Corporate Social Responsibility Report 2017

Wison Engineering Services Co. Ltd.

(Incorporated in the Cayman Islands with limited liability Stock Code: 2236)

Corporate Social Responsibility Report 2017

WISON ENGINEERING SERVICES CO. LTD.

Contents

About This Report

OVERVIEW

This report is the second Corporate Social Responsibility Report of Wison Engineering Services Co., Ltd. ("Wison Engineering", "the Company", "Company" or "We", together with its subsidiaries, the "Group"). This report is an annual report and is issued on an annual basis, the previous of which was dated 10 July 2017 focusing on the disclosure of the Company's performance in environmental protection, quality management, employees, communities and other aspects.

SCOPE OF REPORT

The policies and information contained in this report cover the Company and its wholly-owned and controlled subsidiaries. The data disclosure scope is from 1 January 2017 to 31 December 2017.

BASIS OF PREPARATION

This report is prepared based on the 'Core' aspects of the GRI Standards issued by the Global Reporting Initiative ("GRI") and the Environmental, Social and Governance Reporting Guide in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). This report discloses the Company's performance in environmental, social and governance ("ESG") aspects for reference by stakeholders. The contents of this report are determined according to a set of established procedures including identifying and arranging important stakeholders and major ESG issues, determining the boundaries of the report, collecting data on the report, preparing the report based on the data and reviewing the data in the report.

SOURCE OF AND RELIABILITY GUARANTEE FOR DATA

The information and cases of this report mainly come from the Company's statistical reports and related files. The Board of Directors of the Company guarantees that this report does not contain any false records or misleading statements, and is responsible for the authenticity, accuracy and completeness of its contents. Unless otherwise specified, the currency mentioned in the financial data of this report is RMB.

ACCESS TO AND RESPONSE TO THIS REPORT

This report is available in both traditional Chinese and English version for your reference, and its electronic version is available on the website of the Stock Exchange in the category of Financial Statements/ESG Information of Wison Engineering.

We attach great importance to the suggestions of stakeholders and welcome readers to contact us using the following contact information. Your suggestions will help us further improve this report and enhance the overall sustainability performance of Wison Engineering.

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Address: Room 5408, 54th Floor, Central Plaza, 18 Harbour Road, Wan Chai, Hong Kong

Management Statement

First of all, I hereby, on behalf of the Board of Directors of Wison Engineering, would like to express my sincere gratitude to the Shareholders and stakeholders who have paid attention to and supported the Company for a long time.

In 2017, the fifth anniversary of the listing of Wison Engineering on the Stock Exchange, facing major opportunities and challenges in the global energy and chemical engineering industry, the Group strived to overcome difficulties, adhered to the mission of "creating social value and promoting the harmonious development of human life and the natural environment". and international development strategy, while stepping up efforts to make full use of its own advantages and proactively exploring the domestic and foreign markets, which not only won orders, but also received industry recognition and praise from clients. In 2017, the Company achieved revenue of RMB4,124.8 million and net profit of RMB165.7 million; secured new contracts amounting to approximately RMB3,118.6 million, representing an increase of 44.9% year-on-year. At the second session of the Procurement Conference of China Petroleum & Chemical Industry, the China Petroleum & Chemical Industry Federation announced that the Group had won the title of "Top 100 Suppliers of the Petroleum & Chemical Industry", and was named "Top Ten Enterprises for Engineering Services". Such rewards were the approval and praise of the industry for the Group's performance over the past two decades since its establishment.

At the same time, we well understood the close relationship between corporate development and the sustainable development of society and the environment. Under the motivation of its spirits of "integrity-oriented, client-oriented, innovation-oriented, achieving mutual success in harmony" and its objectives of "improving people's livelihood with innovative technology", Wison Engineering proactively improved its environmental, social and governance building with the goal of becoming a world-class company, and was committed to being a corporate citizen who respects life, cares about health, values the environment and has a sense of social responsibility. In 2017, we won many awards including the Finalist Award of GoldenBee CSR China Honor Roll (金蜜蜂企業社會責任 • 中國榜) and the Shanghai Pudong New District Corporate Social Responsibility Up-To-Standard Corporate Accreditation (上海市浦東新區企業社會責任達標企業認證), which were the recognition of our continuous fulfillment of our social responsibilities and also the shared value created by us through efforts together with stakeholders. While providing excellent services and high-quality products, we have been working harder to realize the coordinated and sustainable development of the economy, society and the environment.

Responsible management We attach great importance to corporate governance and adhere to the principles of integrity, accountability, transparency, independence, responsibility and fairness to build a highly effective vertical management structure, and put efforts in the integration of environmental, social and governance management concepts into corporate decision-making management and business operations to enforce and detail the Group's environmental, social and governance workflows to a deeper degree.

Management Statement

Integrity-oriented We strictly abide by the requirements of local laws and regulations and continue to standardize the corporate spirit of honest business and fair competition. Through practical and effective training mechanisms, we continuously deepen the construction of the Company's integrity culture and control system to enhance the risk management and control capabilities as the core and promote the healthy and stable development of the Company.

Client-oriented We are committed to providing clients with quality products and services. To this end, we have established an integrated project management system that spans all aspects of design, procurement and construction to implement quality and safety management requirements. Not only has the client's recognition been recognized but also the Company's brand and reputation have been established and the Company's sustainable competitiveness has been effectively enhanced. In 2017, the extension of 800kt/a Ethylene Project for Fushun Petrochemical Company for which we acted as the PC general contractor, won "National Quality Engineering Award", at the same time, we received four awards from clients for the approval of major engineering projects and 53 personal honors such as letters of appreciation, advanced workers and certificates for technical achievements. In addition, we set great store on the protection of client privacy and proactively get access to the client's satisfaction with our services. In 2017, our client satisfaction has been significantly improved which is the best return for our spirit of client-oriented value.

Green innovation As a high-tech enterprise in Shanghai, we always adhere to the corporate objectives of "improving people's livelihood with innovative technology" and the corporate spirit of "innovation-oriented" committing ourselves to the research and development of green technology innovation. At present, our independently developed Oxidative Dehydrogenation of Butene to Butadiene (ODH) Technology was appraised for technological results by the China Petroleum and Chemical Industry Federation, which determined that the result reached an overall internationally advanced level. The technology of methanol-to-olefin (MTO) separation was also identified as internationally advanced level. In 2017, focusing on the development orientation of clean energy, environmental protection and green chemistry, we conducted in-depth technical exchanges with domestic and foreign counterparts in new energy fields such as hydrogen and power lithium batteries as well as environmental renewable energy, and actively carried out global cooperation.

Achieving mutual success in harmony The sustainable development of the Group is inseparable from the supply of quality materials and the cooperation with excellent partners. For major stakeholders including construction subcontractors, design subcontractors and suppliers of materials and services, we have established strict assessment and access mechanisms to keep the co-resource pool up to date. The more the local economy is supported, the more sustainable procurement strategies will be implemented to maintain smooth and effective communication with suppliers.

Health and safety We uphold the management policy of "Safety comes first and precaution is crucial" and established an occupational health and safety management system. Starting from the source and on the basis of identifying occupational health hazards and risk assessments within the scope of business activities, we strictly implement HAZOP (Hazard and operability study) during the design process and strengthen safety and health training and drills during the production process while promoting the dissemination of safety concepts in terms of systems and management, strengthening the prevention and control of security risks and investing practical efforts in creating a safe and reliable sustainable development environment.

Management Statement

Employee-caring Employees are the development guarantee for the Group to create social value and achieve sustainable development, who are regarded as the Company's most valuable assets. Therefore, while continuing to provide employees with a comfortable, safe and healthy development space, we have proactively increased employee benefits, expanded employee training programs and opened up a broad promotion path and development space for employees. We implement humanistic care, protect the basic rights and interests of employees on the basis of effective communication and work together with employees to achieve common development.

Committed to environmental protection As one of the large-scale energy and chemical engineering service companies, with the responsibility for fulfilling environmental responsibilities and creating a green environment, we have formulated the "Procedures for environment management" to implement energy-saving and emission-reduction management throughout the entire operation process promoting the efficient use of resources. In 2017, we obtained the qualifications for environmental engineering design comprising "Water Pollution Prevention and Control Engineering (Class Two)" and "Solid Waste Treatment Engineering (Class Two)" approved by Shanghai Housing and Urban-Rural Development Management Committee* (上海市住房和城鄉建設管理委員會), which were a strong testimony to our efforts to promote the harmless results of engineering construction.

Contribute to the community In order to realize the corporate commitment to "benefit people through science and technology", we have always paid attention to education, cared about culture and people's livelihood, hoping to use our own actions to create a better community and promote a harmonious society.

Looking ahead, we will continue to adhere to the corporate commitment to "create social value and promote harmonious development of human life and the natural environment", bravely shoulder the responsibility for sustainable development of the industry and society and earnestly fulfill our obligations as a corporate citizen to contribute our wisdom and strength to social and environmental sustainability.

Rong Wei
Executive Director and President

1. About Wison Engineering

1.1 COMPANY PROFILE

Wison Engineering was listed in Hong Kong in 2012 (the Stock Exchange Stock Code: 2236) standing as one of leading energy and chemical engineering, procurement and construction management (EPC) service providers in China. With headquarters in the Zhangjiang High-tech Park in Shanghai, we have expanded our presence into 19 provinces and cities across the country and deployed in 12 overseas countries and regions. We have obtained business contracts in 7 of these countries and regions including the Middle East, North America and South America. In the future, the Company will continue to carry out close corporations with those countries and regions so as to win a place in the international market by providing differentiated products that meet the needs of local clients.

