMC would carry out quality improvement actions in an all-round way, continue to optimize content and promote innovations, and accelerate the development of domestic market.



Customer Service and Satisfaction

“Customer Success” is the core value of CIMC. Each segment and its subordinate enterprises strictly abide by the relevant laws and regulations of the country and places where they operate, establish relevant processes for customer support and service, and continue to implement key tasks, such as improving customer satisfaction, optimizing the complaint handling mechanism, and providing special services for striving to provide its customers with comprehensive services. At the same time, the Group upheld the spirit of “Keeping Improving, Continuous Improvement”, and organized normal special trainings on marketing and customer service, so as to continuously improve the quality of products and services.

This year, there were four customer complaints. The average customer satisfaction of each sector of the Group was 94.7% (representing a year-on-year increase of 1.2%), of which the highest percentage (i.e. 97.0%) was in the energy and chemical sector, the airport sector and the recycled load sector.

Customer Satisfaction of

94.7%

a year-on-year increase of

1.2%

Case No. 28

CIMC Containers practiced the value - “Achieve Customers”

CIMC Containers collected and analyzed customer opinions and suggestions through satisfaction measurement methods such as customer on-site order satisfaction and customer satisfaction interviews, formulated effective measures, and actively facilitated improvement to continuously enhance customer satisfaction and consolidate customer loyalty.



Case No. 29

Paying attention to the needs of users in overseas markets and maintained customer relations with care

As African market was a key region for overseas sales of CIMC Vehicles, customer relation maintenance was crucial. For a batch of vehicles exported to Tanzania in 2022, accessories such as sideboards, brackets, and guardrails needed to be assembled locally. In order to ensure the assembly quality and satisfy customers, CIMC Vehicles arranged after-sales specialists to stay at the customer's site for guiding the installation process on site.



Case No. 30

CIMC Offshore Engineering won the Petrobras Supplier of the Year Award for the second time

In November 2022, CIMC Offshore Engineering won the Petrobras Best Supplier of the Year Award at the fifth Brazilian Petroleum Corporation (“Petrobras”) Best Supplier Award Ceremony. This is the second time CIMC Offshore Engineering has won this honor since 2019. CIMC Offshore Engineering has once again become the only non-Brazilian company in this category to win the award, reflecting Petrobras’ recognition of CIMC Offshore Engineering.



Strategic Cooperation for Joint Establishment of Future Supply Chain System

The Group has established the “Purchasing Management System of CIMC Group” to require the purchasing management departments of all dominant parent management subsidiaries and innovative companies to actively implement supplier environmental and social risk management and control and construct green supply chains. The purchasing management department of a subsidiary shall classify suppliers based on the impact of their materials on the subsidiary. If a supplier delivers a major impact, the subsidiary shall assess the supplier as to the performance of environmental and social responsibilities, conduct preliminary review on certificate of the supplier and consider adopting on-site review on supplier based on preliminary review result and risk assessment result of businesses, and gradually extend the assessment of social responsibility performance to cover all suppliers. According to the analysis of the group’s ESG & HSE professional department, if it is judged that a supplier has significant environmental and social risks to the group, the Group’s strategic development department will issue a risk report or even propose to revoke the supplier’s qualification within the group depending on the situation. CIMC insisted on making innovations in business models, expanding the service value chain, and integrating upstream and downstream resources. It continuously optimized the existing product system, expanded and extended the value chain, relied on CIMC’s advantages, combined customer needs, explored and grasped opportunities in the service sections such as after-sales, parts/spare parts, operation, supply chain, and trade, conducted business and reached cooperation with upstream and downstream enterprises and resources, solved the pain points of the industrial chain, and provided overall solutions.

CIMC Group and its subsidiaries follow the principles of the conflict minerals policy to manage the conflict minerals, and the enterprises implement due diligence on the supply chain. They also require the suppliers to abide by and implement the conflict minerals management measures and fulfill their social responsibilities.

CIMC Group understands and attaches importance to the human rights and environmental issues related to conflict minerals, requires our suppliers to fulfill their social and environmental responsibilities, selects and promotes the supply chain to promise not to use conflict minerals, requires the establishment of a conflict-free mineral procurement policy, and carries out and submits a due diligence report.

Layered institutional system design guarantees fair competition

The purchasing system of the Group is designed as a three-layer structure. The Purchasing Management System of CIMC Group has been established to standardize the purchasing management and business operation requirements of the Group at all levels. Meanwhile, it requires purchasing managers at all levels to enter into a corruption-free employment agreement with the supplier and compare the quotations from at least three suppliers.

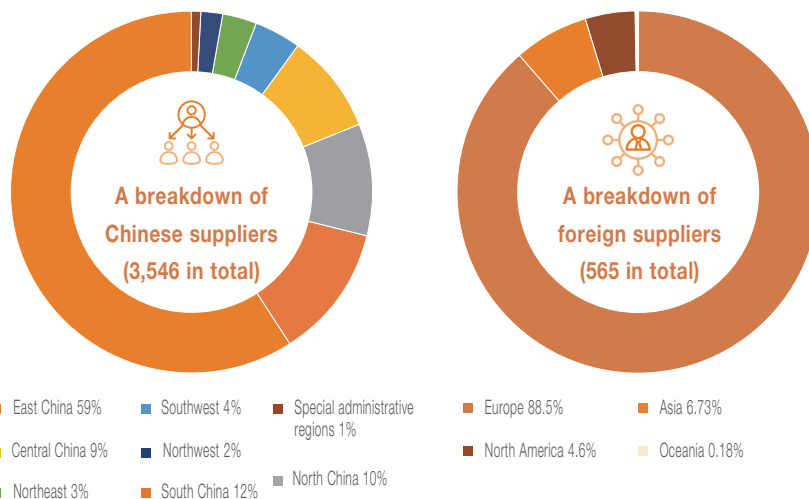
Uniform supplier admission standards reflect fair competition

The Group provides suppliers with a fair and open access platform, and designed requirements for suppliers in compliance with laws and regulations, environmental protection, operation with integrity, safe production and employee occupational health.

Diversified purchasing methods promote fair competition

The Group always advocates promoting fair competition and honest cooperation in purchasing and sourcing process through diversified purchasing methods, builds up a cooperation platform of fair competition, and adopts tendering, enquiry and parity, competitive negotiation and many other purchasing methods to promote fair competition among suppliers.

The Group has 4,111 suppliers in total, including 3,546 domestic suppliers, accounting for 86% of the total; and 565 foreign suppliers, accounting for 14%. These suppliers cover all the key materials required for the Containers, Vehicles, Energy and Chemical, Offshore, Airport and Load Business as well as external trading materials of Tongchuang, accounting for 76% of the total purchase cost of materials. A breakdown of the suppliers by region is as below:



Note: B5 supply chain management: the scope has changed from 2021, the container segments have expanded to the satellite business; the vehicle segment has added non-production material suppliers; the airport segment has added new business suppliers, accounting for 76% of the total purchase cost of materials;

No. & proportion to total of certified/accredited suppliers

	Certified for quality management system	Certified for occupational health/safety management system	Certified for environmental management system	Entered into the Sunshine Cooperation Agreement (or Letter of Commitment)	Annual supplier performance assessment	Annual performance assessment covering environmental and social responsibility matters
Number of suppliers (Unit)	2,617	1,642	1,672	2,617	2,602	1,666
Proportion in total suppliers (%)	63.66%	39.94%	40.67%	63.66%	63.29%	40.53%

Number and proportion of new/existing/terminated suppliers in 2022 are as follows:

- The number of new suppliers was 207 in the year, accounting for 5% of the total suppliers;
- The number of new suppliers audited by environmental and social issues in the year was 128, accounting for 62% of new suppliers;
- The number of suppliers re-evaluated annually was 788, accounting for 19% of suppliers;

- The number of annual re-suppliers assessed on environmental and social issues was 424, accounting for 54% of re-evaluated suppliers;
- The number of terminated suppliers per year was nine;
- The number of suppliers terminated due to environmental and social issues in the year was one, accounting for 11% of terminated suppliers.

1,272 suppliers received training on environmental and social issues in 2022, accounting for 31% of the total number of suppliers; E-platform purchasing suppliers make up 46% of the total, and strategic cooperation suppliers make up 27%.

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

Environmental and social risk policies and guidelines and specific implementation cases of supply chain management in each section:

Container Segment:

Conducted digital transformation, created an information platform, realized information sharing at the three ends of "supply, production and demand", and greatly improved the synergy efficiency of the supply chain. Established a key supplier quality assessment and assurance system and organized the replication or promotion of its management model, method or system in the upstream and downstream of the supply chain.

Vehicle Segment:

In the supplier access section, environmental management certification, occupational health and safety management system certification and other certificates were required for qualifications, and on-site audits checked the effectiveness of system operation. Suppliers of key materials must have quality, environment, and occupational health certification certificates during the access process, and undergo plant audits, include them in supplier files, and regularly check their validity.

Energy Chemical Engineering Segment:

Built an honest and cooperative relation in the supply chain, strengthened contract regulations and other normative construction, and formulated emergency measures to deal with emergencies. Set up a stable and reliable information system, increased the supply chain information sharing degree, established a variety of information transmission channels.

Continuous Green Supply Chain Development

The Group is committed to establishing good partnerships with suppliers, extending the philosophy of sustainable development across the supply chain, and working hand in hand with them to promote the fulfillment of social responsibilities throughout the industrial value chain. At the Group level, we introduced a series of purchasing policies to disseminate the responsible management ideals to upstream and downstream companies. The Purchasing Management System of CIMC Group stipulates that in certifying the suppliers with greater influence, the fulfilling of HSE, anti-commercial bribery and other social responsibility should be considered in the assessment, and this assessment shall be gradually extended to all suppliers. All segments and affiliated enterprises have introduced constant effort to improve the responsible purchasing mechanism based on their own business types and product characteristics. Some segments have included factors such as whether there is an environmental impact assessment reply, whether environmental protection is compliant, whether they have invested in community welfare, whether employees' social insurance is complete, and whether safety production management is effective, etc., into supplier review (evaluation) forms, purchasing contracts or the company's internal purchasing management system, to promote the sustainable development of the supply chain.

As the responsible unit for the implementation of supply chain management policies, all directly managed enterprises and innovative enterprises actively responded to the call of the state and the Group, continuously promoted the management and control of suppliers' environmental and social risks, and promoted the construction of green supply chains. Advocated in terms of purchasing policies and guidelines, and gradually implemented various detailed management measures in the whole process of purchasing and supplier management, such as supplier access, supplier selection, contract signing and implementation, supplier evaluation, reward and punishment measures.

Green supply chain management-related practice of all segments:

Container Segment:

Clarified the environmental protection responsibility of suppliers, established comprehensive sampling inspection system and process, improved material testing standards and sampling frequency, investigated the cooperation list of authoritative testing institutions in the industry, and realized the suppliers' product quality status, frequently encountered problems and effective countermeasures.

Vehicle Segment:

In terms of supply chain management, CIMC Vehicles had EPS platform to manage the sources of the products of routine suppliers. With the help of the platform, CIMC Vehicles took the lead in exploring two internal business models, LTS and LTP. Through the two business models of LTS and LTP, the original hierarchical point-shaped "lighthouse" plants were connected in series into a network-like lighthouse manufacturing network.

Energy Chemical Engineering Segment:

In the process of cooperation with suppliers, CIMC Enric laid emphasis on requiring the suppliers to reduce packaging as much as possible to protect the environment and lower purchasing costs. Precautions for environmental protection and safety were stipulated in the purchasing contract.

Offshore Engineering Segment:

While purchasing materials, it gave priority to low-energy consumption, green environmental protection, and clean energy products. In the process of cooperation, the Offshore Engineering Segment conducted investigations on suppliers' social responsibilities and established green supply chain management system.

Airport Segment:

CIMC Tianda had been committed to helping suppliers to produce and provide better quality products for better serving end customers. CIMC Tianda established a Know-how library to facilitate the growth of suppliers and formulate supplier quality counseling plans.

Case No. 31

EPS project of CIMC Vehicles won the annual "Purchasing Transformation Model Award" in the Pioneer List of Digital Transformation

CIMC Vehicles was listed on the 2022 Dingge Award Digital Transformation Vanguards. By realizing digital transformation, it has improved the digital level of the end-to-end supply chain and effectively helped enterprises improve their core competitiveness.



Sharing Experience for Common Development

As a leading player in multiple industries, CIMC Group has been actively involved in the formulation of industry standards and regulations, actively promoted the commercialization of research findings and the healthy and sustainable development of the industries to which its business segments belong. As of the end of 2022, the Group had participated in the formulation of approximately more than 170 sets of international, national and industry standards for containers, special vehicles, energy and chemical equipment and airport equipment, and had officially released more than 70 sets of national or industry standards; The Group and its subsidiaries have joined in 57 associations and served as a director general, director, president and vice president in 45 associations, making positive contributions to the development of the industry associations and the industries.

Container Segment:

We presided over the formulation and revision of several sets of ISO, etc. related international, national industry standards for the container segment, including standards such as ISO 1161 "Series 1 freight containers; Corner fittings; Specification", ISO 668 "Series 1 freight containers – Classification, dimensions and ratings", etc.

Vehicles Segment:

CIMC Vehicles began to develop and establish a "high-end manufacturing system" in 2014. As of the end of 2022, it has built 25 "Lighthouse" plants, which has deepened the construction of "lighthouse manufacturing network".

Recycled Load Segment:

CIMC Recycled Load Business led and participated in the formulation and revision of a number of product-related ISO international standards, national standards, industry standards, and enterprise standards with industry-leading technical levels. 1. Participated in the formulation of GB/T4995-2014, participated in the formulation of GB/T4996-2014, participated in the revision of the national standard *Main Dimensions and Tolerances of Flat Pallets*, and participated in the revision of the national standard *Pallet Terminology*, etc..

Case No. 32

CIMC WETRANS Logistics vigorously promoted LNG-fueled closed cement tankers of the Xi River cement transportation project

The "CIMC Zhaoqing 107" LNG-fueled cement tanker invested in and built by CIMC WETRANS and Zhaoqing Runqing Water Transportation has been completed and delivered. This is the first LNG new energy cement tanker built by Guangdong Inland Waterway Shipping Green Development Demonstration Project, and it is a significant achievement in the construction of "Powering Xi River by LNG", a Xi River new energy transportation project jointly conducted by CIMC and Zhaoqing. It is important for guiding and promoting the green and energy-saving development of Xi River ships and accelerating the green development of inland waterway shipping in China.



Case No. 34

CIMC Recycled Load Business Appeared at the Fifth Logistics Packaging Technology Development Conference

CIMC Recycled Load Business participated in the Fifth Logistics Packaging Technology Development Conference and demonstrated CIMC Recycled Load Business' innovative products and comprehensive solutions in circular logistics packaging. Dalian CIMC, a member company of CIMC Recycled Load Business, won the "Excellent Case of Logistics Packaging" granted by the organizer of the conference for its product "Semiconductor Precision Dielectric Electrolytic Polishing Metal Packaging Container".

Case No. 33

CIMC Vehicles presided over the formulation of group standards for side curtain trailers

CIMC Vehicles presided over the formulation of T/CAAMTB 109-2022 *Technical Conditions and Test Methods for Side Curtain Vehicles*, and officially released and implemented. The regulations and standards of European side curtain vehicles as well as the European side curtain semi-trailer product development experience accumulated by CIMC Vehicles for many years were fully used as reference for the drafting of the above standard. That was the first product standard for side curtain vehicles in China.



Tackling Climate Change

“Green ecology” is one of the main indicators of China’s economic and social development in the 14th Five-Year Plan period, and Chinese government is actively participating in global environmental governance and promoting green and low-carbon economic transformation to unwaveringly fulfill its international commitments to address climate change. Based on its own operation situation, and against the Chinese policies for sustainable development and proven practices of China and other countries, CIMC accelerates phasing-out of high-energy-consumption equipment and high-pollution equipment, actively developed and introduced clean production technologies and techniques, and vigorously developed and promoted green products and services. The Group actively responds to the United Nations Sustainable Development Goals 6, 7, 12 and 13, making positive contributions to addressing global climate change and building ecological civilization.



Our Actions:

- Carried out carbon verification with core factories and champion products
- Upgraded and transformed environmental protection facilities; reduced, detoxified and recycled hazardous wastes; and reduced “three wastes” and noise emissions
- Implemented comprehensive energy conservation and greenhouse gas emission reduction plans to reduce greenhouse gas emissions and cope with global climate change
- Adopted advanced clean production technology to promote the development of green manufacturing, green products, green finance and green building, so as to offer more green choices for the public.

Our Efforts:

- To improve the environmental management system to achieve the goal of emission reduction under the Green Development Plan of CIMC
- To promote energy conservation and emission reduction in the full life cycle from product design, production and manufacturing and packaging to logistics
- To carry out R&D, production and promotion of more green products and services to contribute to reduction of footprints and pollutant emissions in upstream and downstream sectors
- To draw on best industry practices to deepen the discussion, identification, assessment and management of risks and opportunities of climate change.

Our Achievements:

- The Group has 27 green factories, including 10 national-grade green factories
- 76 companies have been certified under the ISO14001 environmental management system.
- 62 enterprises of CIMC passed the safety standardization certification
- Energy consumption: 22.55% decrease in total energy consumption and 10.43% reduction in consumption intensity compared with the previous year
- Carbon emissions: 27.25% decrease in total emissions and 15.86% reduction in emission intensity compared with the previous year.



Low-Carbon Operation to Shoulder Responsibility and Mission

“To peak carbon dioxide emissions by 2030 and realize carbon neutrality by 2060” is a major strategic decision made based on the overall situations inside and outside of China. As “carbon peaking and carbon neutrality” becomes a national policy, manufacturing enterprises, being the primary generators of carbon emissions and primary entities for implementing the carbon neutrality goal, should fulfill their responsibilities by efficiently formulating the carbon neutrality roadmap, carrying out carbon management and developing a wide range of green production methods, so as to achieve the goal of carbon peaking and carbon neutrality, promote China’s green development to a new level, and facilitate the transformation and efficient development of CIMC and its enterprises.

