
GLOSSARY

This glossary contains certain definitions and technical terms in this document which relate to our business and the industries and sectors that we operate in. As such, some terms and definitions may not correspond to standard industry definitions or usage of such terms.

“Belt and Road Initiative”	the trading policy of the PRC Government aimed at linking China to the world and to facilitate the trading between China and its neighbouring Asian and European countries along the new silk road
“cement”	a substance used in construction that sets and hardens and can bind other materials together
“concrete”	a composite material composed mainly of water, construction aggregate and cement
“contract value” or “contract sum”	final negotiated or proposed price of a contract before tax
“curtain wall”	an outer covering of a building in which the outer walls are non-structural, designed to handle all loads imposed on it as well as keep air and water from penetrating the building envelope
“EPC” or “EPC projects”	engineering, procurement and construction, a common form of contracting model whereby the contractor is commissioned by the project owner to carry out such project work as survey, design, procurement, construction testing and commissioning of an engineering project, or any combination of the above, either through the contractor’s own labour or by subcontracting part or all of the project work, and be responsible for the quality, safety, timely delivery and cost of the project
“GB/T 19001-2016”	the PRC equivalent standard of ISO 9001:2015
“GB/T 24001-2016”	the PRC equivalent standard of ISO 14001:2015
“GB/T 50430-2017”	the code for quality management of engineering construction enterprises issued by MOHURD in 2017

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“ISO”	acronym for International Organisation for Standardisation, a series of international standards, including quality management and quality assurance standards published by the Universal Certification Services Co., Ltd., a non-government organisation for assessing the quality system of business organisations
“ISO 9001:2015”	one of the guidelines of ISO, which is applicable to any organisation to enhance its quality management system
“ISO 14001:2015”	one of the guidelines of ISO which is applicable to any organisation that wishes to establish, implement, maintain and improve its environmental management system
“ISO 45001:2018”	one of the guidelines of ISO, which is applicable to all organisations to enhance its occupational health and safety system
“m ² ” or “sq.m.”	square metres
“PC”	Procurement-Construction (being the general contracting of procurement and construction), under which the owner is in charge of design management and the contractor is in charge of equipment selection, procurement and construction of the project and take full responsibilities for the quality, safety, construction period and cost of the contracted projects in accordance with agreements under the contract
“person(s)-in-charge”	employee(s) of our Group jointly selected by our operation, production and human resources departments from the project management department to take up the role of the person(s)-in-charge in our construction projects managed under the project management responsibility system
“prefabricated steel structure construction works”	a type of construction works that consists of steel structural components such as columns, beams and trusses that are assembled on-site to complete the construction

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“project management responsibility system”	a project management system adopted with reference to the Predecessor Construction Project Management Code and the Construction Project Management Code since 2017 for better monitoring of our construction projects. For details, please refer to the section headed “Business — Our Business Operations — Operation Process — Project Implementation Phase — Project Management” in this document
“responsibility deposits”	the amount of the deposits placed by person(s)-in-charge under the project management responsibility system, which will be returned to the person(s)-in-charge of the construction project (subject to the deduction in accordance with the penalty mechanism in case of a delay of project schedule caused by the person(s)-in-charge or any quality or safety issue caused by the person(s)-in-charge) after the completion of the construction of the project regardless of whether the person(s)-in-charge achieved the prescribed goals, for entitlement of potential rewards and better opportunities to take part in sizable or complex projects
“Revitalisation Plans of Ten Key Industries”	the policy of the PRC Government to stimulate the growth of ten industries, including steel, automobile, shipbuilding, petrochemical, non-ferrous metals, equipment manufacturing, textile, light industry, information technology and logistics
“settlement audit”	a process of a project to certify the final settlement value of the completed construction works of the project by customers (through engagement of qualified surveyors)
“steel”	an alloy of iron and carbon, widely used in construction because of its high tensile strength and low costs