Wison Engineering's specialties are in the provision of construction and technical services for engineering installations in the petrochemical, coal-to-chemical and refining industries. From technology licensing, project preliminary planning, consultation, design, raw material and equipment procurement, construction management and trial operation of equipment to the after-sales maintenance and after-sales technical support, Wison Engineering provides solutions that cover the entire life cycle of the projects to our clients. We have long been committed to R&D and technological innovation in the areas of petrochemicals, coal-to-chemical, clean energy and other energy saving technologies. Wison now has a number of independent intellectual property rights including ethylene cracking, olefin separation and butadiene which have been commercialized. Wison Engineering has also further developed other coal-to-chemical processing such as large-scale coal gasification, SNG, and coal-to-ethylene glycol/ethanol in cooperation with reputable organizations and universities.

Project introduction

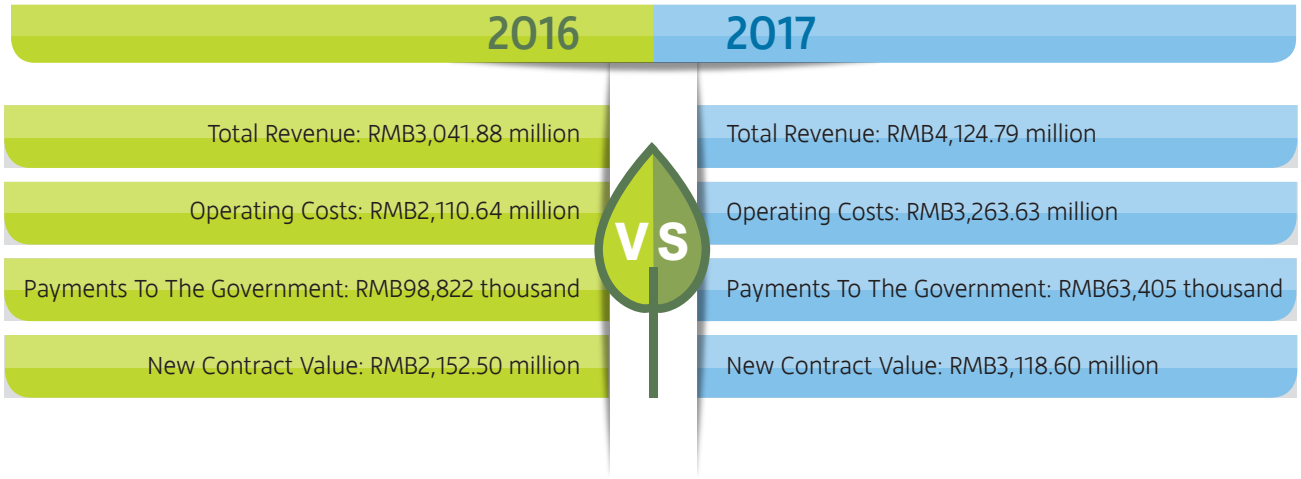
During the year, 9 domestic and foreign engineering projects including Jilin Connel 300kt/a Methanol To Olefin (MTO) project, Yan'an 400kt/a light oil processing and utilization device cracking unit, Saudi ethylene oxide and ethylene glycol were completed and delivered, and 26 newly signed or ongoing engineering projects including Shanxi Lu'an 600kt/a bottom-reduction oil heterogeneous dewaxing olefin separation project, Nanjing Chengzhi 600kt/a MTO plant and 100kt/a butadiene plant project, Zhejiang Petrochemical 1,400 kt/a ethylene cracking furnace project and a Bid Section of a Low Density Polyethylene ("LDPE") project in Texas, U.S..

Future strategy

In 2017, the 20th anniversary of the establishment of Wison Engineering and the fifth anniversary of its listing on the Stock Exchange, the Company seized the industry's precious opportunity for development to formulate a development strategy for the next 5-10 years: focusing on the energy and chemical industry, laying a solid foundation and continuing the internationalization strategy, highlighting differentiated services and achieving coordinated development of multiple industries.

About Wison Engineering

1.2 FINANCIAL PERFORMANCE SUMMARY



Explanation: The data for 2016 has been restated

As of December 31 2017, as the newly signed projects in previous years and this year entered into the principal construction phase and progressed smoothly, the Group recorded revenue of approximately RMB4,124.8 million, an increase of 35.6% over 2016 and recorded new contract value of approximately RMB3,118.6 million, an increase of 44.9% over 2016. A total of 38 new general contracts for design, consulting and technical services as well as engineering, procurement and construction (EPC) were signed.

(For more disclosure of financial information, please refer to the financial statements section of the Wison Annual Report)

1.3 CORPORATE GOVERNANCE

The Company adheres to the principles of "integrity, accountability, transparency, independence, responsibility and fairness" and strives to achieve high standards of corporate governance. The Board of Directors currently comprises eight directors and there are no financial, business, family or other important relationships among the board members. Each board member has the appropriate skills and experience required for the Company's business and has general rights to manage and engage in the Company's business. The Board continuously reviews and monitors the corporate governance of the Company with reference to the Corporate Governance Code set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. We establish a risk management system and an internal control system based on the Corporate Risk Management Integration Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and conduct a risk assessment on an annual basis so as to review the effectiveness of risk management and internal control systems.

(For more disclosure of corporate governance, please refer to the corporate governance report section of the Wison Annual Report)

About Wison Engineering

Honesty and integrity

Wison Engineering adopts a "zero tolerance" attitude towards behavior such as bribery, fraud and cheating. To uphold the core value of "Integrity is the principle" by the Group, Wison Engineering formulated an internal "System for Honesty and Integrity" according to the laws and regulations of the region where it operates, to provide guidance to its employees on the code of conduct in the course of business activities. The system is fully implemented in the departments and subsidiaries to assist employees in different position to understand the expectation of the Company towards the behavior of our employees, so as to perform its obligation on honesty. During the reporting period, we did not record any corruption lawsuit.

FORMULATE A COMPREHENSIVE ANTI-CORRUPTION SYSTEM

Formulate and implement the "System for Honesty and Integrity", to set up the standard of the code of conduct for the employees and to prevent behavior against the laws and regulations.

STRENGTHEN INTERNAL ANTI-CORRUPTION SUPERVISION

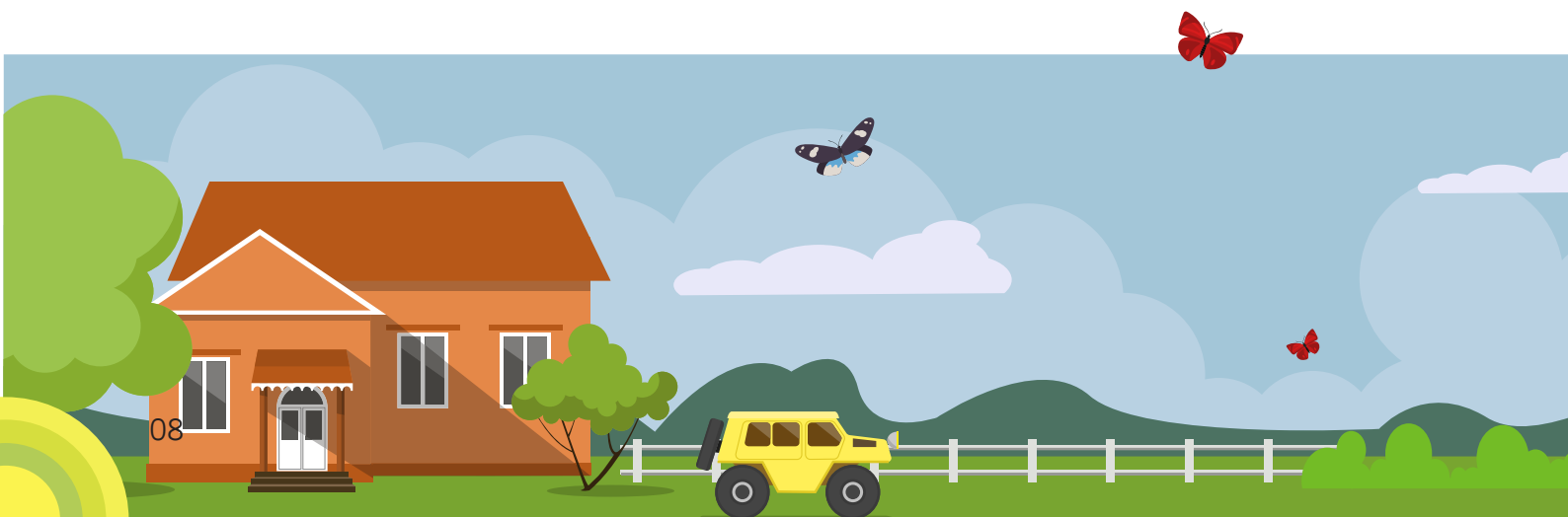
Establish a comprehensive supervising control mechanism to ensure the consistent execution of the system. Risk Control Department is responsible for the irregular checking of the operation of the system to monitor compliance of the system by all employees.

ESTABLISH A TRANSPARENT REPORTING CHANNEL

An mailbox for reporting integrity matters was set up. Staff are encouraged to report directly to the Group about behavior that is against the professional ethics and commercial honesty. Staff can anonymously submit their concern or report on honesty matter orally, by telephone, letter or e-mail. The Company will arrange investigation on the matter based on its nature and importance.

HOLD EDUCATION ACTIVITIES ON INTEGRITY

Educational activities on anti-corruption will be added to the annual training plan with an aim to deepen the integrity culture of the Group. The Group will re-emphasize the requirement on integrity irregularly on its monthly meeting. Meanwhile, all the new employees are required to receive an online training on "Code of conduct of employees".



About Wison Engineering

Moreover, in order to ensure that the procurement is conducted in a fair and impartial manner, the Group has established the "Provision for Managing the Employee Behavior and Reward and Punishment". We also require all the business units, including suppliers, contractors and service providers to enter into a "commitment letter for integrity" before having any business activities with us, to state clearly the requirement for integrity business by Wison Engineering.