Actively pursuing carbon neutrality

CIMC is actively responding to the call for “Dual Carbon” and exploring the future path of green innovation to achieve green and low carbon in the full life cycle of its products. For energy conservation and carbon reduction, in 2022, it has been a special topic to be regularly reported to the ESG Reporting Leading Group, and guided the ESG Research Department to conduct exploration and pilot demonstration in four directions with various segments:

- Carbon status and policy research topics related to dual carbon: Product carbon footprint, product carbon accounting system, carbon labeling, carbon tariffs, forestry carbon sinks and marine carbon sinks.
 - Energy conservation and carbon reduction issues related to dual carbon: Product energy conservation and carbon standards by industry, common carbon reduction technologies, management energy conservation, energy substitution, and other structural carbon reduction (photovoltaic or wind power generation, natural gas substitution and procurement of green electricity in plants), carbon capture and carbon sequestration technology, and digital technology applications (digital energy management platform, dual carbon digital platform, and industrial Internet of Things(IoT) energy management).
 - Considering low-carbon response and business
- opportunities under the concept of system ecology: The pain points and opportunities of carbon reduction in the industry and the whole industry chain, the pain points and opportunities of carbon reduction in related industries, carbon trading mechanism, opportunity identification and certification of industrial CCER, and green finance.

 - Research on the goal and path of dual-carbon, high-quality and sustainable development: Research goals for each segment or enterprise from Scope 1 to Scope 3, research on the path of green and low-carbon transformation by industry, and near zero carbon demonstration plants, etc.

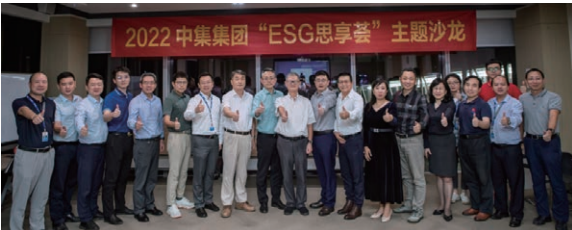
In 2023, through the Group’s strategic theme, the goal of reducing energy consumption intensity by 3% and carbon emission intensity by 4% per RMB0.1 billion was determined, and its business plan will be undertaken and implemented by each segment.

Case No. 35

ESG Think Tank – Explore our “Carbon Path”, and discuss “Carbon Opportunities” to achieve high-quality development

On November 16, 2022, CIMC held an “ESG Think Tank” Salon on “High-quality development in the context of dual carbon”, inviting experts from all fields and industries, media and representatives from various business sectors of CIMC. Through the interpretation of external policies and the sharing of CIMC cases and their comments, they discussed how enterprises can achieve high-quality development in the context of the “Dual Carbon” goal and contribute to the “3060” “Dual Carbon” goal (i.e., to peak CO2 emissions before 2030 and achieve carbon neutrality before 2060).

CIMC selected five representative cases of sustainable development practices in the fields of cold chain, rural revitalization, environmental protection and clean energy, including hydrogen energy industry of CIMC Enric, Xijiang cement project of CIMC Wetrans, field cold storage construction of CIMC Cold Chain, green building R&D of CIMC Construction Technology and reusable packaging promotion and application of CIMC TransPack. These cases fully demonstrated CIMC’s R&D and innovation in “green and low-carbon products and services” and its ability to expand its business into areas where market demand and industry gap can be met and filled with its advantages.



Case No. 36**CIMC Safeway is currently running on a Group-wide pilot for “dual carbon” digitalization**

At present, the Group has carried out a dual carbon digital pilot in CIMC Safeway as an exemplary enterprise, and has completed its capacity building to achieve panoramic energy and carbon management, carbon emission accounting, analysis and alarm, product carbon footprint accounting report and real-time carbon footprint data presentation. With the panoramic “carbon platform”, sophisticated “carbon tools”, international “carbon certification” and quantifiable “carbon value”, CIMC Safeway sets a good example for the Group, its segments and enterprises in terms of dual carbon digitalization management.

**Case No. 37****CIMC Tianda actively implemented the second batch of pilot project within near-zero carbon emission zone in Shenzhen**

In 2022, CIMC actively conducted the second batch of near-zero carbon emission enterprise pilot projects in Shenzhen. On 22 November, it passed the expert review organized by the Shenzhen Ecological Environment Bureau and plans to complete the implementation of its project in 2024. The project will achieve the near-zero carbon emission target through a total of 27 key sub-projects in five dimensions: energy substitution, energy-saving transformation of processes and equipment, resource recycling, green product design and energy-saving management.

In addition, the Group's other business segments have also implemented low-carbon operations leveraging the energy saving and carbon reduction demonstration projects advocated by the Group's ESG Committee and with the arrangement of the “dual carbon” group. Carbon footprint certificates have been obtained for key products in the Group's major segments, including 53-foot North American inland containers and 35-ton China Railway containers in the container segment; 215-litre open-top stainless steel drum (SSD) and 1,300-litre foldable intermediate bulk containers (TC-IBC) in the recycled load segment; and smart net cage in the offshore engineering segment. This has laid the foundation for the steady achievement of panoramic carbon coordination management across the Group. Going forward, the Group will invest more in international certification and green supply chain; while enhancing its green manufacturing capabilities, it can also contribute to the industry in terms of low-carbon material use strategies, dual carbon standards and norms, and carbon emission and carbon footprint certification capabilities, etc.

Greenhouse Gas Emissions Management

Sources of greenhouse gas emissions in the production and operation of CIMC are mainly the direct greenhouse gas emissions caused by the combustion of natural gas, gasoline and diesel, as well as the indirect greenhouse gas emissions caused by the purchased power. In 2022, the total GHG emissions of CIMC was 828,668.92 tons of CO₂e, with an emission intensity of 585.48 tons of CO₂e/operating revenue of RMB100 million, representing 15.86% reduction in emission intensity from the previous year. The total GHG emissions comprise the direct emissions of 175,034.35 tons of CO₂e and the indirect emissions of 653,615.84 tons of CO₂e.

Based on the main sources of GHG, the Group takes corresponding energy-saving measures to reduce GHG emissions. The Group has established a number of production factories and workshops at home and abroad, and the roof space of some factory buildings can be available as a carrier for PV power generation projects. In 2022, 17 units of the Group have applied rooftop PV power generation and the proportion of rooftop PV power generation companies increased by 70%. Total power generation was 44.06 million kWh during the year, approximately 34.03 million kWh of which was consumed by the Group reducing the consumption of about 19,770 tons of CO₂ emission.

**15.86%**

decrease in GHG emission intensity

**17**

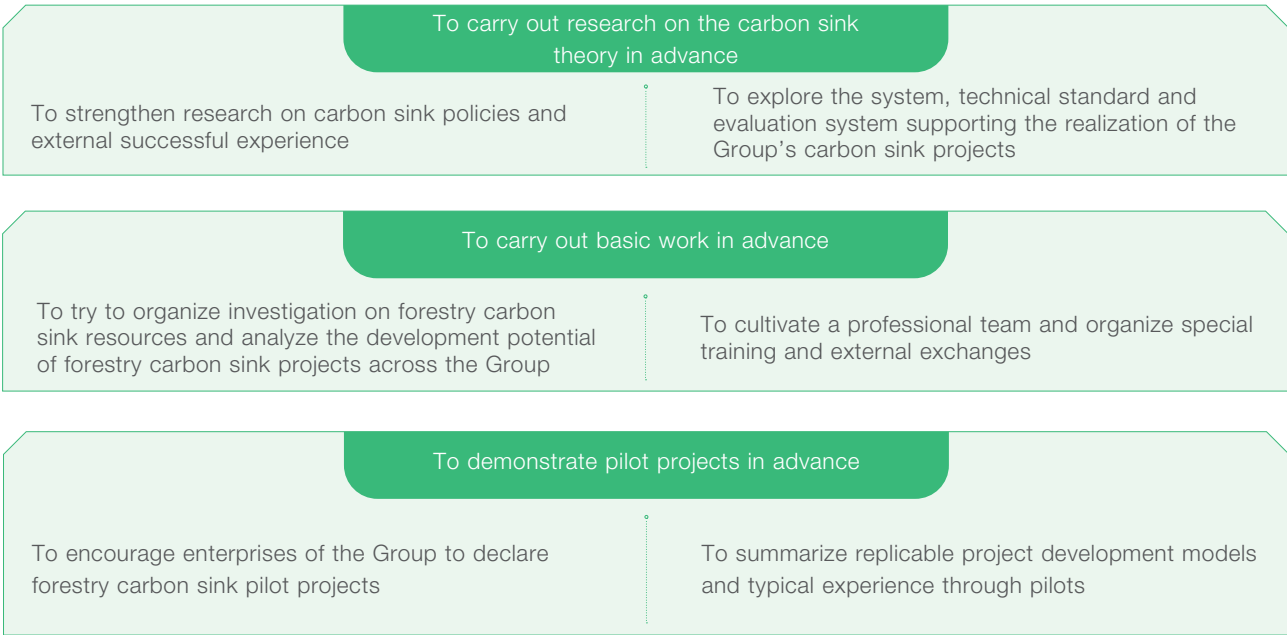
enterprises of CIMC applying BAPV generation

Total PV power generation capacity of

44.06 million kWhThe Group reduced CO₂ emissions by approximately**19,770** tons

CIMC recognizes that it has become a global consensus to respond to climate change by developing forestry carbon sink. The position of forestry carbon sink in China's efforts to achieve the "Dual Carbon" has been continuously highlighted, and China has included forestry CCER into the national carbon emissions trading scheme as an offset mechanism. CIMC accurately understands the important role and position of forestry in achieving the "dual carbon" goal, and actively explores the development of forestry carbon sink.

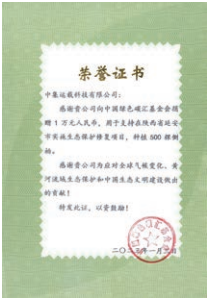
In 2023, CIMC will further actively and steadily explore and gradually promote three actions in advance.



Case No. 38

The first "Month of Carbon Reduction" ended successfully

CIMC Transpack launched the first "Month of Carbon Reduction", advocating that "every step taken counts as trees". The total steps taken by employees were converted into charity donation for Yan'an, Shaanxi to implement its ecological protection and restoration project.



Ecological Protection and Emissions Reduction

The Group encourages enterprises to utilize eco-friendly raw materials and clean production technologies, or upgrade pollution control facilities and improve pollution control effectiveness to continuously reduce emissions.

As a large-sized production enterprise, the Group attaches great importance to and strictly abides by the laws, regulations and standards of environmental protection and pollution control in the places where it operates, including but not limited to the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste and the Water Pollution Prevention and Control Law of the People's Republic of China.

Based on CIMC's environmental protection management policies, all business segments and their enterprises, in light of their actual operating conditions, formulate systems for environmental protection and resource conservation management, systems for environmental protection facility operation management, systems for hazardous waste management, environmental factor identification, evaluation and control procedures and other management systems, as well as develop emergency plans for environmental incidents.

Environmental Target Management

In accordance with the relevant national laws and regulations for environmental protection, CIMC carries out annual environmental target management for all business segments and their enterprises by adhering to the concept of green operation and taking into account the Group's green development planning and target indicators. In 2022, the Group had no significant environmental violations, and all business segments formulated action plans in accordance with the Group's environmental protection management indicators and targets for 2022 and achieved the targets within the year.

By taking into account the status of achieving relevant indicators and targets for the previous year, industry characteristics and development stage, CIMC formulates the environmental protection management indicators and targets for 2023:

At the same time, CIMC requires all of its segments to determine their improvement values based on industry requirements and their development stages, involving the rate of intensity decrease of water consumption, VOCs and hazardous waste, and the certification rate of environmental protection systems and energy management systems. For example, the container segment is required to reduce the rate of energy consumption/RMB 10,000 operating revenue and the rate of water consumption by 3%, and add 3 new green factories.



Waste Management

All business segments of CIMC and their enterprises have clarified the requirements for waste storage, transportation and disposal according to the established solid waste discharge control procedures, hazardous waste management regulations, general waste management regulations, regulations for the management of hazardous waste storage warehouses and other management specifications, and emergency plans for hazardous waste leakage accidents and other safety management measures.

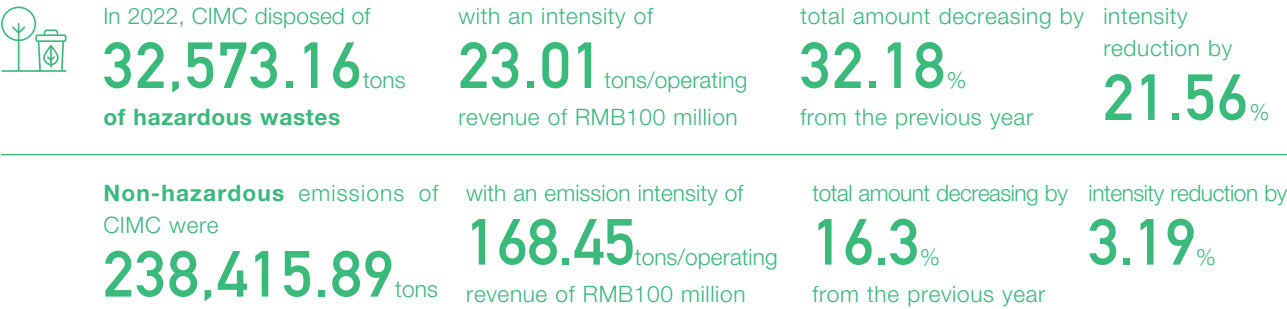
The harmless wastes generated in the production and operation of CIMC mainly include waste metal, waste wood and household waste. Household waste is uniformly and regularly treated and transported by local environmental sanitation departments. Other harmless wastes are mostly reused in the factory or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

The hazardous wastes generated in the production and operation of CIMC mainly include waste paint slag, waste paint bucket, waste engine oil, waste chemical reagent, waste activated carbon, filter cotton, waste oily rag and sludge from sewage treatment station. The Group has established storage warehouses for hazardous wastes in accordance with the requirements of the state and the place where the Group operates, and has stored the wastes in special containers by their different types and properties. The hazardous wastes are transferred strictly according to the transfer joint form system to enterprises qualified for disposing of hazardous waste for disposal. The Group regularly reviews the qualifications and treatment capabilities of the enterprises.

Aiming at “minimizing the use of new resources and maximizing the recycling of current resources without any waste”, the Group promotes all of its enterprises to actively explore how to realize reduction, innocuity and recycling of hazardous waste. In 2022, all segments and their enterprises continued to promote reduction and recycling of industrial hazardous waste based on their business and product characteristics. They reduced wastes through production line upgradation and process improvement. For example, reduction of waste was achieved through intelligent blanking and cutting project, the project of using circular packaging, the paint slag optimization and reduction project, the sludge drying project and other projects. Meanwhile, addition or improvement has been made regularly according to changes in external policies, laws and regulations, as well as the production and operation of enterprises.

In order to reduce the risk and hazard of hazardous waste leakage, CIMC conducts strict and comprehensive research and supervision on its enterprises with respect to the compliant storage and disposal of hazardous wastes, and carries out special actions, including: regularly following up the production, inventory and disposal of hazardous wastes in those enterprises, and directing them to develop source improvement measures and supervise their implementation by analyzing waste type, source, and amount of waste; requiring the enterprises to establish emergency plans and accountability

mechanisms for hazardous waste accidents, strengthening environmental emergency management capacity, and establishing a red line for hazardous waste inventory in storage warehouse, and making follow-up arrangements before the inventory reaches the red line.



In 2022, all segments and their enterprises of the Group took the following main measures to reduce waste emissions:

Segment	Improvement measures
Container Segment	• The production equipment department of Yangzhou Tailee sorted out fireproof gypsum plates and then provided them to manufacturers for recycling as raw materials for plate production. It reduced solid wastes by approximately 100 tons per year.
	• Nantong CIMC purchased paint slag drying equipment, which is expected to reduce hazardous wastes by approximately 50 tons per year.
	• Qingdao Reefer Container put cone tanks with circular packaging into use, which reduced hazardous waste generation and handling costs. It recycled 2,299 cone tanks in the year, reducing hazardous wastes by 36.7 tons. In order to prevent paint mist of the coating line from polluting the interior of reefer, it also replaced plastic films with non-woven fabrics to reduce hazardous wastes by 49 tons throughout the year.
	• Taicang Reefer renovated hot melt adhesives, reducing approximately 948 tons of hazardous wastes generated in the adhesive painting process.

Air Pollutant Emission and Management

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

According to national laws and regulations, all business segments and their enterprises of CIMC implement the requirements for the collection and treatment of air pollutants, establish air pollutant emission management system, and clarify the requirements for and responsibilities of the relevant departments and management personnel in terms of air pollutant monitoring, operation and maintenance management of air pollutant treatment facilities, and control over source of air pollutant emissions. Those enterprises regularly invite professional organizations to conduct inspections on air pollutant emissions in accordance with pollution permit management and regulatory requirements of the jurisdiction the enterprises operate, and regularly maintain and inspect air pollutant control facilities and equipment to ensure that the concentration and total amount of air pollutants are in line with the standards of the state and such jurisdiction. Some of those enterprises have installed online monitoring systems at the discharge outlets of VOCs to monitor emissions in real time to ensure stable compliance of VOCs emissions with standards. The headquarters of CIMC and headquarters of the segments also regularly track the pollutant emissions from all key polluting enterprises through the data reporting system and inspections at various levels.

CIMC adopted a combination of source control and terminal treatment, and actively developed and introduced clean production technology and efficient exhaust gas treatment technology. CIMC encouraged enterprises to reduce air pollutant emissions, and spared no efforts to achieve ultra-low emissions that are better than emission standards to mitigate the impact on the atmospheric environment. In 2022, the main measures for reducing air pollutant emissions taken by various business segments and their enterprises include:

Business segment	Improvement measures
Container Segment	<ul style="list-style-type: none">Yangzhou Tonglee used laser cutting instead of the original flame cutting. Comparison of test data has shown that laser cutting can reduce particulate matter emissions by approximately 1.06 tons/year.
	<ul style="list-style-type: none">With the treatment process comprising “dry filtration + rotor adsorption and desorption + RTO incineration”, B-line exhaust gas treatment facility of Yangzhou Runyang Special Container, once being implemented, is expected to reduce VOCs emissions by approximately 5.25 tons/year.

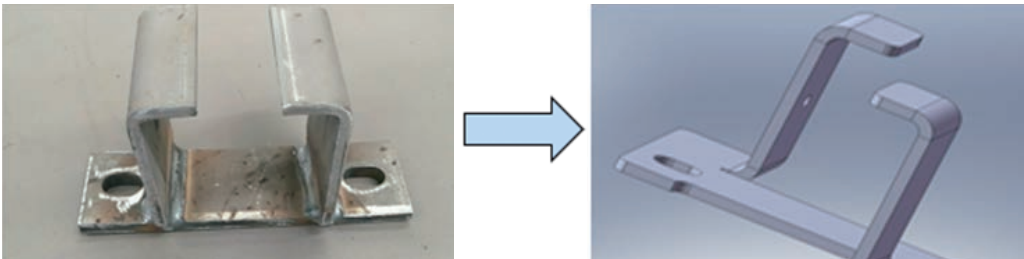


Reduce particulate matter emissions by approximately
1.06 tons/year

Once being implemented, is expected to reduce VOCs emissions by approximately
5.25 tons/year

Through the optimization of the design, and considering the processing capacity and operating characteristics of the abrasive, the segment improved the hole position interface of the original structural part, thus reducing the workload of welding and grinding, and decreasing the exhaust gas emission.