In 2017, in order to deepen the Company's culture of honesty and integrity, we launched the "Honesty and Integrity Online Answering Training Campaign" for all employees, the contents of which include the principle of corporate honesty, the prohibition of fraud/brief/receipt of rebates, the prohibition of insider trading and unfair competition. Employees need to pass tests after training to ensure that they fully understand the corporate honesty and integrity policy. Our training coverage for anti-corruption policies and procedures reached 98.06% of which the training rate of senior and middle management reached 100%.

Honesty and integrity training by employee type	
Percentage of total employees received trainings	98.06%
Percentage of senior management received trainings	100%
Percentage of middle management received trainings	100%
Percentage of general employees received trainings	98%

Fair competition

We strictly abide by the anti-unfair competition and anti-monopoly regulations for the operation of the market, comply with laws and regulations such as the Anti-Monopoly Law of the People's Republic of China and the Company Law of the People's Republic of China, and resist the behavior of the organization or employees collusion with potential competitors in order to limit the effects of market competition. In 2017, Wison Engineering did not engage in any unfair competition and promised to continue to strictly implement compliance marketing.

2. Sustainable Development Strategies

2.1 SUSTAINABLE DEVELOPMENT VISIONS

Wison Engineering actively integrates the concept of sustainable development into our business. Based on the principle of sustainable development, we fully take the environmental and social impacts into account from the design, procurement and construction process. We strive for a balance between the risks in environment and society and opportunities while pursuing the continuous growth of business.

- We adhere to the strategy of "driving energy-saving and emission reduction with advanced technology" focusing on energy conservation and consumption reduction issues and actively investing significant resources in the research and development of green products and aiming at applying the concept of sustainable development throughout the project. We believe that, the goal of "Green Project" can be achieved if we start to act at the beginning of one project.
- As the business continues to grow, we place great importance on the communication with local communities while expanding our overseas markets. Through active communication and understanding, we make good use of local resources, promote local development and respond to community needs.
- We adhered to "people-oriented" corporate culture, with a focus on employee career development and health and well-being, pursuing mutual growth with employees. By providing employees with a reasonable level of pay, equal opportunities for development and a safe construction environment, we hope to continuously improve the safety performance of the Company.
- Wison Engineering proactively carries out research with peers and scholars, making good use of their advantages and work together towards green development. In 2017, we conducted extensive investigations in the field of new energy and environmental protection to seek new opportunities for development. We are willing to take due responsibility and social responsibility in environmental protection.
- We are well aware of the importance of quality assurance and have established and implemented a quality assurance system. The Group adopts advanced and stringent quality control measures at all stages of its business operations including establishing a compliance supplier system and focusing on client privacy protection, which are an important guarantee for us to ensure the quality of service.

With the business expansion, we continue to focus on developing green technology, strengthening community communication, advocating environmental protection, ensuring the quality of the project and cultivating talents for the future operations. With the efficient governance structure as the core, we ensure that Wison Engineering fulfills its responsibilities and commitment as an engineering company and is actively moving towards the goal of sustainable development.

Sustainable Development Strategies

2.2 ESG MANAGEMENT

Management structure

Wison Engineering has set up an ESG management structure led by the board of directors, monitored by the executive committee, and implemented by the ESG special team. We believe that an effective management framework can provide clear guidance for each commercial decision of Wison Engineering, and it is also the basis for continuous improvement of business performance.

WISON ENGINEERING BOARD	• Be responsible for assessing and determining the environmental, social and governance risks of Wison Engineering • Ensure that Wison Engineering establishes appropriate and effective environmental, social and governance risk management and internal control systems • Approve environmental, social and governance related policies • Approve environmental, social and governance reports
WISON ENGINEERING EXECUTIVE COMMITTEE	• Implement environmental, social and governance risk management and internal controls • Guide the work of the working group on environmental, social and governance projects • Review environmental, social and governance related policies • Review the environmental, social and governance reports and confirm the accuracy of the performance indicator data
WISON ENGINEERING ENVIRONMENTAL, SOCIAL AND GOVERNANCE SPECIAL TEAM	• Promote various departments to implement various environmental, social and governance policies • Report to the Executive Committee on the implementation of environmental, social and governance projects • Collate data on environmental, social and governance performance indicators • Prepare environmental, social and governance reports

Stockholders engagement and significance analysis

Wison Engineering pays much attention to the communication with stakeholders, actively carrying out regular and effective stakeholder communication, and includes communication results and feedbacks in our long-term sustainable development strategies.

During the year, we conducted in-depth interviews with stakeholders. Through understanding the evaluation and expectation of various stakeholders on the performance of Wison Engineering in sustainable development issues, we have drawn useful reference for the formulation of future development strategies and the disclosure content of this report.

Sustainable Development Strategies

Stakeholders	Communication frequency	Communication and feedback channels	Stakeholder concerns	Wison Engineering response
Employee	Before entry	Labor Contract	• Personnel training and development • Employee benefits • Provide a healthy and safe working environment • Complete employee complaint mechanism	• Continuously examine the internal training system and continue to devote in employee training to promote the personal career development of employees. • Regularly review the remuneration and benefits of employees to ensure that all employees enjoy fair and competitive compensation and benefits, and be committed to improving staff's compensation level. • Establish a sound occupational health and safety management system, review regularly in order to ensure the effective implementation of safety measures, and strive to create a safe and healthy working environment. • Pay attention to the two-way communication with the employee, and understand employee's views with active and open attitude by providing different channels internally.
	Regular	Group and departmental meetings		
	Irregular	Internal announcement		
	Anytime	Internal forum		
	Irregular	Interviews and surveys		
	Irregular	Education and training		
Clients	Before cooperation	Negotiation of contract	• Continuously develop green technology • Protect clients' privacy	• Uphold the principal of "improving people's livelihood with innovative technology", actively invest in the field of technology research, develop and introduce a variety of green products successfully, and minimize the impacts of our operation on the environment. • Commit to protecting the privacy of clients, taking the initiative to sign confidential agreements with clients, and avoiding leakage of client information.
	Regular	Client satisfaction survey		
	Regular	Client communication		
	Irregular	Client services		
	Irregular	Interviews		

Sustainable Development Strategies

Stakeholders	Communication frequency	Communication and feedback channels	Stakeholder concerns	Wison Engineering response
Suppliers 	Before cooperation	Negotiation of contract	• Management on suppliers' social responsibility • Concern about client satisfaction • Improve occupational health and safety	• Develop rigorous supplier selection criteria, effectively implement sustainable procurement policies for suppliers and contractors, and strengthen the management of suppliers by conducting occasional supplier evaluations. • Provide a variety of ways and channels to communicate with clients, including the "Annual Report on Client Satisfaction" and so on. If the complaint is verified and confirmed the involvement of the supplier's work, Wison Engineering will take effective rectification measures according to the process with the supplier. • Establish and improve the occupational health and safety management system to ensure that Wison Engineering's occupational health and safety policies and measures are effectively implemented, and ensure the safety of construction site by carrying out regular supervision and inspection.
	Irregular	Inspection and evaluation		
	Irregular	Education and training		
	Regular	Regular meetings		
	Irregular	Interviews		
Business Partners 	Before cooperation	Negotiation of contract	• Business development and financial performance • Actively develop green technology • Reduce the consumption of resources • Improve the management of internal anti-corruption	• Maintain a stable financial position while facing internal and external challenges, and achieve better results than expected in domestic and foreign markets. • Actively work with external organizations to carry out research work while carrying out research by itself, with a view to quickly obtain the knowledge in relevant area and achieve breakthrough in green technology. • Develop and apply green technologies to provide products with low energy consumption and high efficiency, thereby reducing the consumption of resources during operation. • Fully implement the "System for Honesty and Integrity", strengthen the internal anti-corruption supervision, encourage employees to directly report their concerns towards integrity to the Group by the establishment of transparent reporting channels. We will also incorporate educational activities into the annual training program, with a view to develop the Group's culture of integrity.
	Regular	Regular meetings		
	Irregular	Interviews		

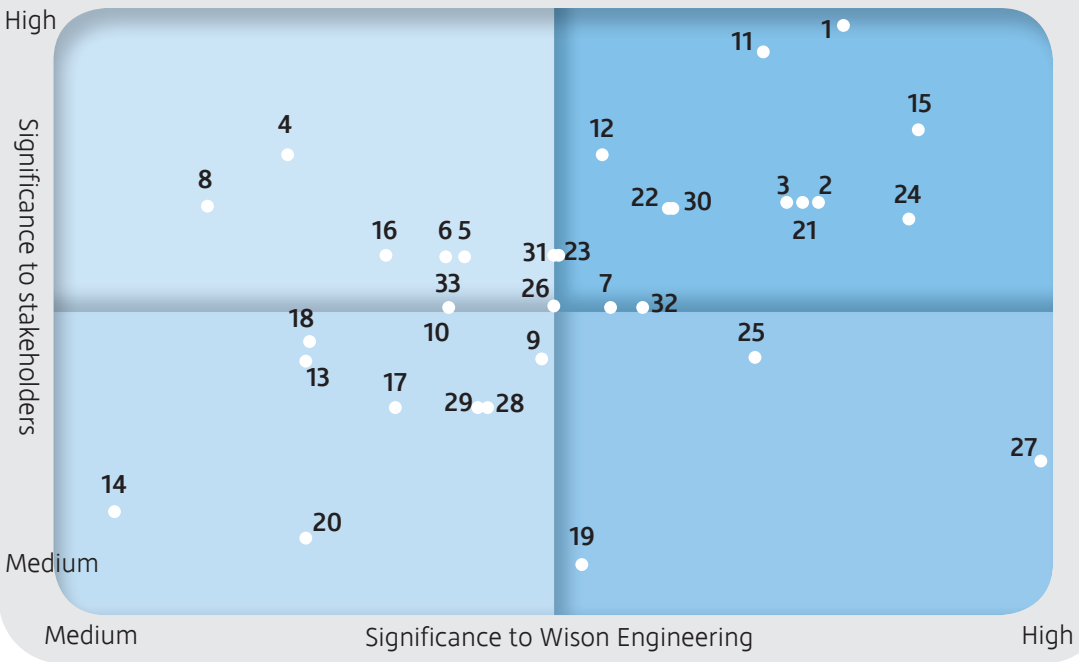
Sustainable Development Strategies

Stakeholders	Communication frequency	Communication and feedback channels	Stakeholder concerns	Wison Engineering response
Investors	Regular	Annual report and interim report	• Business development and financial performance	• Maintain a stable financial position while facing internal and external challenges, and share our performance and market breakthrough in domestic and overseas markets with investors via different channels.
	Regular	Annual General Meeting		
	Irregular	Interviews		
Industry associations and academia	Long-term	Multi-channel cooperation and technical research	• Industry Development	• Support industry development by participating in industry associations and special committees, actively exchange experiences of execution of overseas projects and breakthrough in technical research with peer companies at seminars.
	Long-term	Participate in industry associations and special committees		
	Irregular	Seminars		
	Irregular	Interviews		
Community	Irregular	Participate in and organize public welfare activities	• Generation and reduction of waste • Care about and response to community needs	• Due to the waste generated during the project construction, Wison Engineering has developed management policies in relation to wastes to enhance the management of hazardous and non-hazardous wastes. The waste with recycling value will be collected by the recycler. Other wastes will be disposed by the designated third party. • Actively get involved in the community where the projects locate, understand the needs of the community and invest in issues of concern to the community, to help the community improve the quality of life, including organizing various activities that focus on children, education and health.

Sustainable Development Strategies

During the year, Wison Engineering's business developed steadily. Material issues to the stakeholders identified by us did not significantly change from last year. We prepared the following materiality matrix to clearly demonstrate the degree of concern of the internal and external stakeholders of Wison Engineering on different issues:

ESG Materiality Matrix of Wison Engineering



Environment	
1	**Environmental compliance**
2	**Wastewater and solid waste**
3	**Use of resources**
4	Biodiversity
5	EIA of suppliers
6	Water resources management
7	**Energy management**
8	Environmental complaint mechanism
9	Environment and natural resources
10	Exhaust emissions
18	Human rights assessment/non-discrimination
19	Aboriginal rights
20	Human rights complaint mechanism
Operation management and product liability	
21	**Client privacy**
22	**Product liability**
23	**Marketing**
Employment and labor practices	
24	**Employment**
25	Trainings and education
26	Labor complaint mechanism

Sustainable Development Strategies

Economy	
11	**Economic performance**
12	**Procurement model**
13	Market performance
14	Indirect economic impact
Human rights	
15	**Child labor and forced labor**
16	Security measures
17	Human rights protection investment
27	Occupational health and safety
28	Equal pay for men and women
29	Diversity and equal opportunity
Community	
30	**Anti-corruption**
31	Social impact complaint mechanism
32	**Anti-competitive actions**
33	Social impact assessment of suppliers

2.3 PUBLIC RECOGNITION

Wison Engineering has won extensive social recognition through its persistent efforts in sustainable development. As a leading company in the domestic engineering industry, we perform our social responsibilities in an active manner. In 2017, we were shortlisted in the "GoldenBee CSR China Honor Roll" and were granted the Shanghai Pudong New District Corporate Social Responsibility Compliance Certificate. This is not only the testimonial of Wison Engineering's active fulfillment of its corporate social responsibilities, but also the encouragement of and incentive for Wison Engineering's development into a corporate with outstanding performance in social responsibility.

At the second session of the Procurement Conference of China Petroleum & Chemical Industry, the China Petroleum & Chemical Industry Federation jointly announced that the Group had won the title of "Top 100 Suppliers of the Petroleum & Chemical Industry", and was named "Top Ten Enterprises for Engineering Services". Such rewards were a recognition and praise of the industry for the Group's professional engineering services over the past two decades.

During the year, we also successfully applied for the certification of "Innovative Technology Enterprises". This certification is a recognition of excellent enterprises which make continuous efforts in research and development, as well as the transformation of technological achievements in the "Innovative Technological Fields Specifically Supported by the State Government" to form core independent intellectual property rights, and carry out operational activities based on such achievements. The recognition has further enhanced our corporate brand image. In addition, we have successfully applied for the Shanghai Patent Pilot Enterprise Certification, which has enhanced our capability in the creation, application, protection and management of patents.

Sustainable Development Strategies

Furthermore, our operations around the world have received much recognition from our clients and local governments. In addition to the recognition and awards received by our project department from clients, the employees of the Company have also won numerous awards from clients and government authorities in various fields such as management, design and communication.

No.	Project	Award
1	Connel Phase I Methanol-to-olefin Project 300kt/a	Letter of Gratitude, Engineering Construction Advanced Organization, 2017 Safety Management Advanced Unit, 2017 Best Contractor
2	Extension of Fushun Petrochemical Company 800kt/a Ethylene Project	2016-2017 National Quality Engineering Award
3	The Cracking Furnace Unit in 400kt/a Light Oil Processing and Utilization Device for Yan'an Kerosene Oil-Gas Comprehensive Utilization Project	Advanced Construction Corporation in Quality Month, Excellent Project Management Team
4	Ethylene Oxide and Ethylene Glycol (EOEG) Project in Saudi Arabia	1.5 Million Safe Working Hours Award
5	Site Preparation Project in Venezuela	10 Million Safe Working Hours Award
6	Xinjiang XinLianXin Energy Chemical Co., Ltd. Coal-based 280kt/a Synthetic Ammonia Project	The Third Prize for 2017 Excellent Design of Engineering Construction Projects
7	53 awards including letter of gratitude, advanced worker, appraisal certificate for technological achievements	

Sustainable Development Strategies

National quality project brings vitality to old industrial bases

The extension of 800kt/a Ethylene Project for PetroChina Fushun Petrochemical Company ("Fushun Petrochemical") for which Wison Engineering Ltd. under the Group acted as the PC (procurement and construction management) general contractor, winning "2016-2017 National Quality Engineering Award". China Association of Construction Enterprise Management granted the award to Fushun Petrochemical in the Great Hall of the People and commended 王明春, a senior construction management expert from Wison Engineering, as the "Outstanding Contributor to the 2016-2017 National Quality Engineering Award". On 27 December 2017, Fushun Petrochemical granted the award to Wison Engineering.

With many years of accumulated experiences in the ethylene sector, Wison Engineering proactively assists clients in managing planning at early stage of the projects, assigns highly qualified and professional project management teams. The Company's management and each functional departments monitor the process and always dedicate to "pursuing excellence to create national quality engineering". Wison Engineering successfully achieved 100% acceptance of 100 units engineering of ethylene plant. The project achieved a total of 16.22 million safe working hours, and there was no safety, environmental and health accidents.

This time, the expansion of 800kt/a ethylene plant was rated as the national quality engineering, which created the history of Fushun Petrochemical. As an important component of Fushun Petrochemical's successful upgrading of petrochemical product structure and integration of refinery and chemical, the successful operation of the engineering brought a huge economic benefit to Fushun Petrochemical, and had very important strategic and practical significance for revitalizing the vitality of old industrial base in Fushun, driving the economic development of Fushun and the entire Liaoning region, and the rejuvenation of old industrial bases in Northeast China.

3. Innovative Technology and Green Management

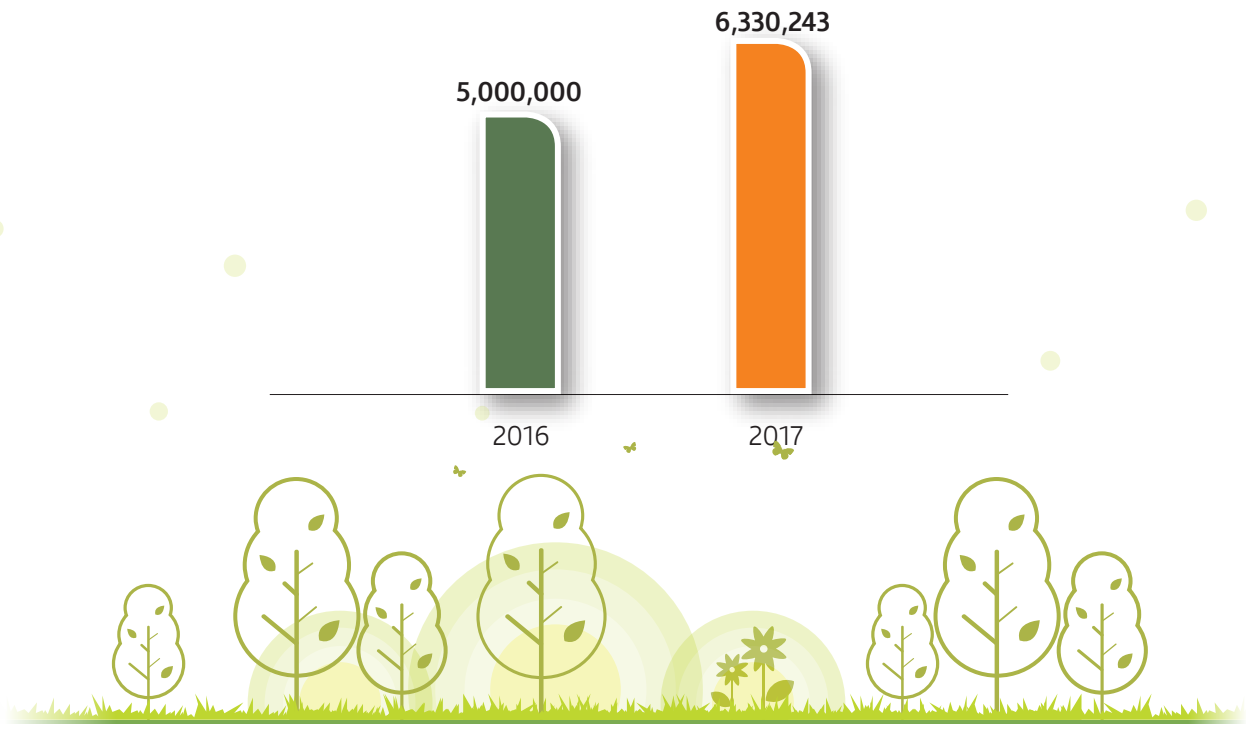
OUR MANAGEMENT APPROACH

Technology development has always been the business driver and development strategy of Wison Engineering. Since the establishment of the Company, we have been committed to the development of advanced technologies, adhered to innovation-driven development of the Company, and endeavored to make contribution to China's chemical technology innovation through continuous technology research and development in clean energy and green chemical engineering.