Airport Segment



Case No. 39

To pursue excellence, the Container Segment keeps exploring new processes to constantly reduce pollutant emissions

The enterprise of container segment of the Group strictly abides by the Self-discipline Convention on VOCs Governance (《VOCs 治理自律公约》) of the industry association. Based on the achievements of “changing oil-based paint to water-based paint”, the segment built a complete container powder coating production line in Xinhui CIMC. Compared with water-based paints, powder coating is more environment-friendly:



The industry’s first fully automatic powder coating production pilot line for whole container

- Near-zero VOCs emissions: with reference to relevant guidelines, the VOCs content of powder coating is generally less than 0.5%.
- Near-zero paint residue generation: Unattached powder coatings can be collected and reused, achieving near-zero paint residue (waste paint) generation.
- No industrial wastewater in coating process: The powder coating system does not produce paint mist, eliminating the generation of industrial wastewater from the source of the process.



At present, Yangzhou Tonglee, a subsidiary of the segment, is changing the spraying technique from paint spraying to powder spraying for small workpieces. According to third-party calculations, compared with the paint spraying process, power spraying can reduce the source emission of VOCs by 8.38 tons per day. The powder coating line of Xinhui CIMC, a subsidiary of the segment, has also been established and is in commissioning.

The Group has repeatedly emphasized the importance of “environmental compliance”, and required its enterprises to strictly implement all measures during the heavily polluted weather control. After fully understanding the significance of the emergency management of heavily polluted weather, they attach great importance to the emergency management of heavily polluted weather, and have formulated the Implementation Plan of Emergency Response to Heavily-polluted Weather as required, established targeted responses to different levels of early warning, and set up special emergency response team to ensure rapid response, early warning and response, and organize internal themed publicity, emphasizing the full implementation of the plan.

Wastewater Management

Each segment and its subsidiaries have formulated a wastewater discharge management system, to monitor the operation and maintenance of wastewater treatment facilities, and actively promote smart wastewater treatment equipment and online monitoring technology for water quality to ensure that the concentration and total amount of pollutant discharge meet national or local standards. Wastewater discharged by CIMC during production and operation mainly includes industrial waste water, such as waste water from cutting waste steel in pre-treatment workshop, oily waste water generated during component machining, terminal outfitting and ship trial, washing waste water generated during ship trial, and domestic sewage generated from office and living areas.

In 2022, the Group totally discharged 3.40383 million m3 sewage with the discharge intensity of 2,400 m3/operating revenue of RMB100 million, representing a 4.47% reduction in total amount from the previous year. In order to reduce sewage discharge, the Group encourages its enterprises to carry out sewage recycling or reuse after treatment; introduce new wastewater treatment equipment, optimize wastewater treatment processes, and gradually explore the adoption of intelligent and digital wastewater treatment systems. In 2022, the main measures implemented by the Group for reducing wastewater discharge and results achieved include:

Business segment	Improvement measures
Container	With technical transformation of the wastewater treatment station, Qingdao Reefer Container recycled 95% of painting wastewater, and it made improvements in wastewater treatment as 100% of the wastewater was disposed of by itself, instead of outsourcing all the wastewater to external wastewater treatment service provider. As of the end of November, the company disposed of 17,370 tons of wastewater by itself.

Noise Management

Sources of noise pollution of the Group mainly include lifting, cutting, grinding, operation of air compressor, and operation of power generator (if the site is not accessible to power supply) in the production process, and earthwork, as well as operation of motor vehicle, and operation of fans and water pumps at the wastewater treatment station, and other processes. To address the noise from different sources, enterprises of the Group have taken different control measures:

- For the vibration generated by the operation of the equipment, the equipment with low noise and low vibration was purchased, and the equipment was installed with absorbers; and for air compressor, box-type centrifugal air compressor was selected. The air inlet was equipped with a muffler, and the storage cylinder was coated with damping sound absorption material.
- For the noise-generating equipment, separate sound insulation rooms and noise reduction covers were provided, and certain workshops adopted full sealing measures. For some characteristic equipment, sound absorbing cotton were laid in the sound insulation room;
- For other scattered noise sources, soft liners were installed in key noise-generating areas; and flexible joints were used for water pipe connection;
- For specific positions, noises were reduced by adding mufflers, buffer cylinders and other measures.

Case No. 40

Nantong CIMC adopts robots to replace manual operations for noise reduction

Through the application of corner column pressing robot, Nantong CIMC adopted robots for loading, unloading and stacking, which reduced the impact noise of materials during manual operation, and the noise within the area was reduced by more than 15 decibels.



Cherishing Resources and Protecting Ecology

As the Group understands that the earth's resources are limited, it actively responds to the call of China to develop CIMC into a resource-saving enterprise, identifies resource saving as an important element in the corporate development, and dedicates itself to promoting the low-carbon, circular and intensive production mode to maximize the resource utilization. In business operation, considerations are given to reducing the consumption of resources, minimizing the impact on the ecological environment and protecting the stability of the ecosystem in all aspects of the whole life cycle, such as design, manufacturing, packaging and logistics of product.

We strictly observe related laws and regulations in jurisdiction where we are operating, including the Water Law of the People's Republic of China, the Energy Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China. Moreover, guided by our Green Development Plan, we continuously applied advanced energy-saving and environment-friendly technologies and equipment and took a series of technical upgrade measures, including energy efficiency enhancement and clean production, in traditional manufacturing sectors.

Energy Saving and Consumption Reduction

The Group has integrated resource and energy consumption into the management indicators in order to guide its members to prioritize the use of environment-friendly materials, renewable resources, clean energy and energy-saving equipment. At the same time, we have inspired our members to continuously identify the potential for energy saving improvement and build resource-saving and environment-friendly enterprises by taking multiple measures, including phasing out of the outdated equipment and replacing them with new equipment, enhancing energy efficiency and process, tapping potential for efficiency enhancement, improving maintenance of equipment, reducing consumption and utilizing energy reasonably.

In 2022, the Group recorded a total energy consumption of 208,526.06 tons of standard coal, with a comprehensive energy consumption intensity of 147.33 tons of standard coal/operating revenue of RMB100 million, which means a total consumption decrease of 22.55% from the previous year and total consumption intensity reduction of 10.43% from the previous year. In detail, the Group consumed 904,563.91 MWh of electric power, 55,955.17 thousand cubic meters of gas and 19,582.34 kiloliters of fuel.

Members of the Group actively respond to the call for energy conservation and emission reduction. It promotes the development of key energy conservation projects, and actively explores the use of air compressor to operate its projects, elimination of high-energy-consumption process, raw material replacement and other energy-saving new processes. Based on the environmental policy of "adjusting the energy structure and increasing the proportion of green energy" in China's "14th Five-Year Plan", and the requirements of the Group's green development plan and the characteristics of business development, CIMC Raffles actively implemented the technical transformation plan, banned coal-fired boilers and oil-fired boilers, cancelled acetylene gas, increased clean and efficient energy such as natural gas and photovoltaic power generation, and reduced the proportion of petrochemical energy in the Company's energy structure.

The Group also actively explored to promote energy conservation through digital management systems, such as intelligent transformation and networking of electricity meters in factories to achieve real-time monitoring of electricity consumption, and integrated relevant system data for analysis to identify abnormal points, thus achieving the purpose of energy saving through management optimization, multi-machine joint control, technical transformation of equipment, and process change. Examples are air energy saving through optimization of compressors, sanding process and painting process.

The Group has exerted the demonstrative effect of excellent energy saving enterprises and widely shared excellent energy saving improvement cases. Various segments have actively implemented major energy saving campaigns to reduce resource consumption and practice the concept of low carbon development.

Business segment	Improvement measures
Container Segment	By optimizing the design of the process water system of the new plant, Qingdao CIMC Composites adopted the centralized water supply to ensure demands of each production line for process water are satisfied, avoiding the need for providing a cooling water equipment for each production line and greatly saving electricity consumption. The proportion of refrigeration energy consumption in composite line production has been reduced from 35% to 20%.
Airport Segment	1) The segment made the exhaust gas treatment facility more energy-efficient by changing the original fan to a variable-frequency and interlocking-control fan. It replaced two 90kW 50Hz exhaust gas treatment fans of the painting line of with one 40Hz fan and one 10Hz fan respectively, and then interlock those fans with the start and stop of the exhaust air in the paint spray room for joint control, saving approximately 267,000 kWh of electricity and reducing carbon emissions by 253.76 tons of CO ₂ throughout the year. 2) The segment made the original bending machine more energy-efficient by replacing it with a variable-frequency bending machine. After the replacement, the average hourly electricity consumption was reduced from 31 kWh to 3.8 kWh, saving approximately 62,300 kWh of electricity throughout the year.

Water Resources Management

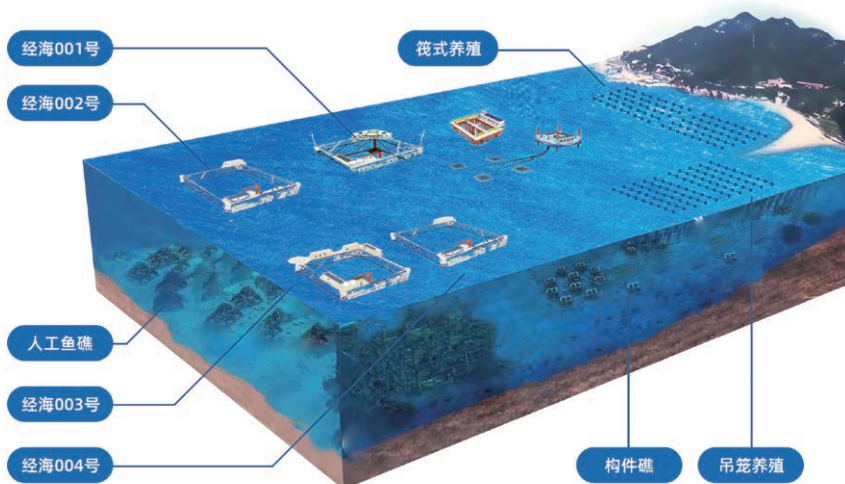
Water is the source of survival and reproduction of human beings. The Group deeply recognizes that it is the common responsibility of the entire society to conserve water resources and therefore places the conservation of water resources in an important position in its development. The Group consumes water resources in production process, routine office activity of employees and living activities such as catering and bathing, landscaping and fire extinction. The segments of the Group and their enterprises have strictly observed the national and local laws and regulations pertaining to water resources management procedures to ensure compliant use of water as well as reasonable development, utilization, recycling and conservation of water resources in order to conserve water resources. We continue to actively explore innovative methods to achieve planned use, scientific use, conservation and recycling of water. In 2022, the Group recorded a total water consumption of 6,169.38 thousand cubic meters, a water consumption intensity of 4.36 thousand cubic meters/operating revenue of RMB100 million, representing a 13.43% reduction in total amount from the previous year. The Group is not aware of any significant risk of water shortage in seeking applicable water sources.

Biodiversity conservation

The Group has paid much attention to the interactive relationships between the enterprises and the ecological environment in the communities where the Group operates. By combining biodiversity protection with our operation, we are exploring a path of green development that can not only protect biodiversity, but also improve economic benefits and promote social equity.

The offshore engineering segment of the Group carried out innovative fishery projects and laid emphasis on the protection of biodiversity in the community where the Group operates.

- During the project site selection process, the cages were placed in the restricted area and the breeding area to avoid the interaction between the cultured organisms and the organisms and species in the protected area, thus protecting the local wild resources of the original species.
- When building the ocean ranch, the Group carried out comprehensive three-dimensional breeding of fish and marine products with high nutrition value and economic values through deploying reefs and bottom sowing culture in order to maintain the ecological environment leveraging the food chain relationship.



Green Office

The Group encourages its employees to practice the code of ecological environment conduct for citizens and energetically advocates green office.

Promote Paperless Office

- The Group has gradually increased paperless office scenarios, including online approval, online attendance check, online signing, official documents, system and other information enquiries, online briefing, online lean business processing, online mobility and online learning, based on the internal OA system and the CIMC iWork application. For example, the “CIMC iWork” application had **21,322** active users as at the end of **2022**, covering all office employees. There have been **6.71** million pieces of usage logs and **1.03** million pieces of approval logs since the application is available for the employees.
- The Group strictly abides by the Electronic Signature Law of the People’s Republic of China and the Opinions on Accelerating the Expansion of Applications of Electronic Certificates and Licenses and Their Mutual Recognition Nationwide, actively promotes electronic contracts and electronic signing system, and realizes online signing of business contracts and online digital management throughout the contract performance process. As of the end of 2022, more than 200 contracts have been signed electronically.

Promote Remote Office

CIMC Group advocates the concept of green and environment-friendly remote office, and launches network video conferencing services to enable communication between employees as well as collaboration with customers and suppliers without geographical and time constraints, and improve work efficiency.

Environmental Protection Training and Education

All segments and enterprises of the Group use traditional forms such as bulletin boards, as well as new media such as the Internet, to publicize the knowledge of green energy conservation, low-carbon environmental protection, and disseminate the Group’s green development concept and energy-saving and environmental protection achievements. Through all-round publicity through audios, videos and actions, we enhanced employees’ awareness of resource crisis and environmental protection, and create strong atmosphere for energy conservation and environmental protection. Through carrying out energy-saving publicity weeks and World Environment Day activities, we advocated public transportation, green mobility, and garbage classification to improve employees’ awareness for conserving resources, guide employees to care for nature, encourage all employees to participate in environmental protection activities from the details of daily work and life, and devote themselves to being practitioners and propagandists of ecological and environmental protection.

Case No. 41

The container segment organized and carried out the themed activity of “Green and Low Carbon Action for Safe and Civilized Transportation”

By playing promotional videos and organizing theme competitions, etc., the segment popularized traffic safety, green and low-carbon knowledge, and improved employees’ traffic safety awareness to foster the concept of green and low-carbon mobility.



Creation of Green Brand through Green Development

Green Development Plan

Environmental protection is the basis of sustainable development, and protecting the environment is in essence to protect productivity. The Group adheres to the five new development concepts of “innovation, coordination, green, openness and sharing” to actively explore and practice green development by executing the CIMC Green Development Plan, continuously improving the environmental protection management system, and integrating the concepts of green, low-carbon and circular economy into the design, research and development, production and promotion of its products and services based on the business characteristics of each segment.

Environmental Management System

The Group is gradually improving the ecological and environmental protection management system by reference to the ISO14001 environmental management system and based on its own practical experiences. It implements energy conservation and ecological environment protection target responsibilities, strengthens environmental protection publicity, conducts supervision and inspection, and strictly assesses liabilities for accidents, which lays a good foundation for the orderly development of energy conservation and environmental protection work. In 2022, the Group compiled and issued Environmental Protection Management System of CIMC to drive CIMC and its enterprises to fulfill their main responsibility for environmental protection, and ensure their compliant operations, so as to achieve continuous improvement of environmental performance. Up to now, 76 major manufacturing enterprises of the Group have passed the environmental management system certification.

CIMC has continuously improved the emergency management of environmental accidents to manage and control the possible impact of environmental emergencies. We always put the health and safety of employees in the first place, and identify the key points of accident management and control according to the actual business situation. Companies at all levels set up emergency management leading groups or emergency management organizations as required to identify possible dangerous and harmful factors in the production technology process and production operation process, including leakage of toxic and harmful substances, fire, explosion, dust hazards, and noise hazards. We formulated the Emergency Plan for Environmental Emergencies. Based on the degree of urgency, degree of harm and scope of the accident influence, the Group clarified the hierarchical early warning and hierarchical response mechanism for accidents to improve the effectiveness of emergency measures; meanwhile, it carried out emergency knowledge publicity, regularly organized emergency team training, and conducted emergency drills to improve the capabilities of employees at all levels to respond to environmental emergencies.

CIMC continues to strengthen environmental protection in the whole process of the construction projects, has formulated and released the HSE Management Regulations of CIMC for Construction, Merger and Acquisition, Shutdown, Transfer, and Lease of Factories to strengthen and standardize the environmental protection of the construction, merger and acquisition, shutdown, transfer, and lease stages. The plan requires ecological environment protection consideration to be included in the feasibility study stage of investment and operation behaviors, and strictly requires new factories to implement the environmental impact assessment mechanism and satisfy the project environmental impact assessment report and approval requirements.

Green Manufacturing

We strictly abide by the Environmental Protection Law of People's Republic of China, the Law of the People's Republic of China on Promoting Clean Production, and relevant laws and regulations at the place of business, and implement the CIMC Green Development Plan and the CIMC Environmental Protection Work Guide, in an effort to promote companies of CIMC to continuously improve the environmental compliance management system based on the industry characteristics and actual operating conditions, and meet the requirements and regulations of new project construction, pollution control and up-to-standard discharge, green and clean production, energy saving and consumption reduction to promote the green and low-carbon development of the CIMC and its enterprises.

Management of Key Pollutant Discharge Enterprises

As of December 31, 2022, the Group had 39 key pollutant discharge enterprises. CIMC has attached great importance to the management of key pollutant discharge enterprises. Through the establishment of data collection system and dashboard management, the Group supervised and urged all of its key pollutant discharge units to fulfill their main responsibilities, abide by environmental protection laws and regulations, independently reduce environmental pollution emissions, and disclose environmental information to the public in a timely manner. It also organized environmental protection trainings to empower corporate management. The investment in environmental protection was more than RMB229.67 million in 2022.

Emergency plan for environmental emergencies

In 2022, the 39 key pollutant discharging units of the Group prepared emergency plans for environmental emergencies and filed them with relevant competent departments. All have developed relevant management methods and processes for environmental emergencies, have been equipped with relevant emergency facilities and proper maintenances, and have organized and completed emergency drills for environmental emergencies within the year.

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

Construction of green factories

Following the concept of green development, CIMC comprehensively promotes green manufacturing, and taking green factory construction as the leverage, it actively adopts advanced clean production processes and technologies, and environment-friendly raw materials, or improves pollutant treatment efficiency and continuously minimizes pollutant emissions, unlocking potential for the development of the Group.

As of the end of March 2023, 48 enterprises of the Group have passed the clean production audit certification. A total of 27 enterprises have passed the national, provincial and municipal "Green Factory" certification, of which 10 are national green factories.



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of which

10 are national green factories

No.	Company name	Certification level	Remarks
1	Zhumadian CIMC Huajun Vehicle Co., Ltd.	National Green Factory	
2	Dongguan CIMC Vehicle Co., Ltd.	National Green Factory	
3	Jingmen Hongtu Special Vehicle Manufacturing Co., Ltd.	National Green Factory	
4	Wuhu CIMC Ruijiang Automobile Co., Ltd.	National Green Factory	
5	Tianjin CIMC Container Co., Ltd.	National Green Factory	
6	CIMC SHAC (Xi'an) Special Vehicles Co., Ltd.	National Green Factory	
7	Shijiazhuang Enric Gas Equipment Co., Ltd.	National Green Factory	
8	Qingdao CIMC Refrigerator Manufacturing Co., Ltd.	National Green Factory	Newly added in 2022
9	Shenzhen CIMC Tianda Airport Support Co., Ltd.	National Green Factory	Newly added in 2022
10	Dongguan Southern CIMC Logistics Equipment Manufacture Co., Ltd.	National Green Factory	Newly added in 2022
11	Enric (Bengbu) Compressor Co., Ltd.	Anhui Provincial Green Factory	
12	Gansu CIMC Vehicles Co., Ltd.	Gansu Provincial Green Factory	
13	Ningbo CIMC Logistic Equipment Co. Ltd.	Zhejiang Provincial Green Factory	Newly added in 2022
14	Yangzhou Tailee Special Equipment Co., Ltd.	Jiangsu Provincial Green Factory	
15	Yangzhou CIMC Tonghua Special Vehicle Co., Ltd.	Jiangsu Provincial Green Factory	

No.	Company name	Certification level	Remarks
16	Nantong CIMC Energy Equipment Co., Ltd.	Jiangsu Provincial Green Factory	
17	Qingdao CIMC Special Refrigeration Equipment Co., Ltd.	Shandong Provincial Green Factory	Newly added in 2022
18	Dalian CIMC Special Logistics Equipment Co., Ltd.	Liaoning Provincial Green Factory	Newly added in 2022
19	Taichang CIMC Container Manufacturing Co., Ltd.	Jiangsu Provincial Green Factory	Newly added in 2022
20	CIMC Safeway Technology Co., Ltd.	Jiangsu Provincial Green Factory	Newly added in 2022
21	Yangzhou Tonglee Refrigerated Container Co., Ltd.	Jiangsu Provincial Green Factory	Newly added in 2022
22	Qingdao CIMC Container Manufacturing Co., Ltd.	Qingdao Municipal Green Factory	Newly added in 2022
23	Yantai CIMC Raffles Offshore Engineering Co., Ltd.	Yantai Municipal Green Factory	Newly added in 2022
24	Haiyang CIMC Raffles Offshore Engineering Co., Ltd.	Yantai Municipal Green Factory	Newly added in 2022
25	Longkou CIMC Raffles Offshore Engineering Co., Ltd.	Yantai Municipal Green Factory	Newly added in 2022
26	Shanghai CIMC Yangshan Logistics Equipment Co., Ltd.	▲ Shanghai Municipal Green Factory	Newly added in 2022
27	Shanghai CIMC Baowei Industry Co., Ltd.	▲ Shanghai Municipal Green Factory	Newly added in 2022

Note: ▲ represents has been publicized, but not officially released

Case No. 42

Keep moving forward under the concept of green development

In December 2022, the Zhejiang Provincial Department of Economy and Information Technology announced the 2022 list of green and low-carbon industrial parks and factories in Zhejiang Province. After winning the award of Ningbo Municipal Green Factory in 2021, Ningbo CIMC won the f Provincial Green Factory of Zhejiang in 2022.



Green Finance

Issuance of the first blue bond

In May 2022, “Tranche I Green Medium Term Note (Blue Bond) for 2022 of China International Marine Containers (Group) Co., Ltd.” was successfully issued, and the bond was evaluated and certified as G-1 by CCXGF. The funds raised by the bond are specifically used by CIMC Raffles, a subsidiary of CIMC, to build the first 3060 series 2200-tonne jackup wind turbine installation vessel, aiming to support the offshore wind turbine projects in China’s coastal waters and Southeast Asian waters. The bond is the first blue bond issued in the interbank market of the Guangdong – Hong Kong – Macao Greater Bay Area, hitting a new low in the blue bond coupon rate in China at the time of issuance and a new low in the Group’s medium to long-term bond yield in the public market.

特别感谢: 中国农业银行, 中泰证券, 中国信託, 德勤华永会计师事务所, 中银国际

Developing with Joint Efforts

Corporate development requires the efforts of every employee. CIMC Group advocates the core human resources concept of "People Oriented, Common Cause", and seeks to achieve a common undertaking featuring risk-sharing and results-sharing with employees who have the aspiration, ability and capability to make a difference. We promote the spirit of "Unremitting Striving, Pursuing Excellence" by combining enterprise development with the goals of employees, so as to achieve growth together with our employees.

The Group keeps in mind its obligations with respect to social citizenship, and cares about people's livelihood. We support local economic development, actively participate in public welfare activities, and aim to create benefits for the regions where we operate. We strive to realize the No. 1, No. 2, No. 3, No. 4, No. 5, No. 8, No. 10 and No. 11 Sustainable Development Goals proposed by the United Nations.



Our Actions:

- Established and implemented employee honor mechanism. The Group launched the first CIMC Group model worker selection activity;
- Rigorously safeguarded the rights and interests of employees in accordance with laws and regulations, and attached importance to talent development, communication and care;
- Continuously improved HSE management system, strengthened HSE risk control and strove to create a safe and healthy working environment;
- Actively participated in public welfare and rural revitalization initiatives.

Our Efforts:

- Accelerate talent supply, especially the business leaders for strategic transformation;
- Deepen the implementation of the core human resources concept "People Oriented, Common Cause", and further safeguard employees' rights and interests;
- Build a high-standard and high-level HSE management system and establish a safe and healthy working environment;
- Improve the well-being of local communities, actively carry out social welfare activities, and actively support rural revitalization.

Our Achievements:

- Totally 44,045 employees of the Group participated in trainings, achieved a training coverage rate for contract workers of 85.45%, with per capita training hours of 78.52 hours and a year-on-year increase of 292%;
- Made an annual HSE investment of approximately RMB450 million, tackling 1,334 key issues and promoting a safe and healthy working environment;
- Created a CIMC business community of "People Oriented, Common Cause";
- Officially founded the CIMC Charity Foundation in Shenzhen City;
- Implemented several rural revitalization projects; conducted a series of poverty alleviation activities.



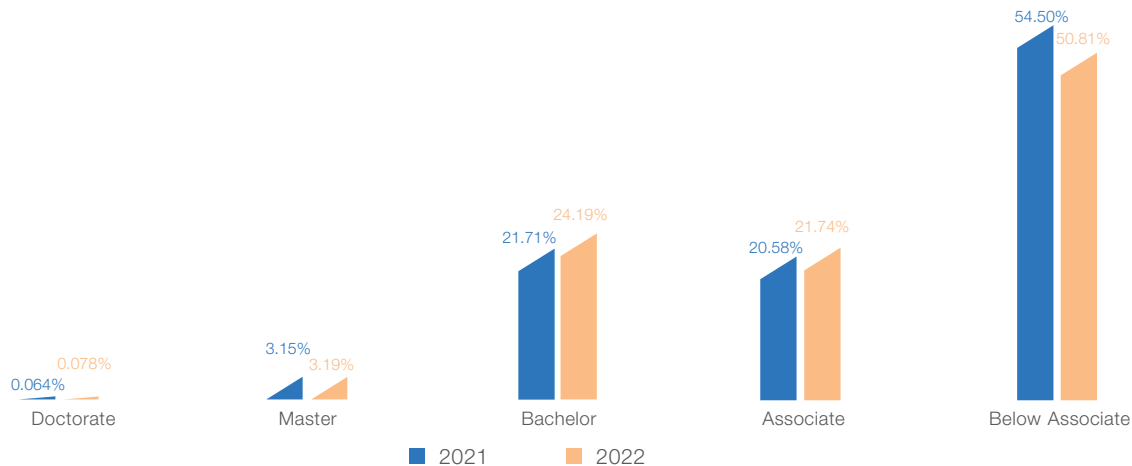
People-oriented Common Cause

Employee Overview

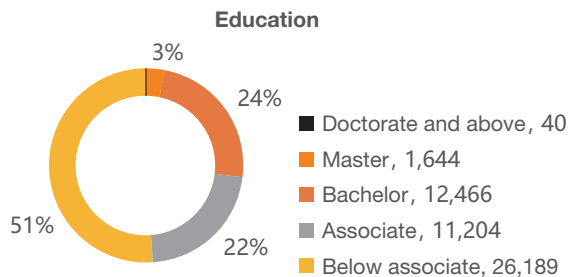
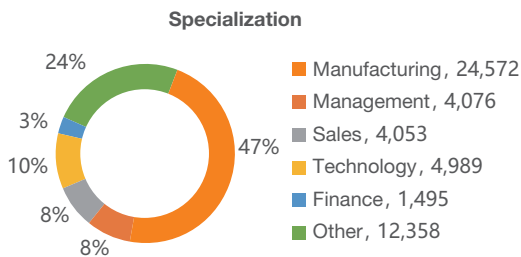
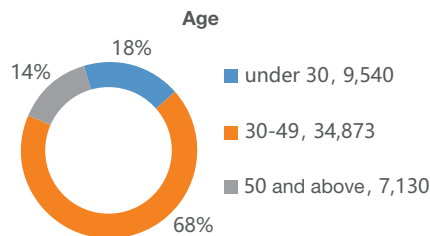
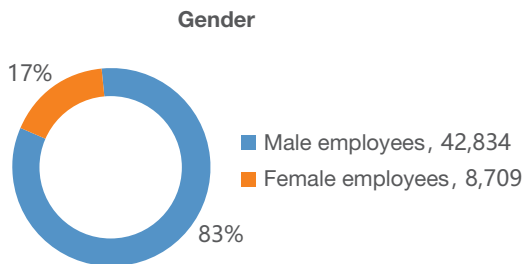
As of December 31, 2022, the Group's total number of employees worldwide, including contract employees, employees rehired after retirement and part-time employees, was 62,194.

As of December 31, 2022, the Group had 51,543 contract employees across the globe, of which 4,745 were located outside of mainland China (including Hong Kong, Macau and Taiwan). Among contract employees, female employees accounted for 17%, a slight increase of 1% year-on-year. The proportion of female employees in this year continues to increase compared with previous years. In the future, we will continue to provide convenience for women's employment to promote workplace diversity and gender equality. Among the Group's contract employees, the number of people with associate degrees or above accounted for 49.2%. The number of disabled persons recruited by the Group has exceeded 100.

Composition of educational background



The breakdown of contract employees by category is as follows:

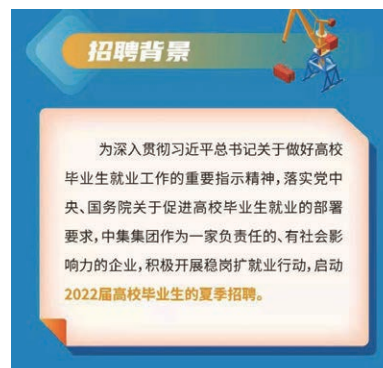


In 2022, the Group's Human Resources Department issued the "Group's Urgent Initiative on Actively Recruiting 2022 College Graduates (《集團關於積極招收 2022 屆高校畢業生的緊急倡議》)" for the entire Group and organized a special summer recruitment programme to promote and help enterprises recruit fresh graduates, demonstrating CIMC's commitment to actively fulfilling its corporate social responsibility.

Case No. 43

Special Summer Recruitment Programme

In order to solve the problem of severe employment pressure and difficult employment of graduates in 2022, based on the original recruitment of fresh graduates, the Group as a whole further additionally expanded the scale of recruitment and carried out special summer recruitment programme to take in a new batch of 2022 graduates to join CIMC, positively responding to the national call to provide jobs to fresh graduates and increase their motivation for employment.



Protecting the rights and interests of employees

The Group strictly complies with the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, and other relevant laws and regulations in the regions where we operate, and respect and protect the legitimate rights and interests of our employees. The Group adheres to the principle of equal employment and combating against forced labor, contributes social insurance premiums for all of its employees and signs labor contracts with employees in accordance with laws. We are committed to protecting the fundamental human rights of employees and clarifying the minimum age of employment through the recruitment system, and conduct accurate audit with the support of information technology to eliminate the use of child labor and juvenile workers. We respect and recognize employees' freedom of association, the right to join trade unions, and have established trade union organizations at all levels in accordance with the Trade Union Law of the People's Republic of China, and hold periodic employee representative meetings to review various systems and regulations involving employee interests, and make democratic communication.



Equal employment and the construction of a diversified talent team

The Group adheres to the recruitment principles of fairness, openness and justice, and respects the diversity of employees and strictly prohibits discrimination based on the gender, nationality, age, educational background, religious belief and disability. Based on the development concept of business diversification and globalization, the Group attaches importance to the diversified construction of talent team.

Labor contract

The Group strictly complies with the Labor Contract Law of the People's Republic of China, and signs labor contracts with all employees in accordance with the relevant regulations. In 2022, the contract signing rate of formal employees throughout the Group was 100%.

Social insurance contribution

The Group contributes social, work-related injury, medical, unemployment, maternity insurances and housing provident fund for all employees strictly in accordance with the Social Insurance Law of the People's Republic of China and the Regulations on Management of Housing Provident Fund.

Working hours and vacation

The Group sets standard working hours and implements the paid vacation system in accordance with national policies and regulations as well as relevant rules in the regions where we operate. Upon the approval of the local governments, some of our affiliates and subsidiaries implement the comprehensive working hour system with respect to specific positions based on the characteristics of the manufacturing industry and the positions, while ensuring that the employee's average daily working hours and average weekly working hours are consistent with the legal standards. Enterprises arrange employees to work overtime based on actual orders, and pay overtime or change their shift to get leave later in accordance with local regulations and policies, provided that enterprises have negotiated with employee representatives and the labor unions and that employees work overtime voluntarily. The Group pays its employee salaries strictly in a timely manner and observes the legal provisions on statutory working hours and vacations, and prohibits forced labor. In addition, the Group has also developed human-oriented measures including additional annual leave with regard to working hours and vacation systems, and provided employees with statutory welfare, such as statutory holidays and high temperature subsidies in accordance with the relevant law.

Privacy protection

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

We comply with the latest "Personal Information Protection Law" issued by China and attach great importance to managing personal information protection of employees. At the group level, we organize sharing activities on learning of "Personal Information Protection Law" to provide interpretation and suggestions about the regulation. Our subsidiaries have strengthened the protection of personal information of employees, formulated related system to improve personal information protection of employees and strictly maintain employee records. We ensure that we sign the "Confirmation Letter on Authorization of Personal Information Handling" with our employees and use all kinds of information within the scope of their authorization in a compliant manner to safeguard the security of their personal information.

Labor standards

The Group observes the international labor and human rights standards, and prohibits child labor, forced labor or employment discrimination at both policy and operation level. No child labor, forced labor or other violations of employment and labor standards has occurred during the current year, and the Group also formulated punishment policies for violations of relevant provisions in accordance with relevant laws and regulations.

Prohibiting child labor

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

Prohibiting forced labor

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

Reducing physical labor intensity

The Group further deepened the concept of "Technological Innovation and Transformation" and vigorously promoted technological innovation to reduce the physical labor intensity of employees. For example, CIMC Containers has launched a series of self-researched and developed activities of the "Longteng Project", and used technology to improve production automation and simplify production process. With the transformation of automation equipment, the Group replaced part of the manpower with machines, reduced the physical labor intensity of employees, improved the working environment, eliminated potential safety hazards, protected the health and safety of employees, and improved production efficiency and product quality.

Protecting female employees

The Group states clearly the rights and interests of female employees in company policies, and signs contracts on protection with female employees to clarify relevant labor protection they are entitled to during menstruation, pregnancy, breastfeeding and the period of childbirth. If there are special circumstances, the Group will make appropriate work adjustments for female employees. The Group actively implements the Special Provisions on Labor Protection for Female Employees issued by the State Council, strictly follows relevant holiday arrangements such as prenatal check-up leave, maternity leave and breastfeeding leave, makes reasonable arrangement of positions for female employees, makes sure that female employees do not hold positions banned by the state and adapts the work intensity of female employees to the physiological characteristics of female employees.

Employee remuneration and benefits

Our remuneration management adheres to the principle of "being competitive externally and equitable internally and providing incentives". Under the framework of remuneration system, the accurate assessment and multiple incentives have been carried out to improve the risk-sharing and results-sharing incentive system. The Group conducts regular review and assessment of competitiveness, fairness and incentive power of employee remuneration based on internal actual circumstances, and adjusts and optimizes relevant assessment and incentive plans accordingly. During the Reporting period, all business segments and subsidiaries of the Group were committed to optimizing remuneration management system to provide better remuneration and benefits to employees. Some of the Group's innovative companies provide long-term incentives and motivate employees through employee stock ownership plans.

Offshore Engineering Segment:

The concept to improve remuneration was introduced, advocating that "work=operation + improvement" and employee salary income = fixed salary + improved salary. The offshore engineering segment implemented a series of incentive schemes successively, such as task reward, innovation reward, bonus point system, Guangaitong flexible welfare platform, etc. With the combination of these incentive methods, the more improvements the employees make, the more benefits he/she gains.

Logistics Segment:

- (1) In accordance with the remuneration and performance management approach, specific provisions are made for the determination, review and adjustment of remuneration within the Company, while the achievement of annual performance targets and competencies of employees are comprehensively evaluated by means of key indicators + leadership (core competencies). Through the OKR appraisal method, guidelines are provided to senior management staff for the multi-variable continuous optimization of objectives based on the core objectives.
- (2) The Group rewards business employees for client acquisition and regular customer referral by setting up special incentives. Based on the monthly operation count and monthly gross profit, individual performance bonuses will be awarded to anyone who exceeds the target base.

Meanwhile, we have increased the construction of employee honor incentive mechanism, attached importance to the spiritual incentive of employees on the basis of material incentives, and enhanced employees' sense of honor and belonging.

Case No. 44

Establish an honor mechanism for operating employees, and the Group carried out the first CIMC Group Model Worker Selection Activity

In order to vigorously promote the spirit of model workers, labor spirit and craftsman spirit, and promote the implementation of the Group's core human resources concept of "people-oriented and common cause", the first plenary session of the eighth employee congress of the CIMC Group Trade Union and the 2022 annual summary and commendation conference were held in the Group.