Wison Engineering established systematic environment management systems, including "Procedures for environment management", "Provisions for Managing Solid Waste, Exhaust Gases and Waste Water" and "Provisions for Managing High (Low) Temperature, Toxic Dust and Noise" to specify duties, content and requirement of environmental protection management. Environmental protection management was implemented to each business stages such as administration and office work, constructional design, procurement of constructional materials and process of construction to prevent pollutants from being discharged into the environment. Through proactive implementation combined with various policies, Wison Engineering continuously improved our environment management systems. Meanwhile, it set goals for environment management in accordance with "Procedures for Identification and Evaluation of Source of Hazards and Environment Factors" and conducted identification and evaluation on key environment factors within the scope of business operation of the Company.

Wison Engineering has spared no efforts to focus on the innovation of environmental protection technologies such as energy-saving, emission reduction and clean energy, and has maintained a high level of research and development investment in environmental protection. In 2017, the investment in research and development of environmental protection amounted to RMB6,330,243, representing an increase of 26.6% from 2016.

Investment in research and development of environmental protection (unit: RMB)



Innovative Technology and Green Management

3.1 Technology Innovation

Upholding our corporate commitment to "benefit people through science and technology", Wison Engineering always strives to not only reduce the impacts of business activities of the Company, but also helps clients achieve positive economic and social benefits in respect of energy conservation and the use of clean energy through reforming green technologies.

Green innovation

At present, the technology results of butane oxidization and dehydrogenation to butadiene self-developed by Wison Engineering were recognized by the China Petroleum and Chemical Industry Federation as "internationally overall advanced level", and the technology of methanol-to-olefin (MTO) separation was recognized as "internationally superior level", accomplishing the 2nd and 11th time for commercial applications respectively during the year.

Case: The self-developed butadiene technology can significantly reduce investment and energy consumption

In 2017, the project of "Development and Industrial Application of Oxidative Dehydrogenation of Butene to Butadiene (ODH) Technology and Catalyst" researched and developed independently by Wison Engineering was appraised for scientific and technological results by the China Petroleum and Chemical Industry Federation in Beijing. The expert committee fully recognized the technical innovation work of Wison Engineering.

The twin-section adiabatic fixed-bed process and new catalysts are adopted in the technology of butane oxidization and dehydrogenation to butadiene self-developed by Wison Engineering. While achieving separate production line with a capacity of 100kta, the conversion rate of butenes reaches 80%, the selectivity of butadiene is about 93% and the yield is over 74%. The separation part uses NMP or improved ACN technology, which can significantly reduce equipment investment and energy consumption. In addition, the technology of butane oxidization and dehydrogenation to butadiene can alleviate global shortage of butadiene supply and can effectively reduce energy consumption and production costs.

Innovative Technology and Green Management

Case: The MTO olefin separation technology of Wison Engineering can effectively reduce energy consumption

In 2017, the project of "Development and Engineering Application of Methanol-to-Olefin (MTO) Separation Technology" jointly undertaken by Wison Engineering, Nanjing Chengzhi Yongqing Energy Technology Co., Ltd. and Shandong Yangmei Hengtong Chemical Co., Ltd. was awarded the second prize of Scientific and Technological Process from the China Petroleum and Chemical Industry Association.

The "pre-cut + oil absorption" technology of methanol-to-olefin (MTO) separation independently developed by Wison Engineering has created a precedent for oil absorption MTO olefin separation technology, which fills the gap in the international MTO olefin separation technology field. When using the Wison Engineering MTO olefin separation technology, the olefin recovery rate is greater than 99.8%, reducing the overall energy consumption by more than 10% compared with the traditional cryogenic process. Compared with other technologies at home and abroad, Wison Engineering's MTO olefin separation technology can increase the ethylene recovery rate by more than 1% and reduce the amount of absorbent by 25%. It has the advantages of simple process, low energy consumption, and high product recovery rate.

Wison Engineering's MTO olefin separation technology has obtained 3 granted patents and 1 proprietary technology. As of this year, the technology has achieved technology transfer for 11 times with a total production capacity of 4.78 million tonnes. Four sets of MTO olefin separation technology equipment have been put into operation, making up the largest market share in domestically produced MTO olefin separation technology.

Innovative Technology and Green Management

Technology communication

As one of leading energy chemical engineering EPC service and technology providers in China, Wison Engineering proactively participates in industry technical communication events and cooperates with research institutions to drive industry development. In 2017, closely focusing on the development orientation of clean energy, environmental protection and green chemical engineering, we have conducted in-depth technical communication with peer companies both at home and abroad in respect of the hydrogen energy and power lithium batteries of new energy field, and the biomass fuels, environmental protection, energy and chemical engineering of renewable energy, and have established a good communication channel, creating a good opportunity for subsequent win-win cooperation.

Market research in new energy industry of Wison Engineering

Amidst the burgeoning trend of new energy, Wison Engineering focuses on lithium battery, hydrogen and biomass energy and has conducted extensive research to seek new opportunities for development.

In 2017, the Company participated in the "2017 China Lithium Battery Materials Industry and Technology Development Forum", "2017 Symposium on Lithium Electrolyte Separators and Electrolytes", "Second Recycling and Reusing of Lithium Battery Summit Forum", "2017 Second China International Exhibition on Hydrogen and Fuel Cell Technology Applications & Industry Development Conference", and "BBS 2017 Fifth China (International) Forum of Biomass Energy and Biomass Utilization".

Market research in environmental protection of Wison Engineering

With increasing important construction of ecological civilization in today's society, Wison Engineering is willing to undertake more work and social responsibilities in environmental protection as one of the leading engineering companies in China.

In 2017, Wison Engineering extensively conducted market research in 12 sub-sectors of water, gas and solids areas in the environmental protection industry, and participated in the "Qingdao International Water Conference", "The First Summit Forum of Environmental Protection Alliance in China Strategic Emerging Industry", "2017 Yancheng IE Expo" and "International Symposium on Soil and Groundwater"

Innovative Technology and Green Management

Cooperation with higher education institutions

The research and development center of Wison Engineering focuses on the research of emerging technologies of coal-to-chemical and petrochemical industries and new energy technology process. Moreover, Wison Engineering has cooperated with higher education institutions and research institutions to quickly learn the new technologies of relevant areas, and successively co-established "Tianjin University-Wison Research & Development Center for Energy and Chemical Technologies", and "Jiangsu University-Big Data Joint Laboratory" with Tianjin University and Jiangsu University, respectively, so as to promote the transformation from scientific research results into productivity through a combination of production, education and research.

In 2017, Wison Engineering attended the "Asiachem 2017 Coal (Synagas) to Ethanol Conference" on behalf of Tianjin University — Wison Consortium. During the conference, we made a report on the packaged technology of syngas-to-ethanol, introduced syngas-to-ethanol technology and mainly discussed the design, construction progress and technology advantages of the pilot plant for the advanced hydrogenation-to-ethanol through carbonylation co-constructed by Tianjing University, Wison and Yangmei, which attracted much attention from participants.

On behalf of the Tianjin University-Wison Research & Development Center for Energy and Chemical Technologies, we also attended the "Asiachem 2017 CTL, SNG & CoalChem Grontier Forum" and were invited to report on the downstream product technical route of oxalate which introduced the further development in technical route of various downstream high value-added chemical products based on the intermediate product of oxalate of syngas-to-ethanol, clarifying the direction for production of high value-added chemical products by comprehensively utilization of syngas through oxalate and ethanol plants, and provoking thinking in the industry.

Global cooperation

In addition to self-research and development, Wison Engineering proactively develops plans along "the Belt and Road Initiatives", strengthens the exchanges and cooperation with countries and regions along the Belt and Road, and innovatively uses digital technology and capital strength to unite parties with new thinking and practice, aiming for cooperation with partners around the world.

Innovative Technology and Green Management

Global MTO Technology Collaboration Agreement signed between Wison Engineering and Honeywell UOP

In 2017, Wison Engineering and Honeywell UOP signed the Global MTO Technology Collaboration Agreement, in which both parties will provide global clients with general contract service of engineering, procurement and construction management (EPC) of MTO technology. Through this agreement, MTO separation technology self-developed by Wison Engineering and its strong capability of EPC services will combine with the advanced process technology of Honeywell UOP to help overseas clients make further promotion in olefin production capacity while saving energy and reducing total costs.

Research & Development Collaboration Agreement signed between Wison Engineering and Haldor Topsoe

In 2017, Wison Engineering and Haldor Topsoe, a global leader in catalysis and surface science, signed the Research & Development Collaboration Agreement. Wison Engineering will cooperate with Topsoe to conduct in-depth collaboration in chemical cleaning product technology which met the global energy development trend, leveraging the combination of Topsoe's solid research and development strength of catalyst and Wison's experience in process development, engineering research and EPC services, which can speed up the promotion in new technologies development and industrialization and will play a positive role in transform and upgrade of energy and chemical industry in the future. Also, the core competitive advantages of Wison Engineering driven by technical innovation will be further promoted.