In 2022, the trade union of the Group comprehensively promoted the organization construction, system construction and organization of various employee activities. After investigating the interests and needs of employees, the trade union set up various employee activity interest groups to stimulate the initiative, enthusiasm and creativity of all employees of the Group, giving full play to the role of model worker. In 2022, CIMC Group planned and implemented the first Group Model Worker Selection Activity and selected 53 model workers at the first Selection Activity.



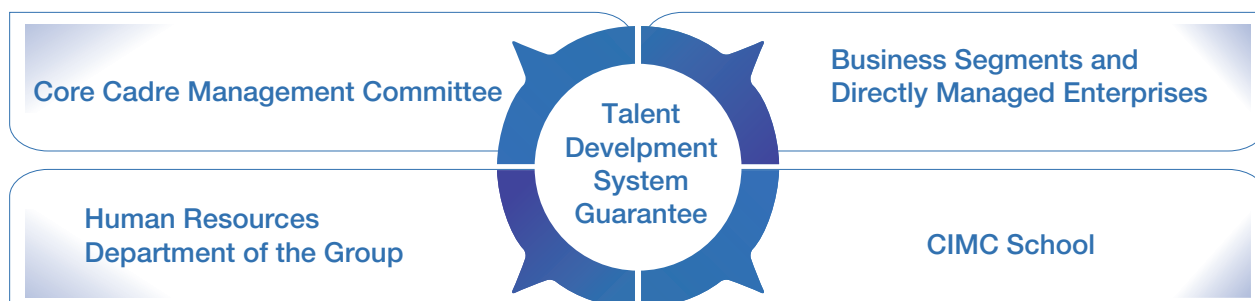
Employee development and training

The Group is committed to selecting and cultivating talent. It encourages employees to acquire professional knowledge and skills from practical work and improve their leadership ability, and offers promotion opportunities to ambitious and competent employees.

Employee development strategy and organizational system guarantee

CIMC Group's talent development is based on the core concept of "people are the most important to CIMC's development", it aims at strengthening the core talent ladder and building a strategic talent supply chain. CIMC strengthens its core talent ladder building through rapid market-based talent replenishment and effective internal mobility, development of paths and ecology suitable for talent growth and development, supply of opportunities for practice and training, as well as corresponding incentives and supports to help the Group's strategic transformation and upgrade and qualitative growth.

With deep understanding of industry development and changes of client demand, we identified the abilities needed for business transformation and accelerated the talent supply, especially the business leaders for strategic transformation. Through integration of various means such as talent planning, identification and cultivation, the Group and each business segment have created an efficient and quality strategic talent supply chain to fulfill the needs of strategy and business development.



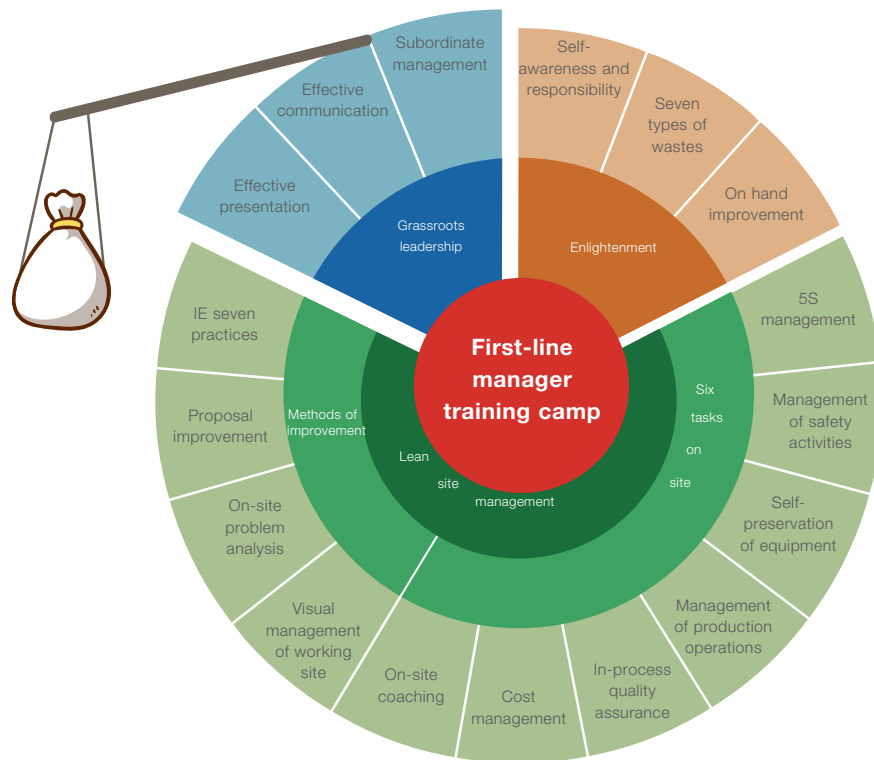
The Group's talent development is organized and guaranteed by the Core Cadre Management Committee, business segments and directly-managed enterprises, Human Resources Department of the Group and the CIMC School. Based on the trinity of selection, cultivation and application, the Group puts the responsibility of talent development, especially cadre development, into practice at every level to ensure the talent strategy is implemented.

Employee training

Group-level employee training

The talent sequence of CIMC Group is divided into two main categories: production site and clerical cadres. The training of talents for the production site is based on the needs of CIMC's excellent management and is mainly developed and promoted by the Group's Excellence-oriented and HSE Operating Center, with the relevant talent training system shown below:

- Ability to maintain site operations ■ Ability to manage people ■ Ability to identify and improve problems



The talent development system in production sites of CIMC is basically complete in terms of content and methods, and has achieved good empowerment results. Based on the learning habits of production site personnel, practical activities such as “Innovation” and “ONE group” are used to stimulate will and mobilize wisdom, integrate learning and work, realizing the positive interaction of “increasing ability and cultivating talents”.

In 2022, the Group conducted 16 talent development programs for cadres, which have trained more than 670 core cadres of the Group, segments and enterprises. The learning resources building of CIMC Group focusing on cadre group training system is improving year by year with a bid to form the organization ability for cadre development and continuous supply of “talented people” through unifying the language of cadre development in CIMC and providing rich and comprehensive CIMC learning contents.

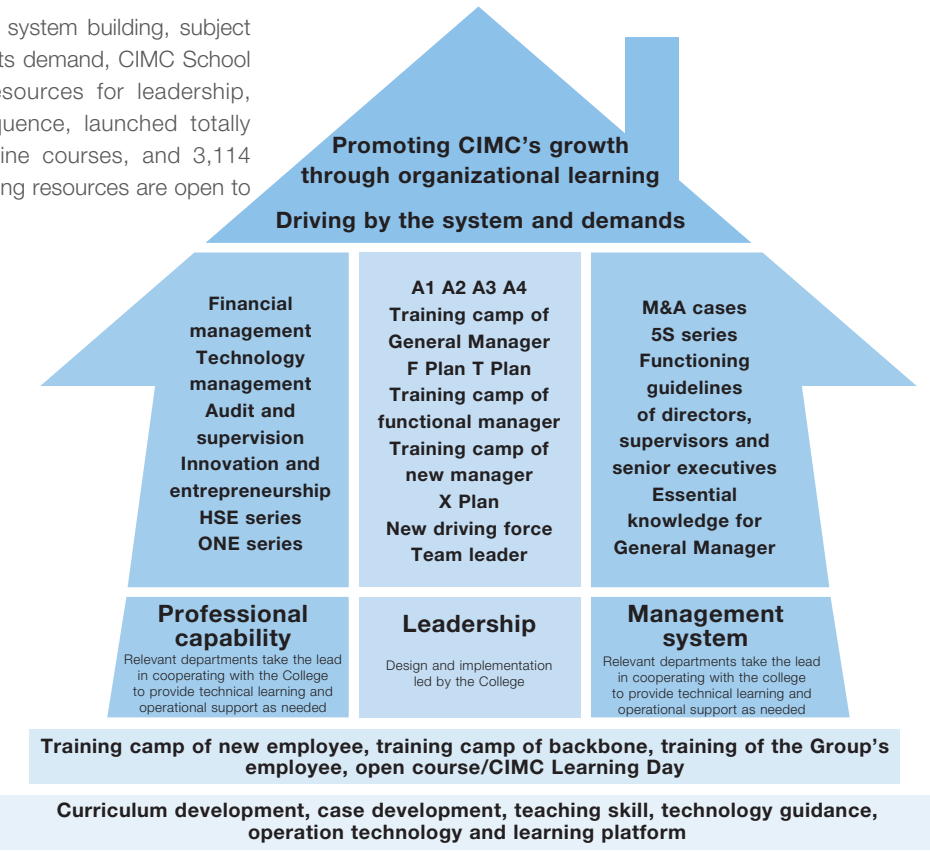
Case No. 45

Functional Manager Training Camp:

With the strategic transformation of CIMC’s high-quality growth and the need of the enterprise to cope with complex and changing situations, functional managers, as the key force to promote the implementation, will face unprecedented challenges. The general manager of the enterprise also has higher expectations of functional managers than ever before. To this end, the Group has developed a leadership training project for functional managers to help them improve their key leadership and job competencies, and support the qualitative growth of the organization.



In terms of knowledge management system building, subject to rules of the Group and driven by its demand, CIMC School developed all kinds of learning resources for leadership, management and professional sequence, launched totally 149 face-to-face courses, 264 online courses, and 3,114 integrated operator courses. All learning resources are open to all employees.



We have implemented the “CIMC Group’s On-job Certification Management Regulations of Core Talents”, “HSE Training and Certification Management Measures for the Key leaders and Grassroots Managers of the CIMC Group Enterprises” and other regulations, and continuously conducted online learning and certification on general managers and core cadres of the Group. In 2022, CIMC Group focused on the development of the “Basic HSE Knowledge and Competence for Grassroots Managers” project, integrated HSE experts to develop 14 targeted, short and concise online courses through clarifying the outline of basic HSE knowledge and competence for grassroots managers, achieving the qualification of about 5,000 grassroots managers in 3 months, with 100% coverage in manufacturing companies and a 92% pass rate. This was the first time that the Group conducted a unified certification in HSE for the grassroots managers of all manufacturing companies in an online format to consolidate their HSE knowledge and competence.

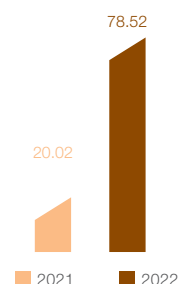
As of December 31, 2022, the Group had trained a total of 44,045 employees, with the training coverage rate reaching 85.45%, per capita training hours reaching 78.52 hours and a year-on-year increase of 292%. CIMC Group attaches great importance to employees training and has developed the “Training Management System” for employee training. We pay attention to the competence improvement and training of employees at all levels from the Group to each business segment.



The Group had trained a total of **44,045** employees

a year-on-year increase of **292%**

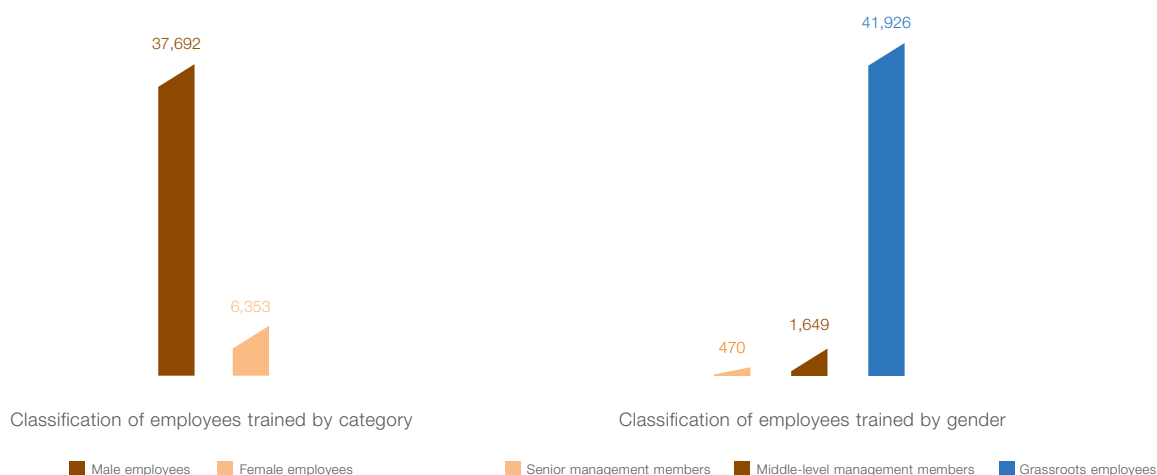
Per capita training hours



Classification of employees trained by gender:	Number of employees trained (person)	Proportion in total employees (%)	Average training hours (hours)
Male employees	37,692	88.00	85.08
Female employees	6,353	72.95	46.27

Classification of employees trained by category:	Number of employees trained (person)	Proportion in total employees (%)	Average training hours (hours)
Senior management members	470	68.81	44.64
Middle-level management members	1,649	69.90	35.17
Grassroots employees	41,926	86.44	81.11

Number of employees trained (person)



Employees training of all segments

We attach great importance to the competence improvement and training of employees at all levels from the Group to each business segment. We have developed the "Training Management System" for employee training, and based on the business characteristics of each business segment, implemented annual training plan on an annual basis to collect, assess and implement training needs.

Case No. 46

Talent development of CIMC Container

CIMC Container has gradually built a layered training system to form the capability platform required for the implementation of the "star driven" strategy. A Z+ Training camp is set up for reserve cadres and senior managers, a "new power training camp" is set up for the training of middle-level and grass-roots managers, and relevant training is carried out for new students, special functional talents and front-line workers.



Case No. 47

CIMC Vehicles successfully held the President's New Year Book Donation Event

On January 4, 2022, CIMC Vehicles successfully held the President's Book Donation Event. CIMC Vehicles combined reading with practice to deepen the strategy of "high-end manufacturing system" and "managing new infrastructure" with cultural inspiration, and assist in promoting the construction of "lighthouse manufacturing network".



Case No. 48

Talent Development of CIMC Offshore

CIMC Offshore has continuously improved its talent development related systems and implemented targeted training programs for different types of employees. In 2022, CIMC Offshore has carried out the EPC manager training camp and FPSO project training camp of the Warwolf series, and CIMC Offshore has taught and learned at high frequency, and rapidly improved personnel capabilities through the form of expert knowledge and experience sharing, project review, and combination of battle and training.



Case No. 49

Talent development of CIMC Recycled Load

Through the "Stellar Plan" and "Planet Plan" for senior management training programmes, CIMC Recycled Load regularly shares results, discusses and gives feedback, and forms a strategic plan for future development on consensus. Through the Spark Programme and the Pioneer Programme, we introduce and cultivate young talents for CIMC Recycled Load.



Employee health and safety

HSE management system

In compliance with the Production Safety Law of the People's Republic of China and the Prevention and Control of Occupational Diseases Law of the People's Republic of China and other relevant laws and regulations, CIMC strictly adheres to the implementation of laws and regulations relating to HSE, embraces the HSE concept of "compliance with laws and regulations, safety and health, and green operations" and deepens to implementation of HSE responsibilities. With the Group and business segments adopting tiered management, each business segment and enterprise take on HSE responsibilities as an operating entity, enhance risks control and build a strong line of safe production and continue to improve HSE governance system and governance capability. As overall safe production situation remained stable in 2022, there were no incidents of non-compliance with safety regulations that have a significant impact on the Group.

Through continuously drawing on and learning from the valuable experience and methods of world-class manufacturing enterprises and advanced HSE benchmarking enterprises, and based on the actual situation of CIMC enterprises, CIMC Group has continuously improved and created the HSE management system suitable for CIMC's manufacturing enterprises. The Group's system integrates the excellent safety "9+8" module, which has been running on site for more than 10 years and has the characteristics of CIMC, with the construction of national production safety standardization, double prevention mechanism, ISO45001 Occupational Health and Safety Management System and ISO14001 Environmental Management System, and insists on the full participation and continuous improvement, continuously improves HSE risk control through the implementation of PDCA management (plan, do, check, action).

CIMC Group evaluates the HSE management level of subordinate enterprises with reference to domestic and international experience and level. The certification, with a review period of every three years, is divided into four levels: qualified, bronze, silver and gold. The Group and each segment are responsible for the organization of the review and evaluation work in each period, which requires to cover all enterprises that need to be reviewed and certified. Enterprises must be reviewed and evaluated at least once every three years. New enterprises are required to complete at least one review and evaluation within three years of their incorporation or formal operation. Through the compliance, review and certification management, the Group promotes the deepening implementation of HSE compliance and review in industrial segments and enterprises, guides its member enterprises to improve based on standards, in a bid to gradually realize a working mechanism of full participation and continuous improvement, enhance the level of HSE management and reduce and prevent major risks.

In 2022, the construction of HSE systems and standards in the Group and segments was further strengthened, with a total of 54 regulations and standard codes promulgated at the Group and segment levels, among which the Group issued five important HSE systems: the "Management Measures for HSE Compliance, Review and Certification of the CIMC Group", the "HSE Management Regulations for Newly-built, Acquired, Closed, Transferred and Leased Factories of CIMC Group", the "HSE Training and Certification Management Measures for the Key leaders and Grassroots Managers of the CIMC Group Enterprises", "Environmental Protection Management System of the CIMC Group", and the "Production Safety Prohibition and Management Measures of the CIMC Group", etc.



Enterprises that are

accredited with the ISO45001: **68**

Enterprises that have passed the Safety and

Production Standardization Certification: **62**

1. Organizational leadership, and holding the relevant employees responsible

Within the Group, enterprises at all levels have set up an HSE committee and HSE supervision and management department responsible for the planning, decision-making, deployment and supervision of HSE work, including developing annual HSE policy and target management plan, listening to the reports on HSE work, surveying the HSE issues and making decision arrangement. In line with the principle of "those who are in charge shall take responsibility", each enterprise strictly holds its head responsible for HSE, improves its organizational structure, enhances human resources, ramps up input, holds the relevant employees' responsible level by level, and carries out rigorous assessment.

The Group incorporates investment in occupational health and safety and environmental protection into its annual business plans and financial budgets, and enterprises at all levels extract and use HSE expenses in full and in accordance with regulations to support expenditures on occupational hazard management, safety production, environmental management equipment and facilities, risk identification and control, hidden danger investigation and treatment, HSE education and training, labor protection equipment, emergency drills and accident rescue.



In 2022, a total of nearly

RMB **450** million was invested in HSE

2. Strengthening the identification of occupational health and safety risks, and enhancing the level of intrinsic safety

Occupational health and safety risk identification and control is the core of the Group's HSE management system. Each enterprise has formulated a management system for safety risk identification, assessment and hierarchical control, organized all employees (from front-line operators to top managers) to comprehensively and systematically identify and assess all hazardous and harmful factors, determine the level of safety risks, formulate safety measures, reasonably determine and implement the hierarchy of liability subjects for control measures according to the risk level, regularly assess control risks based on their actual acceptable control risks and in accordance with the principle of strict and high, and continuously improve and implement safety measures.



In 2022, a total of **1,334** research projects have been initiated to address various hazard sources

814
for safety

164 for
environmental
protection

191 for
occupational
health

The Group actively promotes the use of intelligent and information-based means to strengthen HSE work, promotes the application of advanced and applicable new technologies, new processes, new equipment and new materials, strengthens the construction of double prevention mechanisms and gradually establishes and improves the Group's HSE risk control information system. It also actively promotes the transformation of high-risk processes, strengthens the management of occupational hazards on site, accelerates the implementation of mechanization, automation and digital upgrading, explores the way to realize intrinsic safety, and creates healthy, safe and decent working environment for employees.

Through the promotion of projects and improvement measures such as "Error & Mistake Proofing", the number of major hazard sources have been reduced

by **454** (11.6%) compared to the end of 2021

By upgrading the production line technology to improve the working conditions and mitigate occupational hazards, the number of

injuries has been reduced by **2,026** compared to the end of 2021

Case No. 50

Container Segment set up electronic security officer and HSE IoT project

The six pilot container factories in the Container Segment completed the electronic security officer project and gradually strengthened the safety awareness of employees to comply with the rules and regulations through intelligent identification of violations of employees in the control area. The three HSE IoT pilot enterprises have carried out IoT pilot projects in three areas, namely fire safety, water pollution treatment and mechanical electronic interlocking.



3. Strengthening risk control supervision and inspection, and enhancing HSE capacity building of all staff

The Group attaches importance to the construction of the HSE performance capability of the key leaders, HSE managers and other managers, and has formulated and released the "CIMC HSE Training and Certification Management Measures for the Key leaders and Grassroots Managers of the CIMC Group Enterprises". In addition to being assessed and certified on their HSE knowledge and management capability by the relevant government authorities in accordance with local government regulations, the key leaders, HSE managers and other managers are required to have the knowledge of and the ability to handle HSE matters based on personal characteristics and needs, and complete the training examination and certification of HSE performance capability of the Group or segments within the specified time. Through internal HSE training and certification mechanism, the Group aims at enhancing the knowledge and ability of the key leaders, HSE managers and other managers to properly perform the HSE management duties of their positions.

4. Strengthening emergency management and improving the ability to deal with accidents

The Group attaches great importance to emergency management, and urges enterprises at all levels to establish and improve the emergency management system, improve emergency management organization, formulate emergency plans and file with the authorities in the regions where they operate in accordance with the requirements, organize various types of emergency training sessions and drills, and do a good job in preparing emergency supplies and equipment and team building, among others. Leveraging on events such as "Safety Awareness Month", "Firefighting Awareness Month" and "Occupational Health Week" as well as the activity dubbed "First Lesson for General Manager" held at the beginning of the year, the Group has organized enterprises at all levels to carry out a variety of publicity and educational activities to build a good atmosphere with a focus on health and safety.



In August 2022, a training certification on HSE knowledge and skills for grassroots managers was held, with **100%** coverage of all manufacturing enterprises across the Group and **5,021** participants attending the training certification.

In November 2022, the 2022 HSE training for new general managers was held, with a total of **99** general managers and vice-general managers from **89** enterprises attending the training and certification.

5. Strengthening the implementation, supervision and inspection of compliance of national policies, and hidden danger investigation and management

In 2022, the Group earnestly implemented HSE policies and requirements of the CPC Central Committee and the State Council, such as the special rectification of dangerous chemicals, environmental information disclosure, the spirit of the national teleconference on safe production, the "100-day campaign" for special rectification of production safety, the horizontal expansion of the fire accident in Anyang, Henan Province, etc. The Group and each segment have organized research and study, issued relevant requirements and action plans, while each enterprise has sorted out and established a list of risks and hazards and action plans.

The Group and its segments facilitate the inspection and management of underlying risks by carrying out supervision, reviews, unannounced inspections and special checks in addition to routine inspections, thus improving its ability to control risks.



In 2022, **85** member enterprises (times) of the Group and all its segments have been inspected, of which a total of **2,725** problems have been found, and **91%** of the problems have been rectified in the current year.

In 2022, the government safety, occupational health, fire and environmental protection authorities inspected member enterprises **358** times and found no major violations.

6. Enhancing security management for related parties

All enterprises have established safety management procedures for related parties and implemented regulatory requirements, stipulated that if two or more units carry out production and operation activities in the same operation area, which may endanger each other's production safety, they shall sign a production safety management agreement to clarify their respective responsibilities for production safety management and the safety measures to be taken, and designate full-time production safety management personnel for safety inspection and coordination. Production and operation projects, premises or equipment shall not be contracted out or leased out to units or individuals who do not have the conditions or qualifications for safe production.

If the production and operation projects or premises are contracted out or leased to other units, the enterprise and the contracting unit or leasing unit shall sign a special agreement on production safety management, or agree on their respective responsibilities for production safety management in the contract or leasing contract, and the enterprise shall coordinate and manage the production safety work of the contracting unit or leasing unit in a unified manner, conduct regular safety inspections, and promptly supervise and rectify any safety problems found.

Staff Care and Communication

Effective Communication

The Group encourages the effective communication between employees and management, and attaches great importance to the communication with employees, especially with front-line production workers. Enterprises in China have established trade union organizations at all levels in accordance with the Trade Union Law of the People's Republic of China, and regularly held employee representative meetings to review various systems and regulations involving employee interests, and make democratic communication.

Case No. 51

CIMC Group held the First Plenary Session of the Eighth Employee Representative Meeting of the Trade Union and the 2022 Annual Work Summary and Commendation Conference

On December 9, 2022, CIMC Group held the First Plenary Session of the Eighth Employee Representative Meeting of the Trade Union and the 2022 Annual Work Summary and Commendation Conference. Great breakthroughs have been made in the construction of trade union organization and system, staff sympathy and care, assistance and relief of difficulties, staff recreational and sports activities, and the establishment of the CIMC volunteer service team.



Offshore engineering:

The Employee Representative Meeting of Offshore Engineering shall be held three to four times irregularly every year. Major decisions and systems in enterprise operation and management shall be submitted to the Employee Representative Meeting for deliberation and approval. At the meeting, the Company's annual investment plan, various types of bonus and salary, and performance appraisal plans closely related to the interests of employees were explained and approved by voting on site.

Recycled Load:

In 2022, CIMC Transportation Technology continued to follow up and improve the "General Manager Mailbox". All employees of the Company can exchange useful opinions and suggestions on the Company's operation and future development through the General Manager Mailbox, written letters, Emails and face-to-face communication at any time. After receiving employees' opinions, the recycled load segment timely feedback employees' appeals.

Employee care and support

The Group attaches great importance to the employees' sense of happiness, sense of gain and sense of security. We:

- Implement people-oriented attendance management, and establish and operate a flexible attendance mechanism in accordance with the post characteristics of employees.
- Care for protecting the physical and mental health of employees and providing annual physical examination for employees. For special types of work with occupational disease risks, the pre-job, in-service, and resigning occupational disease physical examinations shall be carried out, and the physical examination results shall be dynamically managed.
- Care for mental health of employees. Relieving work stress through various trainings and psychological counseling.
- Organize and carry out various forms of employee activities around the theme of the Group's 40th anniversary celebration activities. The Group launched activities such as "Run Happy Run Healthy" and "Family Day". The container segment launched the "Cultural Miles" series of activities and the logistics segment launched the "Amazing Us" series of celebration activities.
- Care for women's health and welfare. Women's and parent-child activities were organized on March 8th, the Women's Day, and June 1st, the Children's Day. Some enterprises have set up mother and baby rooms to provide comfortable rest places for pregnant women and postpartum mothers. Some enterprises select "The Bearer of Red Flag March 8" to commend female employees with excellent performance.

Theme: 40th Anniversary of the Group

Case No. 52

Run Happy Run Healthy, Fighting Youth at the 40s—CIMC celebration Happy running activity for the 40th anniversary of operation

On the afternoon of July 6, 2022, CIMC held the “Run Happy Run Healthy, Fighting Youth at the 40s” to celebrate the 40th anniversary of the Group’s operation.



Case No. 53

40 years of CIMC, set the sails, stand with love—2022 Family Day Activity

On July 9, 2022, the 2022 “Family Day” activity of the CIMC headquarters was held at the “Greater Bay Area No. 1” of Shekou Cruise Home Port. “Family Day” activity is a long-term featured employee activity held by CIMC.



Case No. 54

Container segment celebrated 40th anniversary of the Group – Walking Ten Thousand Miles to Embrace Corporate Culture

The container segment planned a special celebration event with its characteristics -Walking Ten Thousand Miles to Embrace Corporate Culture. The campaign consisted of three physical events and one online event, and those events were held simultaneously. In the campaign, about 4,000 employees walked 40,000 steps, which is the target steps set for the campaign.



Case No. 55

Logistics segment organized the theme activity of “Amazing Us – Celebrating the 40th anniversary of CIMC”.

In July 2022, the logistics segment organized the theme activity of “Amazing Us – Celebrating the 40th Anniversary of CIMC”. Employees participated in role-playing activities. In the activity, each participant was required to establish a team with other participants to complete the required tasks to earned point, and then points of each team were compared with each other to determine the ranking.



Theme: Caring for Women

Case No. 56

The trade union of the group held the “Female Day” activity of the group headquarters in 2022.

More than 70 female employees from the group headquarters signed up for the “Goddess Festival”. Employee should make a pearl ornament for themselves. In the wonderful opening segment, the female employees helped each other and welcomed the unforgettable moment together.



Striking a balance between work and life

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

Case No. 57

“CIMC Logistics Cup” Badminton Competition held by Trade Union system of CIMC Group

In December 2022, the Trade Union of CIMC Group held the “CIMC Logistics Cup” Badminton Competition of the Trade Union system of CIMC Group, in which a total of 10 teams and more than 80 employees signed up for the competition. This is the first sports competition held by the Trade Union system of CIMC Group in many years.



Caring for the People’s Livelihood

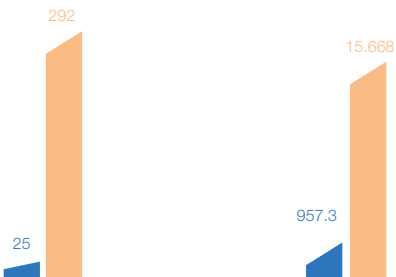
CIMC keeps in mind the obligations that shall be performed as a social citizen, cares for the society and people’s livelihood, actively support public undertakings such as education, culture and health in the regions where we are located, and promote the local economic development and give back to society by leveraging our expertise. In 2022, the Group’s Headquarters and business segments have carried out 292 public welfare activities. Total donations made by the Group amounted to RMB15.668 million. The number of volunteers involved reached 2,682 person-times, and the service hours of volunteers reached 13,267.5 hours.



In 2022, the Group’s Headquarters and business segments have carried out **292** public welfare activities



The annual donation amount reached RMB**15.668** million



Number of public welfare activities of the whole Group (times)

The amount donated by the whole Group (RMB 0,000')

■ 2021 ■ 2022

Establish CIMC Charity Foundation

In June 2022, with the approval of the Shenzhen Municipal Civil Affairs Bureau, Shenzhen CIMC Charity Foundation was officially established by CIMC Group with an initial capital of RMB10 million. With the mission of “Gathering Love and Nourishing Chinese Education” and the vision of “Becoming an Excellent Charity Foundation in the Business Community”, the Foundation focuses on educational philanthropy, subsidizes students in need from public colleges and universities to continue their undergraduate education, and empowers the development of Chinese education. Under the initiative of Mai Boliang, Secretary of the Party Committee, Chairman and CEO of CIMC, CIMC Charity Foundation completed a series of procedures from preparation to official approval in the first half of 2022. The Foundation received RMB4.05 million from CIMC employees and some friendly people in 2022. In 2022, the Charity Foundation planned to carry out the first stage of education donation of the CIMC Grant-in-aid Program in five colleges and universities in Guangdong Province, Shandong Province, and Jiangsu Province, with more than 280 students funded. By 2025, the number of funded institutions and students will be expanded, and the number of recipients is expected to be expanded to 2,000.

In August 2022, the Foundation completed the donation signing ceremony with five universities, South China University of Technology, Shenzhen Technology University, Shenzhen University, Yangzhou University and Yantai University, and will continue to subsidize the full tuition and accommodation fees of students with financial difficulties from the freshman to senior years of university, with a four-year funding amount of RMB2 million for each university.



The Establishment of the
CIMC Charity Foundation



Scan by Wechat to
watch the video

Rural Revitalization

Participating in public welfare undertakings is the responsibility and need of enterprises. CIMC Group and its subordinate enterprises spread the love and warmth of CIMC employees to all corners of society by organizing employees to donate blood for free, love and respect the elderly, form volunteer teams, and donate money and materials.

Give full play to the advantages of the industrial chain and help the industrial revitalization

The Group actively complies with the national strategy of expanding domestic demand, common prosperity and rural revitalization, strengthens cooperation with the government, explores industrial opportunities for rural revitalization, gives full play to the advantages of equipment and services, participates in infrastructure and existing agricultural construction, expands new businesses, creates new scenarios, and continuously explores industrial opportunities such as bamboo chain, circulating freshwater fishery, marine protein, agricultural machinery and equipment, cross-border agricultural products, energy micro-tube networks, etc. Additionally, the Group also continues to expand advantageous business markets.

Case No. 58

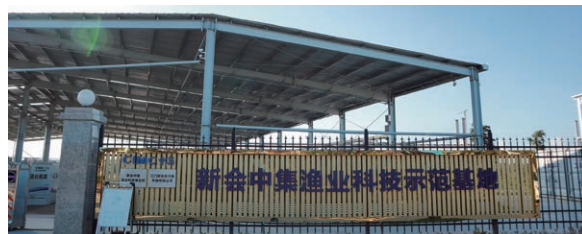
CIMC Bamboo Chain Technology signed a cooperation framework agreement with Yueyang Economic Development Zone to build a new renewable fiber industrial park

CIMC Bamboo Chain Technology will actively promote the construction of a new renewable fiber industrial park project in Yueyang Economic Development Zone. After the completion of the project, while promoting the local economic development, it can effectively help Yueyang City better respond to the double-carbon policy. In the future, CIMC Bamboo Chain Technology and Yueyang Economic Development Zone will cooperate in park construction, green industry and rural revitalization.



Case No. 59**Establishment of CIMC Fishery Technology Co., Ltd. to drive transformation and upgrading of fishery industry**

Xinhui CIMC adopted the modern aquaculture technology of "container + aquaculture", innovatively proposed the "dual-cycle" aquaculture system and the new model of digital aquaculture to promote the transformation and upgrading of traditional aquaculture industry to modern digital fishery, create a modern fishery industry with complete functions and green ecology, so as to boost the revitalization of the countryside.

**Case No. 60****Delivery of grain transport vehicles developed by CIMC Vehicles to customers**

On March 2, 2022, CIMC Tower developed and delivered grain transport vehicles to customers, providing efficient and convenient transportation, loading, and unloading integrated solutions for grain transport subdivision scenarios, ensuring national grain transport security and promoting rural revitalization and rural construction.

**Active assistance in various aspects and forms to help build a beautiful countryside**

01
The group and its subordinate segments actively support designated assistance and special assistance work.

Yangzhou base under the container segment signed a twinning assistance agreement with Yongshun Village, Shiqiao Town, Yangzhou Economic Development Zone in 2019. In 2022, it continued to vigorously support the development of Yongshun Village, including continuing to implement the contract for the unified purchase of 20,000 kg of rice from Yongshun Village, and to focus on helping the operation of Yongshun Village's rice processing plant, and supporting and assisting Yongshun Village in developing rural tourism.

Yantai CIMC Raffles, a subsidiary of the marine engineering segment, supported the development of Tibet's industry and purchased drinking water from Tibet Chuyuan Water Industry Co., Ltd. in 2022 for staff drinking water and customer reception.

In May 2022, Zhenhua Logistics, a subsidiary of the logistics segment, participated in the special work of Tianjin Economic Development Zone to widely mobilize social forces, help promote high-quality cooperation between the East and the West and support cooperation, and donated RMB20,000 to the Tianjin Binhai New District Charity Association.

02
The Group and its subordinate sectors actively support rural infrastructure construction

Shanxi Tianhao Clean Energy Co., Ltd., a subsidiary of the energy and chemical segment, organized the repair of some sections of the road in Changjiayan Village, Linxian County, Lvliang City, Shanxi Province from June to July, with a project cost of about RMB50,000.

Longkou CIMC Raffles Offshore, a subsidiary of the offshore engineering segment, funded Sunjia Village, Henan Province, Longgang Street, Longkou Development Zone, through the Longkou Letters and Visits Bureau, for the renovation of water purification equipment in the village.

In June 2022, Shandong CIMC Jinertai Supply Chain Technology Co., Ltd., a subsidiary of the recycled load segment, donated RMB2,000 of school infrastructure expenses to Xinxing Town Central Primary School in Zhucheng, Weifang City, Shandong Province.

03
The Group and its subordinate enterprises actively support rural ecological construction

CIMC modular buildings under the container segment participated in the Tree Planting Festival in Nansha Village, Daoao Town, Xinhui District, Jiangmen City, Guangdong Province in March 2022, contributing to the improvement of the green environment in Nansha Village.

Community charity

In 2022, CIMC and its subsidiaries carried out community public welfare activities and made contributions to the community.

Case No. 61

CIMC Group held the unveiling ceremony of “CIMC Volunteer Service Team” and “Employee Home” and the symposium of volunteer representatives

In 2022, Mai Boliang, the secretary of the Party Committee, chairman and CEO of the Group, attached great importance to the work of “CIMC Volunteer Service Team” and “Employee Home”, and wrote autographs for “CIMC Volunteer Service Team” and “Employee Home”. In recent years, CIMC has delivered the warmth and care of CIMC people to every corner of the community through practical actions such as donations, rushing to the disaster areas and participating in volunteer activities.