Innovative Technology and Green Management

3.2 Saving Energy And Reducing Consumption

Internal energy consumption

Wison Engineering continued to promote the idea of saving energy and reducing energy consumption, merging the idea throughout all processes of management and services of the Company. In particular, the Company implemented the "Provisions for Managing the Consumption of Energy and Resources" in its office administration to determine indicators and solutions for managing energy saving and consumption reduction to improve or adjust related works timely. At the same time, Wison Engineering also actively conducted promotion and trainings regarding energy saving and consumption reduction which allowed more employees to participate in such initiatives. During the implementation of projects, the project department made project design, compiled energy-saving features for projects and implemented sufficient relevant energy-saving measures according to "Procedures for environment management" and "Regulations for the Formulation of Energy Saving Policy" of the Company, in order to ensure energy consumption indicators of equipment complied with relevant laws and regulations and standard of environmental protection and energy-saving.

As of 2017, Wison Engineering has successfully implemented various energy consumption management measures. The office building in Zhangjiang High-tech Park in Shanghai received Green Building Evaluation Label (China Three Star) (中國三星級綠色建築設計標識), which adopted various green energy-saving technologies such as geothermal heat pump and green energy-saving building system, solar-powered water heating system, external building sunshade, stereoscopic greening, active and passive daylighting technology and technology for comprehensive use of stormwater and river water. During the year, we generated electricity power of approximately 1,586,120 kWh through geothermal pump, equivalent of a decrease of 1,116 tonnes in greenhouse gas emissions.

Energy performance:

Type of Energy	Unit	Consumption in 2017	Consumption in 2016
Unleaded gasoline	Tonnes	216	122
Diesel fuel	Tonnes	170	21
Electricity	kWh	8,579,395	10,189,325
Direct energy consumption	GJ	16,544	6,155
Indirect energy consumption	GJ	30,886	36,682
Total energy consumption intensity	GJ/million revenue	11.50	12.06
Scope 1 of greenhouse gases emission	Tonnes	1,189	684
Scope 2 of greenhouse gases emission	Tonnes	6,040	7,631
Total greenhouse gases emission	Tonnes	7,229	8,315
Greenhouse gases emission intensity	Tonnes/million revenue	1.75	2.74

We always pursue to assist clients in industry upgrading, promoting energy conservation and consumption reduction, and achieving green sustainable development. Through combining the technical advantages of the Company with its comprehensive strengths in engineering, procurement and construction management, we help clients effectively reduce energy consumption.

Innovative Technology and Green Management

Adopting various measures for energy-saving and emission reduction to assist clients

On 31 October 2017, Wison Engineering has been awarded a general construction contract by Nanjing Chengzhi Yongqing Energy Technology Co., Ltd. for the engineering management, procurement and construction of a 600kta methanol-to-olefins plant and a 100kta butadiene plant. The project adopted various measures to save energy and reduce emission as follows:

1) The oxidative dehydrogenation reactor with a backup is designed to achieve continuous and stable operation and increase production efficiency;

2) Utilize heat pump technology to recover the low-temperature heat source of the plant, which saves the consumption of steam pipe network;

3) Utilize the waste heat of plant;

4) Utilize the solvothermal source of plant to greatly save steam consumption;

5) Internal cooldown for the de-heavy fractionator condenser to reduce the consumption of circulating water;

6) Strengthen the insulation of equipment and pipes and use excellent insulation materials to reduce heat loss;

7) Optimize the steam balance of the whole plant, utilize the steam in reasonable classification, and optimize the heat exchanger network to increase the thermal efficiency and reduce the external energy input;

8) Reasonably design the steam system parameters of the whole plant to recover the steam condensate to the greatest extent, send the clean steam condensate to the MTO deaerator plant for make-up water, while sending the contaminated steam condensate to the circulating water station for recycling after its treatment;

9) Use high-efficiency compressors to reduce energy consumption;

10) Energy-saving design is adopted for buildings, heating, ventilation, air-conditioning and daylighting systems, and energy-saving design standards for building are strictly implemented.

Innovative Technology and Green Management

3.3 Reducing Emissions

To improve the management of solid waste, waste gas and waste water and prevent their harmful effect to our employees and the pollution to the environment, Wison Engineering formulated relevant policies such as the "Provisions for Managing Solid Waste, Exhaust Gases and Waste Water" and "Provisions for Managing High (Low) Temperature, Toxic Dust and Noise", so as to enhance the environmental management and civilization construction management in the working process of the project. It also established Health, Safety and Environment (HSE) management unit in the project department to carry out supervision and inspection.

Waste Disposal Procedures of Wison Engineering		
Non-hazardous wastes 	Recyclable	The Company (or contractors) will be in charge of the general collection and disposal;
	Non-recyclable	Discharge and management will be made in accordance with the relevant laws and regulations and the company policies.
Hazardous wastes 	The Company collects, classifies, maintains and labels hazardous wastes based on the characteristics of the wastes. Special containers are used or separation and protection measures are adopted. Wastes are disposed by qualified third party to prevent secondary pollution caused by losses, leakage and diffusion to attain the discharging standard.	
Sewage management 	The construction management team and contractors are responsible for the coordination and treatment of the dangerous waste water produced on the construction site. The on-site HSE management team is responsible for supervision and inspection, arranging non-dangerous waste water to designated sewage ditches through pipes, and end-of-pipe treatment complied with the required standard.	

***Waste Data Summary**:*

Type of waste		Generation in 2017
Kitchen waste	Tonnes	149
Office waste	Tonnes	7,929
Recyclable waste	Tonnes	965
Construction Waste	Tonnes	20,901
Total non-hazardous waste	Tonnes	29,944
Non-hazardous waste density	Tonnes/million revenue	7.26
Total hazardous waste	Tonnes	20,311
Hazardous waste density	Tonnes/million revenue	4.92
Total discharge of waste water	Tonnes	91,401

Innovative Technology and Green Management

Wison Engineering always pays attention to the surrounding environment of project sites and ensures that such environment will not be damaged or even affected by the implementation of the projects. In the preparation of the project plan, we particularly focus on the potential impact of the project on the environment. We designate specific prevention and control measures and strictly manage and control such measures in the implementation process. We also provide prevention measures in place, and organize third-party auditing for non-unnoticeable risks such as groundwater pollution.

Proactively maintaining the environment in the places where projects locate

Jilin Connel MTO Plant Project

Wison Engineering selected a professional greening construction team in the Jilin Connel MTO plant project to conduct turf and tree planting on the green belt of the construction site with positive overall image.

To effectively prevent dust pollution and ensure continuous improvement of air quality, the project department arranged sprinklers to water and decrease dust everyday on temporary roads of construction site. The project HSE unit supervised the sprinkler vehicles in accordance with the dust prevention plan of project to ensure the full implementation of "sprinkle twice a day in normal weather, and daily watering shall not be less than four times in the weather with wind speed exceeds four levels or above and the hot and dry weather".

In addition, we have adopted the P6 grade terrace impermeable construction technology in this project, which is a high-level environmental protection measure to ensure that soil and water sources are not contaminated. The project also adopted cleaning production technology with the smallest sewage production and water consumption than other same type of projects, used recycled water and secondary water to the greatest extent, and reused waste water after advanced treatment.

Saudi Arabia EOEG Project (expansion and revamping works for ethylene-to-ethylene oxide and ethylene glycol plant and its utility facilities)

During excavation and dewatering process at the project site, the project department of Wison Engineering detected contamination of underground soil and groundwater, and engaged a third party to handle the substandard soil and groundwater, so as to avoid harm to the local environment. Moreover, the tetraethylene glycol distiller in the project can reduce the waste being sent to incineration through further recovery of tetraethylene glycol from high alcohol wastes, reducing waste emissions effectively.

Innovative Technology and Green Management

3.4 Water Resource Management

In order to effectively save water resources, we continued to improve the water resource management and implemented various measures for water resource management in accordance with internal relevant policies such as "Procedures for Environment Management" and "Provisions for Managing the Consumption of Energy and Resources" for promoting water conservation and reducing resources consumption. Apart from the high pressure fire water system, we implement the following measures for various types of water:

Management measures to water conservation	
Water for production	Measuring instruments were set up in the sectors to monitor and control water consumption
Water for living	
Circulating cooling water	
Main industrial water	Recycled water is used as much as possible to realize the reuse of water
Cooling water	
Greenery irrigation	Rain water is reused
Water in the building	

Water resource performance:

Type of water	Water consumption in 2017		Water consumption in 2016	
Municipal water supply	143,854	Cubic meters	110,229	Cubic meters
Surface water	0	Cubic meters	15	Cubic meters
Groundwater	2,455	Cubic meters	11,200	Cubic meters
Total water consumption	146,309	Cubic meters	121,444	Cubic meters
Intensity	22.16	Cubic meters/ million revenue	40	Cubic meters/million revenue

In 2017, Wison Engineering further deepened the field of environmental protection and obtained special environmental engineering design projects "Water Pollution Prevention Project (Grade B)" and "Solid Waste Disposal Project (Grade B)" approved by the Shanghai Municipal Housing and Urban-Rural Development Management Committee (上海市住房和城鄉建設管理委員會). Qualifications and access permits to enter the field of environmental engineering construction have a positive significance for the company to continue to expand its engineering construction business. In the follow-up, Wison Engineering will be able to undertake environmental protection projects (including construction and non-standard equipment, etc.) for water pollution prevention and control projects and solid waste treatment and disposal projects of medium-sized and below scale. It will also be able to undertake the "drainage" of municipal industry qualifications. "Engineering" and "environmental hygiene engineering" are the corresponding engineering design businesses.