In July 2022, the unveiling ceremony of “CIMC Volunteer Service Team” and “Employee Home” was held in the M01 conference room of the group headquarters. Gao Xiang, Deputy Secretary of the Party Committee and President of the Group, attended the event and unveiled the “CIMC Volunteer Service Team” and “Staff Home”. More than 50 volunteers from various trade unions in Shenzhen participated.



Case No. 62

Volunteer service activity of “hiking to clean mountains for lucid waters and green mountains”

On November 19, 2022, the voluntary service activity of “hiking to clean mountains for lucid waters and green mountains” in 2022, sponsored by the CIMC Volunteer Service Team and co-organized by the outdoor interest group of the CIMC Trade Union, was held in Tanglang Mountain, Shenzhen. It took more than 4 hours for volunteers to pick up a total of 24 bags of various kinds of garbage and hand them over to the Park Sanitation Division for sanitation and transportation. More than 20 volunteers worked together to arouse the attention and promotion of the society to the environment through half-day action.



Case No. 63

CIMC Trade union held the first special training on emergency rescue (AED equipment)

In 2022, the trade union of the Group, the vehicle trade union and many other trade unions organized and carried out emergency rescue training to systematically provide professional guidance to employees based on the new concept of rescue, cardiopulmonary resuscitation, trauma rescue technology, the use of AED equipment, rescue principles and treatment methods for common emergencies and accidental injuries. The training will be further expanded into annual regular activities in the future.



Case No. 64

CIMC carried out precision charity and helped the Hong Kong University – Shenzhen Hospital to open the first Northeast China style dumpling restaurant operated and served by patients with osteogenesis imperfecta in China.

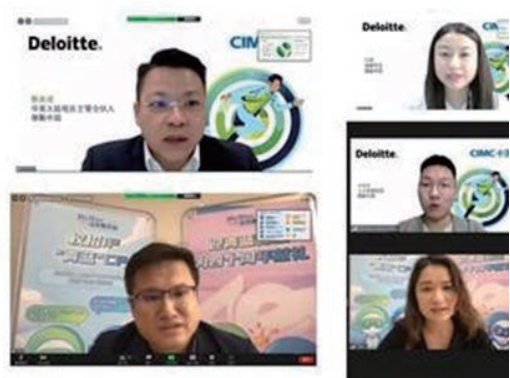
In March 2022, HKU – Shenzhen Hospital opened China's first northeast China style dumpling restaurant "Love Public Welfare Dumpling Restaurant" operated and served by patients with osteogenesis imperfecta in the atrium of the hospital's outpatient hall, which is deeply loved by hospital staff and patients. The dumpling restaurant is funded by CIMC Group and is a precision charity project donated to HKU – Shenzhen Hospital.



Case No. 65

CIMC & Deloitte held an online session for the Greater Bay Area Career Development Day

CIMC Group and Deloitte jointly organised the "Deloitte x CIMC" Greater Bay Area Career Development Day online session. During which, CIMC & Deloitte introduced job opportunities and shared resume preparation and interview skills to over 200 young people interested in career opportunities in the Greater Bay Area, including students, graduates, and those who have already graduated, thus empowering young people in the Greater Bay Area who are preparing for job hunting. Participants gave positive feedback on the event, stating that they had benefited a lot from this exchange activity.



Caring for students

Our love deeds create harmony, and love can be inherited with virtues, which can send warmth to the sponsored students and promote positive energy in the society. CIMC has been playing an exemplary role as an excellent enterprise by supporting efforts to improve the people's livelihood, actively participating in public welfare, and jointly promoting the fostering of talents so that more students will grow up under CIMC's love and care. They will in turn pay back to the society and benefit their compatriots in the future.

Case No. 66

CIMC Wetrans joined the "99 Public Welfare Day" in 2022

CIMC Wetrans mobilized 1,312 people to raise RMB340,000 for the "Ayi Tudou Education Project", including RMB120,000 from individuals, RMB220,000 from Tencent and RMB200,000 from Wetrans.



In August 2022, Jinzhai CIMC, a subsidiary of the container segment, funded RMB20,000 for college students in the 2022 Nationwide Unified Examination for Admissions to General Universities and Colleges in poverty-stricken areas.

CIMC Enric Clean Energy Technology (Yulin), a subsidiary of the energy and chemical segment, donated RMB20,000 to the Jingbian County Charity Association in March 2022 for the subsidization of students in Longzhou Town, Jingbian County, Yulin City, Shaanxi Province.

Promote Personnel Development in the Places of Operation

In 2022, the Group continued to contribute significant tax revenue for the locations to the place where it operates, unremittingly improve the well-being of local communities and inject impetus into local economic development with solid earnings growth.

Case No. 67

CIMC Vehicles' Thailand plant was put into production

The Durian project team of CIMC Vehicles has become an advanced trailer manufacturer in Thailand and even Southeast Asia, leading the technological innovation of the local industry, providing higher standard products for the market than ever before and promoting the high-quality development of the industry. CIMC Vehicles provides new impetus for local economic development.

Economic aspects:

In 2022, the DS team operated stably. In that year, it manufactured 22,000 units with a volume of sale of nearly 26,000 units, and made a net profit of RMB170 million. Approximately 500 employees were employed, including 400 local employees in Thailand, 80% of which were local people.

ESG improvement:

- ① Providing a large number of new employment opportunities for the surrounding manufacturing plants and trained the local skills talents in short supply.
- ② Setting up a training fund to become a designated practice base for several colleges and universities.
- ③ Reshaping the supply chain. After more than one year, more than 80% of the materials were supplied by Thailand.
- ④ Promoting local manufacturing industries such as hot rolling mills to improve product grades through technical exchanges.

Case No. 68

CIMC Wetrans' first China-Laos international freight import train was successfully landed

CIMC Wetrans continues to deepen the capacity building of the whole line of the China-Laos Railway, and the launch of the "Kunming Iron and Steel Ore" China-Laos Train Project actively expands trade cooperation projects, which can enhance the radiation effect and cross-border freight capacity of the China-Laos Railway, effectively solve the problem of difficulty in cross-border transactions, and also reduce the procurement risks caused by market price fluctuations, provide new momentum into the economic and trade cooperation between China and ASEAN, and allow more enterprises to enjoy the opportunities and dividends brought by the China-Laos Railway.



Case No. 69

The first modular building in Gibraltar, CIMC participated in the construction of which, was officially capped

In February 2023, Gibraltar's first modular building project completed two weeks of lifting and stacking work, and it was officially capped. A 10-storey high-end elderly care apartment was completed in a short period of time, and the apartment is expected to be ready for use in June 2023. CIMC Modular Building Systems (hereinafter referred to as CIMC-MBS), a subsidiary of CIMC Construction Technology Company Limited under CIMC Group, participated in the construction of this project, which effectively promoted the construction of key infrastructure for local people's livelihood security and promoted the implementation of Gibraltar's "National Economic Development Plan".



Future Prospect

Today, CIMC has grown into a global and diversified multinational business Group, driving more than 50,000 upstream and downstream enterprises of the industrial chain to move forward. Amid the high uncertainty in the current global economy and the bumpy road ahead, we shall focus on the expectations of the stakeholders and bear in mind the original intention of fulfilling entrepreneurship through the endeavor. We shall stick to the aspiration of serving the country through industry and stay vigilant and cautious. We shall have our feet firmly on the ground and get our hands dirty.

Facing the future, under the strong leadership of the CPC, the Group adheres to the “14th Five-Year Plan” and the goal of Vision 2035. We will ground our efforts in the new stage of development, apply the new development philosophy and serve the creation of a new development paradigm. We will focus on the vision of a “world-class high-quality and respected company”, and make unremitting efforts to strengthen and expand the Company and make it sustainable:

We will expand advantageous businesses and build a moat for CIMC capability. We will continue to focus on the four emerging strategic directions of “cold chain, clean energy, environmental protection and rural revitalization”, and continue to extend to the business segments where “the country has needs, the industry has shortcomings, and CIMC has advantages”. Driven by building demonstration enterprises of operational excellence, we center on the enhancement of technological innovation capabilities. By building “best-in-class products” projects as the key initiative, we will strengthen model innovation and the integration of upstream and downstream industrial chain resources. We provide high-quality and efficient solutions, tap industrial opportunities in the domestic market, and strive to build a new and stable growth point for the Group’s business.

We apply the new development philosophy and achieve high-quality and sustainable growth through joint efforts. We will actively respond to the expectations of stakeholders, promote the overall application of the sustainable development strategy, take the business strategy as the dominant keynote, closely center on the four major work directions of ESG, implement the green development plan, and create sustainable development value.

In terms of deepening responsibility management, we are fully committed to carrying out the measures of the key issues stated by the ESG Board of Directors, and enhancing the management of sustainable development. In terms of tackling climate change, we will respond to the national “dual carbon” policy by steadily promoting energy efficiency and carbon emission reduction measures in two dimensions of the manufacturing process life cycle and the product life cycle. To improve global logistics, we will stick to the “best-in-class products” strategy, strengthen innovation in technology and model, and provide more green and low-carbon products and solutions. To develop with joint efforts, we will systematically promote CIMC’s talent project, fully mobilize the enthusiasm and initiative of employees, assume social responsibilities in line with high standards, and continuously promote rural revitalization projects.

Through our unremitting striving in the past 40 years, we will pursue more excellence for a better future. The 40-year glory and gratitude will inspire us to embark on a new journey with high spirits. We will stay committed to the philosophy of high-quality and sustainable development, carry forward the spirit of CIMC, and unite all parties to strive with the same faith. We will move towards the great goal of a common cause and the prospect of sustainable development. We will carry on the past and forge ahead to make more outstanding achievements in the near future!



Appendix

Content Index of Reporting Standards

Report Frame		Standards	Description
Sustainability Achievements in 2022			
Business Philosophy			
Statement of Board of Directors			
About this Report	GRI Standards	2-1 Organizational details	
		2-2 Entities included in the organization's sustainability reporting	
		2-3 Reporting period, frequency and contact point	
Chairman & CEO's Statement			
About Us			
ESG Performance Table	Key performance indicators	GRI Standards	201-1 Directly generated and distributed economic value
			302-1 Energy consumption within the organization
			302-3 Energy intensity
			303-4 Water consumption
			305-1 Direct (Scope 1) greenhouse gas emissions
			305-2 Energy indirect (Scope 2) greenhouse gas emissions
			305-4 Greenhouse gas emission intensity
			305-7 Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant gas emissions
			306-3 Waste generated
			401-1 New employee hire rate and employee turnover rate
			403-9 Work-related injury
			404-1 Average hours of training per employee per year
		HKEX ESG Report Guidelines	A1.1 Types of emissions and related emission data.
			A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and (if applicable) intensity (for example, per unit of production, per facility)
			A1.3 Total amount of hazardous waste generated (in tons) and (if applicable) intensity (for example, per unit of production, per facility)
			A1.4 Total amount of non-hazardous waste generated (in tons) and (if applicable) density (for example, per unit of production, per facility)
			A2.1 Total direct and/or indirect energy consumption (for example, electricity, gas or oil) by type (in thousands of kWh) and intensity (for example, per unit of production, per facility)
			A2.2 Total water consumption and density (for example, calculated per production unit, per facility)
			B1.1 Total number of employees by gender, type of employment (for example, full-time or part-time), age group, and region
			B1.2 Employee turnover rates by gender, age group and region
			B2.1 The number and rate of work-related fatalities in each of the past three years (including the reporting year)
			B2.2 The number of lost work days due to work-related injuries
			B3.1 Percentage of trained employees by gender and employee category (for example, senior management, middle management)
			B3.2 The average number of hours of training completed by each employee, by gender and employee category
			B5.1 The number of suppliers by region
			B6.1 Percentage of total sold or shipped products subject to recall for safety and health reasons
			B6.2 The number of complaints received about products and services and how to deal with them
			B7.1 The number and outcome of concluded corruption litigation cases brought against the issuer or its employees during the reporting period

Report Frame		Standards	Description
Topic I: Over the journey of our development for forty years, we remain true to the original aspiration and strive for self-improvement			
Topic II: Innovation and green facilitate high-quality development and long-term growth with stability			
Strengthening Responsibility Management	Corporate Governance and Interactive Communication	GRI Standards	2-6 Activities, Value Chain and Other Business Relationship 2-9 Governance Structure and Constitution
	Sustainable Development Management	GRI Standards	2-14 The Role of the Highest Governance Organ in the Sustainable Development Report 2-22 Statement on Sustainable Development Strategies 201-2 Financial Influence, Other Risks and Opportunities Generated by the Climate Change
			A1.5 Describe the discharge goals established and the steps taken to achieve such goals. A1.6 Describe the methods for handling hazardous and non-hazardous waste, and describe the waste reduction goals established and the steps taken to achieve such goals
			A2.3 Describe the energy efficiency goals established and the steps taken to achieve such goals A2.4 Describe any problems in obtaining suitable water sources, the water efficiency goals established and the steps taken to achieve such goals
		HKEX ESG Report Guidelines	A4.1 Describe the major climate-related issues that have and may have an impact on the issuer, and the corresponding actions
			2-16 Communication of Key Concerns 2-29 Approaches to Stakeholder Engagement 3-1 Process for Identifying Material Topics 3-2 List of Substantive Issues
			Protection of Rights and Interests of Shareholders and Creditors
			205-2 Communication and Training on Anti-corruption Policies and Procedures 205-3 Confirmed Incidents of Corruption and Actions Taken 206-1 Legal Actions against Anticompetitive Conduct, Antitrust and Antimonopoly practices
	Integrity and Compliance	GRI Standards	B6.5 Describe consumer data protection and privacy policies, as well as related implementing and monitoring methods B7.2 Describe preventive measures and reporting procedures, as well as related implementing and monitoring methods B7.3 Describe the anti-corruption training provided to directors and employees
		HKEX ESG Report Guidelines	Anti-commercial Bribery Credit Building Fair Competition Privacy Protection
		GSRI-CHINA 2.0	B6.3 Describe practices related to the maintenance and protection of intellectual property rights New industrialization Respect property rights
			416-2 Incidents of non-compliance involving health and safety impacts of products and services 417-2 Incidents of non-compliance involving product and service information and labelling
	Creation of Brand Power with High Quality	GRI Standards	B6.4 Describe the quality verification process and product recall procedures Promote the healthy and sustainable development of the industry Product quality and safety Responsible marketing Advocate responsible consumption Complaint and dispute handling
		HKEX ESG Report Guidelines	308-1 New suppliers screened by adopting environmental assessment dimensions 414-1 New suppliers screened by adopting social assessment dimensions
		GSRI-CHINA 2.0	B5.2 Describe the practices related to the engagement of suppliers, the number of suppliers to whom the practices are enforced, and how the practices are implemented and monitored B5.3 Describe the practice of identifying environmental and social risks in each section of the supply chain, and the related implementing and monitoring methods B5.4 Describe the practice of promoting the use of environment-friendly products and services when selecting suppliers, and the related implementing and monitoring methods
		Shenzhen Stock Exchange Guidelines	Cooperation and win-win solutions Supplier, customer and consumer rights protection
		Shenzhen Stock Exchange Guidelines	
	Sharing Experience for Common Development		

Appendix

Report Frame		Standards	Description	
Tackling climate change	Low-Carbon Operation to Shoulder Responsibility and Mission	GRI Standards	305-5 Greenhouse gas emission reduction	
	Ecological Protection and Emissions Reduction	GRI Standards	303-2 Manage impacts related to drainage	
			306-1 Generation of waste and significant waste-related impacts	
			306-2 Management of significant impacts related to waste	
	Cherishing Resources and Protecting Ecology	GRI Standards	302-4 Reduce energy consumption	
			303-1 Interaction of organizations and water as shared resources	
			304-1 Operation sites owned, leased, and managed by the organizations in or adjacent to the protected areas and biodiversity-rich areas outside the protected areas	
		HKEX ESG Report Guidelines	A2.3 Describe the energy efficiency goals set and the steps taken to achieve them.	
		Shenzhen Stock Exchange Guidelines	Environmental protection and sustainable development	
		GSRI-CHINA 2.0	Environmental management	
Resource conservation and comprehensive utilization				
Ecological protection				
Creation of Green Brand through Green Development	HKEX ESG Report Guidelines	A3.1 Describe the significant impacts of business activities on the environment and natural resources and the actions taken to manage those impacts		
Developing with Joint Efforts	People-oriented common cause	GRI Standards	2-7 Employees	
			2-8 Workers other than employees	
			401-2 Benefits offered to full-time employees (excluding temporary or part-time employees)	
			403-1 Occupational health and safety management system	
			403-2 Hazard identification, risk assessment and accident investigation	
			403-5 Occupational health and safety training for workers	
			403-6 Promote worker health	
			403-7 Prevent and mitigate occupational health and safety impacts directly related to business relationships	
			405-1 Diversity of governance bodies and employees	
			406-1 Incidents of discrimination and corrective actions taken	
		407-1 Operation sites and suppliers whose freedom of association and collective bargaining rights may be at risk		
		HKEX ESG Report Guidelines	B2.3 Describe the occupational health and safety measures adopted, and how they are implemented and monitored	
			B4.1 Describe the measures to review recruitment practices for avoiding child and forced labor	
			B4.2 Describe the steps taken to eliminate the situation when a violation is discovered	
		Shenzhen Stock Exchange Guidelines	Protection of employees' rights and interests	
			Respect for human rights	
			Labor contract and salary	
			Social security and welfare	
			Democratic management	
			Employee communication and care	
			Safety production management	
			Safety production input	
		GSRI-CHINA 2.0	Occupational health and safety	
			Staff training and development	
	Caring for the People's Livelihood		GRI Standards	413-1 Operation sites with local community engagement, impact assessment and development plans
			HKEX ESG Report Guidelines	B8.1 Focus on the areas of contribution (for example, education, environmental issues, labor needs, health, culture, and sports)
		Shenzhen Stock Exchange Guidelines	Public relations and social welfare	
		GSRI-CHINA 2.0	Community engagement and development	
Future Prospect				
Appendix	Content Index of Reporting Standards	GRI Standards	2-28 Association membership	
	Definition Index			
	List of Policies and Regulations			
	Industry Organizations			
	Awards			
	Organization Structure for Report Preparation			
Comments and Feedback				

Definition Index

Glossary	Definition
Company	China International Marine Containers (Group) Co., Ltd. (中国国际海运集装箱(集团)股份有限公司)
CIMC, CIMC Group, Group, we, our and us	the Company and its subsidiaries
ESG&CSR Report, Report	2022 Corporate Social Responsibility & Environmental, Social and Governance Report of CIMC Group
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
ESG Guide	Environmental, Social and Governance Reporting Guidelines
CIMC Container	CIMC Container Holdings Co., Ltd. (中集集团集装箱控股有限公司)
CIMC Vehicles	CIMC Vehicles (Group) Co., Ltd. (中集车辆(集团)股份有限公司)
CIMC Enric	CIMC Enric Holdings Limited (中集安瑞科控股有限公司)
CIMC Raffles	CIMC Raffles Offshore Limited
CIMC Enric Clean Energy (Yulin)	CIMC Enric Clean Energy Technology (Yulin) Co., Ltd. (中集安瑞科清洁能源科技(榆林)有限公司)
CIMC Ruijiang	Wuhu CIMC Ruijiang Vehicles Co., Ltd. (芜湖中集瑞江汽车有限公司)
CIMC TianDa	CIMC-Tianda Holdings Company Limited (中集天达控股有限公司)
Ziegler	Albert Ziegler GmbH (德国齐格勒消防及救援车辆(集团)有限责任公司)
CIMC Recycled Load	CIMC Transportation Technology Co., Ltd. (中集运载科技有限公司)
CIMC Finance Company	CIMC Finance Co., Ltd. (中集集团财务有限公司)
CIMC Modular	CIMC Modular Building Investment Company Limited (中集模块化建筑投资有限公司)
Taicang Reefer	Taicang CIMC Reefer Logistics Equipment Co., Ltd. (太仓中集冷藏物流装备有限公司)
Zhenhua Logistics	Zhenhua Logistics Group Co., Ltd. (振华物流集团有限公司)
Longkou CIMC Raffles	Longkou CIMC Raffles Offshore Engineering Co., Ltd. (龙口中集来福士海洋工程有限公司)
Yantai CIMC Raffles	Yantai CIMC Raffles Offshore Engineering Co., Ltd. (烟台中集来福士海洋工程有限公司)

Glossary	Definition
Qingdao CIMC	Qingdao CIMC Container Manufacture Co., Ltd. (青岛中集集装箱制造有限公司)
Huajun Vehicle	Zhumadian CIMC Huajun Vehicle Co., Ltd. (驻马店中集华骏车辆有限公司)
Nantong CIMC	Nantong CIMC Special Transportation Equipment Manufacturing Co., Ltd. (南通中集特种运输设备制造有限公司)
Qingdao Reefer Container	Qingdao CIMC Reefer Container Manufacture Co., Ltd. (青岛中集冷藏箱制造有限公司)
CIMC LPT	CIMC Liquid Process Technologies Co., Ltd. (中集安瑞醇科技股份有限公司)
CIMC Safeway Technologies	CIMC Safeway Technologies Co., Ltd. (Former name: Nantong CIMC Tank Equipment Co., Ltd.) (中集安瑞环科技股份有限公司)
Tianjin CIMC	Tianjin CIMC Container Co., Ltd. (天津中集集装箱有限公司)
Ningbo CIMC	Ningbo CIMC Logistics Equipment Co., Ltd. (宁波中集集装箱服务有限公司)
CIMC Sanctum	Zhangjiagang CIMC Sanctum Cryogenic Equipment Co., Ltd. (张家港中集圣达因低温装备有限公司)
Xinhui CIMC	Xinhui CIMC Container Co., Ltd. (新会中集集装箱有限公司)
Nantong Energy	Nantong CIMC Energy Equipment Co., Ltd. (南通中集能源装备有限公司)
CIMC Cold Cloud	CIMC Cold Cloud Supply Chain Management (Beijing) Co., Ltd. (中集冷云(北京)供应链管理服务有限公司)
CIMC Cold Chain	CIMC Cold Chain Development Co., Ltd. (中集冷链发展有限公司)
Yangzhou Runyang	Yangzhou Runyang Logistic Equipment Co., Ltd. (扬州润扬物流装备有限公司)
Yangzhou Tonglee	Yangzhou Tonglee Reefer Container Co., Ltd. (扬州通利冷藏集装箱有限公司)
Luoyang Lingyu	Luoyang CIMC Lingyu Automobile Co., Ltd. (洛阳中集凌宇汽车有限公司)
DLCIMC	Dalian CIMC Containers Co., Ltd. (大连中集特种物流装备有限公司)
TAS	Shenzhen CIMC - TianDa Airport Support Ltd. (深圳中集天达空港设备有限公司)
Jingmen Hongtu	CIMC Enric Jingmen Hong Tu Special Aircraft Co., Ltd. (荆门宏图特种飞行器制造有限公司)
Yangzhou Tali	Yangzhou Tali Special Equipment Co., Ltd. (扬州泰利特种装备有限公司)
Yangzhou CIMC	Yangzhou CIMC Tong Hua Special Vehicles Co., Ltd. (扬州中集通华专用汽车有限公司)
Dongguan Special Vehicle	Dongguan CIMC Special Vehicle Co., Ltd. (东莞中集专用汽车有限公司)
Dongguan Southern	Dongguan Southern CIMC Logistic Equipment Manufacturing Co., Ltd. (东莞南方中集物流装备制造有限公司)

List of Policies and Regulations

ESG indicators	Applicable laws and regulations	Internal Policy
Level A1: Emissions Level A2: Resource Usage Level A3: Environment and Natural Resources Level A4: Climate Change	Environmental Protection Law of the People's Republic of China Environmental Protection Tax Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution Water Pollution Prevention and Control Law of the People's Republic of China Air Pollution Prevention and Control Law of the People's Republic of China Soil Pollution Prevention and Control Law of the People's Republic of China Marine Environment Protection Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes Law of the People's Republic of China on Water Energy Conservation Law of the People's Republic of China Cleaner Production Promotion Law of the People's Republic of China Law of the People's Republic of China on Environmental Impact Assessment	Environmental Protection Management System of the CIMC Group (Trail) Environmental Protection Work Guidelines of the CIMC Group Note: All segments and subordinate enterprises have established relevant HSE systems and management methods.

ESG indicators	Applicable laws and regulations	Internal Policy
Level B1: Employment Level B4: Labor Standards	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Employment Promotion Law of the People's Republic of China Social Insurance Law of the People's Republic of China Special Rules on the Labor Protection of Female Employees Provisions on Special Protection of Minor Workers Minimum Wage Regulations	Employee Performance Management System Employee Remuneration and Benefits Management System Employee Relationship Management System Employee Code of Conduct Employee Attendance and Leave Management System
Level B2: Health and Safety	Labor Law of the People's Republic of China Production Safety Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases Fire Control Law of the People's Republic of China Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents Interim Provisions on the Investigation and Control of Safety Accidents Regulation on Work-Related Injury Insurance Regulations on Supervision and Management of Occupational Health in the Workplace Classification and Catalogue of Occupational Diseases	HSE Policy and Target Management Scheme of the CIMC Group Health, Safety and Environmental Incident Reporting, Investigation and Handling Policy of the CIMC Group Event Accountability Measures of the CIMC Group Management Measures for HSE Compliance, Review and Certification of the CIMC Group CIMC Group Lean Safety 9 + 8 Note: All segments and subordinate enterprises have established relevant HSE systems and management methods.
Level B3: Development and Training	Labor Law of the People's Republic of China	Standard Leadership Management Regulations of the CIMC Group Event Accountability Measures of the CIMC Group Management Regulations of Core Talents On-job Certification of the CIMC Group ("Red Line" Rules) Employee Manual Implementation Guidelines on Cadres and Employees Post Practice of the CIMC Group Training Management System of the CIMC Group C&C Trucks: Regulations on the Management of Career Development Pathways for Technical Workers
Level B5: Supply Chain Management	Contract Law of the People's Republic of China The Bidding Law of the People's Republic of China	Example: Containers Segment Supplier Management Procedure Procurement Business Management System Administrative Measures for the Determination of Purchase Prices Measures for the Administration of Procurement Contracts Measures for the Administration of Negative List Suppliers Guidelines for Risk Control of Procurement Business Regulations on the Administration of Reference Price of the Material Department
Level B6: Product Liability	Cyber Security Law of the People's Republic of China Data Security Law of the People's Republic of China Personal Information Protection Law of the People's Republic of China	Information Security Management and Accountability System of the CIMC Group Information Security Incident Emergency Response Management Specification of the CIMC Group User Computer Information Security Management Regulations of the CIMC Group Industrial Internet Security Management Specification of the CIMC Group Application Software Security Management Specification of the CIMC Group Information Technology Patch Management Regulations of the CIMC Group Data Backup Standard Specification of the CIMC Group Server & Middleware Security Standard Specification of the CIMC Group Email Security Specification of the CIMC Group Safety Specifications for E-mail of the CIMC Group Cybersecurity Standards of the CIMC Group
Level B7: Anti-corruption	Company Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China	Employee Code of Conduct of the CIMC Group Cadres and Personnel in Sensitive Post Supervision System of the CIMC Group Regulations on Honest Operation for Cadres and Personnel in Sensitive Posts of the CIMC Group Supervision, Complaint and Reporting Management Methods of the CIMC Group CIMC Group's Discipline Inspection Commission Management Measures on the Acceptance of Gifts and Money by Party Members and Cadres in Business (Public) Activities Event Accountability Measures of the CIMC Group

Industry Organizations

Organizations	Participants (positions)
China Federation of Industrial Economics	The Company (Chairman of the presidium)
China Enterprise Confederation and China Enterprise Directors Association	The Company (director)
Industrial and Commercial Commission for Sustainable Development of China Enterprise Confederation	The Company (director)
China Association for Public Companies	The Company (managing director)
China Association of Communication Enterprise Management	The Company (vice president)
Communication Committee of China Institute of Internal Audit	The Company (vice president, Association director)
Risk Control and Audit Sub-commission of China Business Accounting Institute	The Company (director)
Patent Protection Association of China	The Company (vice president)
China Interbank Market Traders Association	The Company (member)
China Chamber of Commerce for Import & Export of Machinery & Electronic Products	The Company (director)
China Association of the National Shipbuilding Industry	The Company (vice president)
China Association for Quality	The Company (director)
Guangdong Society of Mechanical Engineering	The Company (vice managing director)
Guangdong Association for Enterprise Internal Control	The Company (vice president, executive director of special committee)
Shenzhen Association of Listed Companies	The Company (president)
Shenzhen Enterprise Confederation	The Company (member)
Federation of Shenzhen Industry	The Company (member)
City Construction Promotion Association of Shenzhen Global Ocean Center	The Company (vice president)
Shenzhen Society of Mechanical Engineering	The Company (vice managing director)
China Container Industry Association	The Company (president)
Professional Committee of Cold Chain Logistics, China Federation of Logistics and Purchasing	CIMC Container (vice president)
China Association of Automobile Manufacturers	CIMC Vehicle (vice president)
National Technical Committee of Auto Standardization	CIMC Vehicle (committee member)
China Petroleum & Petrochemical Equipment Industry Association	Jingmen Hongtu (vice president)
China Chemical Industrial Equipment Association	CIMC Sanctum (director)
China Industrial Gases Industry Association	Shijiazhuang Enric (vice president)
China Society of Shipbuilding Engineering	Yantai CIMC Raffles (director)
China International Freight Forwarders Association	CIMC WETRANS (director)
Professional Committee of Cold Chain Logistics, China Federation of Logistics and Purchasing	CIMC WETRANS (managing director)
China Society of Mechanical Engineering	CIMC Tianda (member)
Integrated Housing Branch of China Construction Metal Structure Association	CIMC Modular Building Systems (president)
China National Association of Finance Companies	CIMC Finance Company (member)
Pharmaceutical Logistics Branch of China Federation of Logistics and Purchasing	CIMC Cold Cloud (vice president)
China Petroleum and Chemical Industry Federation	Wuhu Ruijiang (member)
Concrete Machinery Branch of China Construction Machinery Association	Luoyang Lingyu (member)
Professional Committee of Logistics Equipment, China Federation of Logistics and Purchasing	CIMC Transportation (vice president)
China Industrial Association of Power Sources	CIMC Suzhou Liangjiu Technology (member)
China Rubber Industry Association	CIMC Smart Pallet Co., Ltd. (managing director)
Working Committee of Parking Equipment, China Heavy Machinery Industry Association	CIMC Smart Parking (member)
Guangdong Logistics Profession Association	CIMC Vehicles (vice president)
Guangdong Association of Enterprise Industry	CIMC Jiangmen (member)
Guangdong Association of Steel Structure	CIMC Modular Building (member)
Guangdong Association of Coatings	CIMC Yizu Technology (member)
Guangdong Association of Special Equipment Industry	CIMC Smart Parking (member)
Shenzhen Association of Machinery Industry	Shenzhen CIMC Chuangming Precision (vice president)
Shenzhen Association of Green Finance	CIMC Finance Company (director)
Shenzhen Society of Machinery Industry	CIMC Tianda (president)
Shenzhen Association of Machinery Industry	CIMC Tianda (vice president)
Shenzhen Excellent Performance Management & Promotion Association	CIMC Tianda (member)
Shenzhen Association of High-tech Industry	CIMC Tianda (member)

Remarks: Only excerpts of the industry associations in which the group, segments and enterprises participate

Awards

External ESG Rating (excerpts only)

Rating agency	2022 rating
Hang Seng ESG Index Stocks Selected	A-
Refinitiv	B-
FTSE Russell	1.6
Sustainalytics	42.9
S&P Global ESG Scores	24
Bloomberg ESG	51.27
CNI ESG	AAA
Wind ESG	BBB
ESI ESG	AA
SynTao Green Finance	A-
Sino-Securities Index	BBB
CASVI ESG	A
Harvest ESG	67.76
QuantData ESG	AAA
Sina Finance	One of Country Garden Shanghai-Shenzhen ESG 100 Select Index Stocks Selected
RKS ESG Rating	A

In 2022, the Group won external awards regarding to ESG & social responsibility (excerpts only):

Rating agency	Awards
China Business Council for Sustainable Development	(Tied for 2nd) in the list of Top 100 CBCSD 2022 Chinese Enterprises for Sustainable Development
Securities Times	In the 16th Value Rating of Chinese Listed Companies, it was rated as "Top 100 of Growth among Listed Companies in China" and "Top 100 ESG among Listed Companies in China", and Mai Boliang, Chairman and CEO of CIMC, was awarded the "Annual Leader of Listed Companies in China"
Wealth	Fortune's Most Admired Chinese Companies in 2022 (50 companies)
Southern Weekend	2021 Outstanding Enterprise of Responsibility, 2022 Model Enterprise of Responsibility
China Association for Public Companies	"2022 ESG Best Practice Cases of A-Share Listed Companies" (30 companies)
Sina Finance	"Most ESG Listed Company of 2022 Sina Finance Hong Kong and US Stocks"
Zhitong Finance, China Galaxy Securities, Hithink Royalfush Finance	2022 Golden Hong Kong Stocks – Best ESG Award
South Reviews	2022 Social Value Enterprise
Shanghai United Media Group-Jiemian News	2022 [Gold Medal Award] Annual ESG Practice Case Award
Shenzhen Research Association for Corporate Governance	2022 Top 20 Listed Companies of Green Governance in the Greater Bay Area", "2022 Top 20 Corporate Governance in the Greater Bay Area"
China Securities Index Company, Daily Economic News	57th in the overall list and 7th in the vitality list of the constituent stocks of the "China Securities Daily Brand 100 Index" and the "2022 Brand Value List of Chinese Listed Companies"
China Financial Advancement Forum	2022 China ESG "Frontier Award"
Shenzhen Media Group, Hong Kong Commercial Daily, Shenzhen Rural Revitalization and Cooperation & Exchange Bureau	"Guangdong-Hong Kong-Macao Greater Bay Area Social Responsibility Practice List 2022 Model of Public Welfare and Charity"
JRJ	"Golden Wisdom Award – Outstanding Contribution Award for Green and Low Carbon"
KPMG China	"Future ESG Awards" 2022 Best ESG Product Award
CSR Media Business for Good, CM Public Welfare Communication, CSR World	"2022 Charitable Enterprise – Green and Low Carbon Pioneer"
China Social Enterprise and Impact Investing Forum	China Social Enterprise and Impact Investment Forum "Enterprise for Good"
China Enterprise Charity Forum	2022 Top 500 Chinese Enterprises in Charity

Organization Structure for Report Preparation

Leading Panel	Group Steering Group for Sustainable Development Report
Preparation Team	Secretariat of Group Steering Group for Sustainable Development Report Representatives of ESG reporting in each functional department of the Group Representatives of ESG reporting in each segment, directly managed enterprise and innovative enterprise

Comments and Feedback

Dear readers:

This Report is the sixth “Corporate Social Responsibility & Environmental, Social and Governance Report” released by the CIMC Group since 2017. In order to continuously enhance and improve our management of sustainable development, we sincerely hope to hear your valuable opinions and suggestions. Thank you for reading this Report.

Selective questions

1. What is your opinion about this Report as a whole?

☐Very good ☐Good ☐Normal
2. How do you think of the clearness, accuracy and completeness of the information and data disclosed in this Report?

☐Very good ☐Good ☐Normal
3. How do you think this Report reflects the Group’s significant impact on the economy, society and environment?

☐Very good ☐Good ☐Normal
4. How do you think of the Group’s performance in safeguarding the interests of stakeholders?

☐Very good ☐Good ☐Normal

Open questions

1. What part of this Report are you most satisfied with?
2. What information would you like to know more about?
3. Your opinions and suggestions on the sustainable development management and “Corporate Social Responsibility & Environmental, Social and Governance Report” of the Group:

Please leave your contact information if possible:

Name:

Occupation:

Employer:

Post Code:

E-mail:

Tel:

Contact address:

Questionnaire Responses Methods

Please help complete this page and send us your feedback in the following ways.
Fax: 0755-26692707
Address: Board Secretary Office, Excellence-oriented Operating and HSE Centre of CIMC Group, No. 2 Gangwan Avenue, Shekou Industrial Zone, Shenzhen, Guangdong, PRC

You can also choose to scan the QR code on the right to complete the online questionnaire. we will conduct a lucky draw for readers who complete the online questionnaire at the end of 2023. The specific draw plan is subject to the interpretation of the Group.

More Comments and Feedback Methods

For details of investor relations, please contact the Board Secretary Office of the Group	ir@cimc.com
For any violation of the Code of Professional Ethics by the Group’s employees or organizations, please contact the Audit and Supervision Department of the Group	5198@cimc.com
For details of Sustainability Management and Sustainability Report, please contact the Sustainability Reporting Leadership Panel of CIMC Group	ESG&CSR@cimc.com



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



Scan the
QR code for
electronic
version

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Environmental considerations for publication
Paper: use recycled paper to print
Printing ink: use environmental printing ink to reduce air pollution



WeChat video
account



WeChat official
account



Weibo



Tik Tok