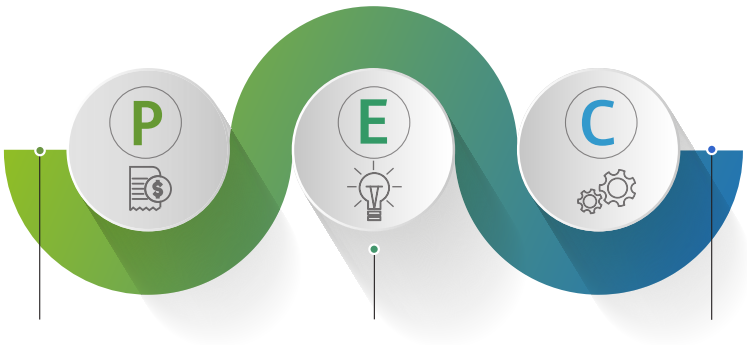
4. Project Management

OUR MANAGEMENT APPROACH

Project quality is one of the core parts of Wison Engineering's business development. During the process of project management, we strictly comply with and perform local laws and regulations and monitor project implementation to ensure that the projects are executed stringently and orderly according to the design proposals with an eye towards continuously improving the implementation quality and management standard.

4.1 Quality Management

Based on the comprehensive understanding of the importance of quality assurance, we set up a quality management system to implement advanced and stringent quality control measures throughout the business operation.



Procurement

- The project department prepares Engineering Materials Factory Inspection and Test Plan (ITP) according to the level of importance of equipment and procurement contracts during the procurement process and performs the inspection.
- Quality control is carried out through supervision of the procuring materials and equipment in the factory as well as quality evaluation and inspection, so as to implement quality assurance from the origin.
- Strict approval and assessment process of suppliers are in practice and the Group is involved in the price determination.
- Inspections for important and key materials are carried out in real time or at the mid-point and before their release and we will contact the supplier in a timely manner to handle the materials that do not meet the requirement stated in the contract.

Design

Wison Engineering Design Centre edits, reviews and approves the design documents and inspects, evaluates the design quality to control the quality of the design process.

Construction

- The project department submits the inspection application of inspection items, inspection levels and inspection standards jointly determined by the owner and the supervision unit based on the professional template of ITP during the construction process.
- The quality control and verification process strictly controls the construction quality of the project in accordance with the quality control and inspection requirements of the owner and the quality management regulations and construction management regulations of Wison Engineering.

Project Management

The measures adopted by Wison Engineering in 2017 to improve the engineering quality management and ensure the project quality are as follows:

➢ We updated the Quality, Health, Safety and Environment ("QHSE") Management Manual and relevant management documents in accordance with the requirements of GB/T 19001-2016/ISO 9001: 2015 Quality Management System.
➢ Each of the project departments proactively created and reused project models in order to maintain high quality. In 2017, a total of 52 project models were reused or created.
➢ For the research and development of technology, we strengthened the accreditation of small and medium-scale test, regular acceptance and final acceptance of the research.
➢ In the design processes of each project, sufficient professional personnel were allocated to edit, review and approve the design documents.
➢ In the procurement processes of each project, we carried out the supervision on manufacturing of products of suppliers according to the level of importance of equipment and materials and assigned logistics inspectors to conduct the inspection after their release and before their acceptance in the acceptance phases.
➢ In the construction processes of each project, professional engineers carried out the inspection on construction works in accordance with the level of ITP controlling point.
➢ At the level of company, we implemented the internal accreditation on the quality system, which comprised research and development for technology, engineering consultancy, engineering design, procurement and construction, etc. While at the level of project, we implemented the internal accreditation on the project quality.
➢ In order to prevent the mixed use of different materials, the Company has established the material color code regulations, and specifies the color code of commonly used pipe materials for use by each project.
➢ We prepared quality display boards for each project and regularly updated information to further publicize and promote project quality information, quality standards and images, project models and standards of common colors and construction technology in a timely manner.

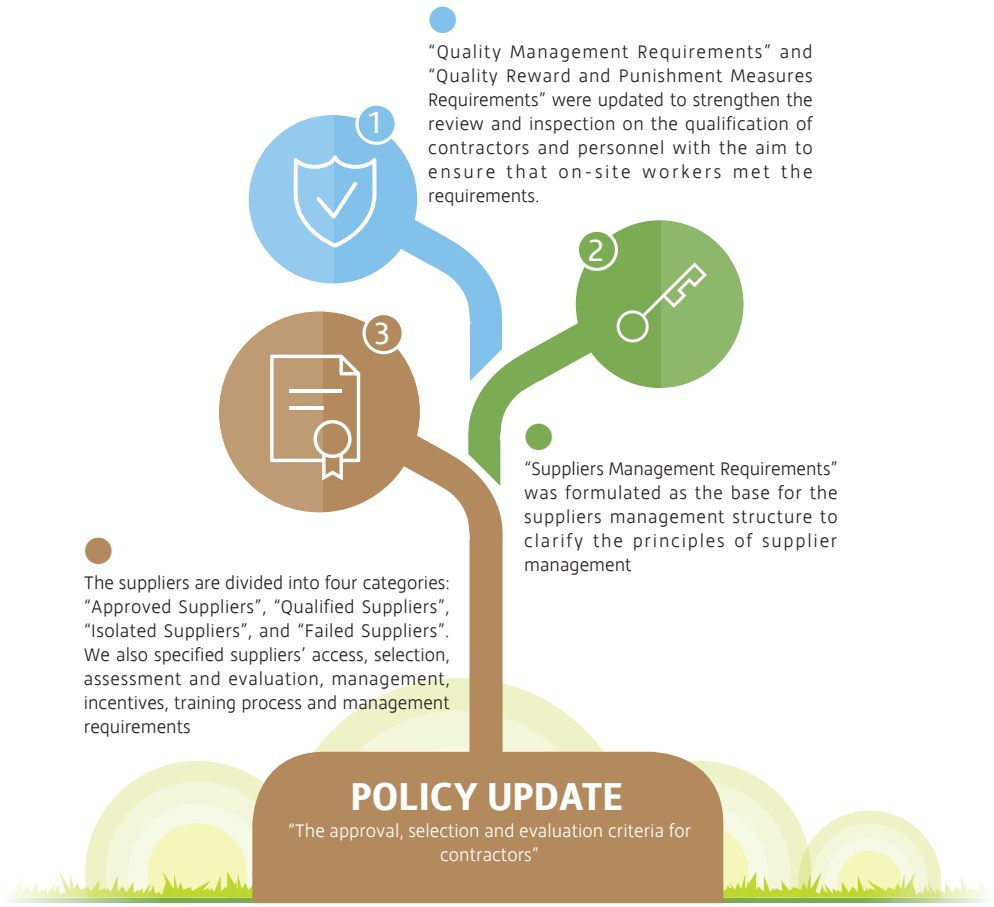
Project Management

4.2 Supply Chain Management

A complete supplier management system

Wison Engineering's suppliers mainly include construction subcontractors, design subcontractors, and suppliers of materials and services. The Company has established a strict supplier management mechanism, including recruitment mechanism, assessment mechanism and so on. We adhere to the principles of "fairness, fairness, resources, competition, and excellence" and conduct inspections and assessments on suppliers in terms of supplier reputation, production capacity and production environment, equipment capabilities, technical capabilities, QHSE system, finance, and operating conditions. Using the classification management mechanism, the suppliers are divided into: approved supplier list, qualified supplier list, segregated supplier list, and unqualified supplier list, which are managed in a manner of "dynamic management, survival of the best, performance-oriented" while taking incentivization and training measures.

In 2017, we updated the approval, selection and evaluation criteria for contractors in order to further enhance the standard of suppliers:



Project Management

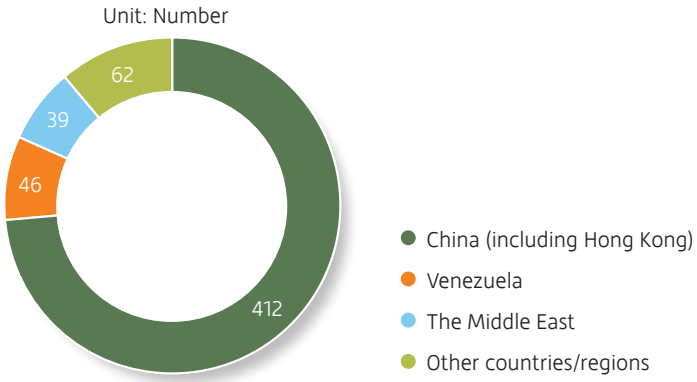
Wison Engineering strictly follows the standards for the acceptance of the purchased materials, and pays attention to the rational use of resources during the design and construction phases, and is committed to the efficient implementation of the project.

Materials used	Consumption (Tonnes)
Concrete	251,128
Steel	41,381
Stone	12,705
Heat-proof materials	4,259
Environmentally-friendly materials	1,772
Copper	960
Aluminum	356

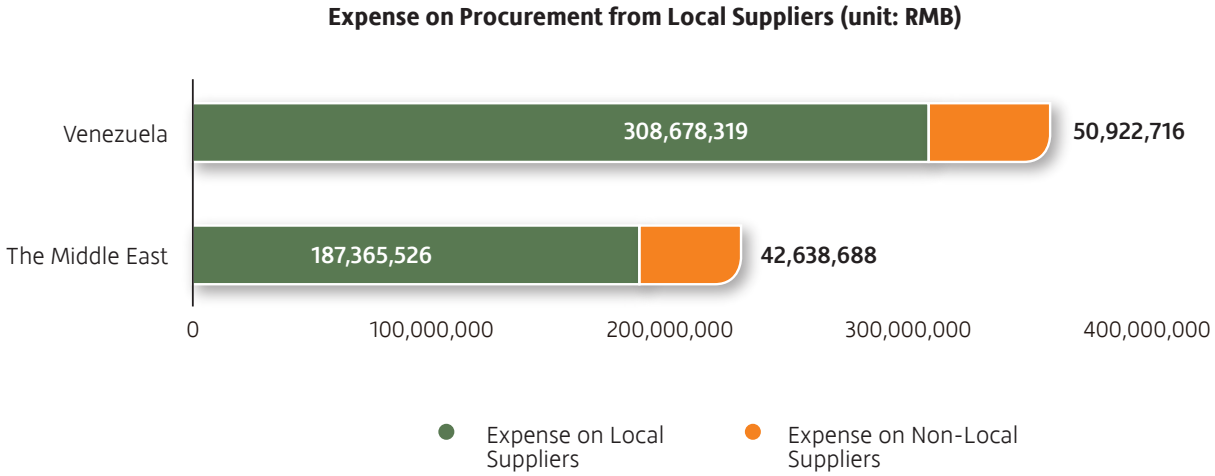
Support for local economy

Wison Engineering proactively supported and promoted local economic development. When choosing suppliers, priorities are given to those local suppliers that meet the approval conditions. In 2017, we further increased the number of approved local suppliers and the proportion of the local procurement expense. Our project expense on procurement from local suppliers in Venezuela and the Middle East accounted for 85.8% and 81.5%, respectively of the total procurement expense.

The number of suppliers by region



Project Management



Sustainable procurement policy

Wison Engineering is committed to establishing good cooperation relationship with suppliers. In order to maintain mutual benefit, we require suppliers to practice corresponding corporate social responsibilities. In the process of selecting and evaluating suppliers, Wison Engineering not only pays attention to the quality and strengths of suppliers, but also evaluates their fulfillment of corporate social responsibility as one of the important considerations.

General Requirements

Wison Engineering requires suppliers to possess valid Certificate of Environmental Management System (環境管理體系認證證書) and the Certificate of Occupational Health and Safety Management System (職業健康安全管理體系認證證書), to ensure effective control of the environmental compliance and personal safety during the production and operation process. The approval, selection and assessment criteria for contractors not only include the review and evaluation of their construction capacity, technical management ability, project performance, human resources, machinery and equipment resources, but also include QHSE qualification of their employees, HSE management system documents, quality assurance system documents, HSE performance certificates and social credibility in recent years, etc.

Approval Requirements

All the new suppliers of Wison Engineering have to pass the social responsibility screening procedure. During the pre-approval of the qualification of the new suppliers, we require suppliers to provide information of their activities commenced or on-going which can reflect the corporate "social responsibility" in the "Supplier information questionnaire"; upon approval of the qualification of the suppliers, they are required to obtain the certificate or evidence of their reputation issued by the relevant authorized department or the third party institution; during the contracting process, the examination of the salary distribution to the migrant workers and the agreement and mechanism of distribution by representative are stated in the contract conditions and set up in the on-site control procedures.

Collaboration and Win-Win Partnership

We adopt proactive cooperation and win-win attitude towards excellent suppliers. In the process of communicating with clients, we will recommend the products and service providers which met the standards of social responsibilities such as energy conservation and environmental protection.

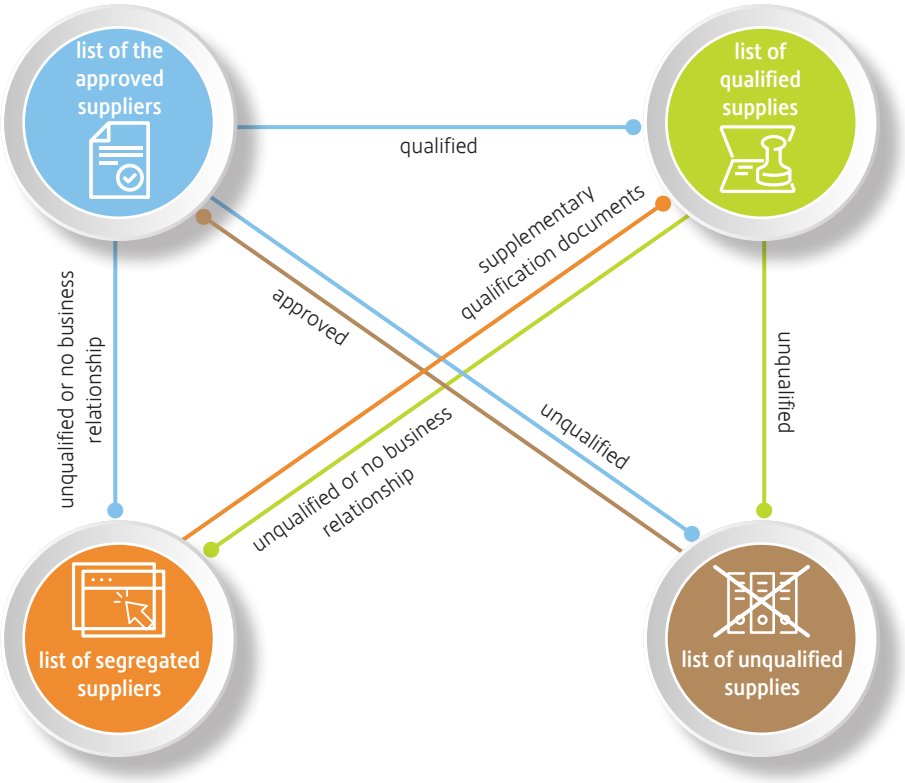
During the year, we have reached a total of 559 suppliers, of which 419 suppliers have obtained the ISO 9001 Quality Management System Certificate (ISO 9001質量管理體系認證) and 286 suppliers have obtained the ISO 14001 Environment Management System Certificate (ISO 14001環境管理體系認證).

Project Management

Good communication mechanism

Wison Engineering has maintained close and effective communication with suppliers. Communication such as technology exchanges, proposal discussions, business negotiations, progress tracking and on-site service supervision were carried out in different stages of the project. In 2017, Wison Engineering conducted the technology exchange with nearly 60 suppliers to gain in-depth understanding of advantaged products and technology characteristics of suppliers.

Wison Engineering also regularly evaluates existing suppliers through real-time assessment, project assessment, and comprehensive assessment. In addition, Wison Engineering encourages and nurtures suppliers by issuing excellent supplier certificates, signing framework agreements, and strategic agreements.



On/Off of the List of Suppliers

Wison Engineering continuously carries out various special trainings and professional trainings for construction technical quality management personnel of construction subcontractors. The training promotes the standardization of technical and quality management of Wison Engineering and construction subcontractors, and enhances construction personnel's work. The recognition of quality enhances the project employees' quality management capabilities and effectively guarantees project quality.

Project Management

4.3 Client Comes First

Privacy and service management

In order to obtain a comprehensive and in-depth understanding of clients' needs, we proactively conducted the research in uncovered industry areas and launched training programs to enhance and guide the knowledge development of business of new industries and new fields for marketing employees. At the same time, we also actively carried out brand and market promotion activities to meet the needs of clients.

Wison Engineering has been dedicated to improving the client satisfaction on products, services and management of the Company and keeps diversifying the communication channel. Wison Engineering carries out client satisfaction survey regularly in various ways such as surveys, interview, telephone interview and e-mail to maintain communication with clients, so as to establish a comprehensive client satisfaction indicator system.

Procedures for client satisfaction assessment:

Draft client satisfaction survey and confirm the data assessment method

Distribute and collect client satisfaction questionnaire

Complete the client satisfaction survey of projects

Complete the annual client satisfaction assessment survey

Organize, track and verify the improvement measures (including rectification and preventive measures)

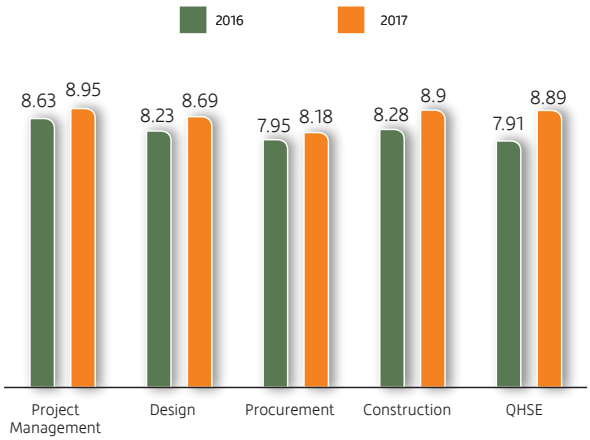
Prepare "Annual Report on Client Satisfaction"

Project Management

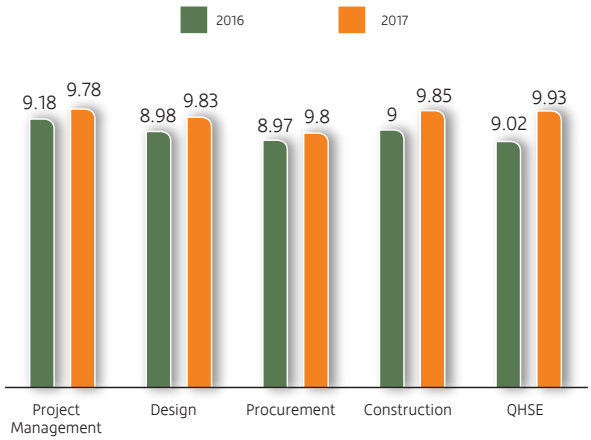
In 2017, the Group did not receive any complaint in relation to its products and services, which makes the best recognition by our clients to the quality management system of Wison Engineering. Furthermore, client satisfaction survey results show that our performance of proficiency and project management have enhanced significantly as compared with those in 2016:

Client satisfaction survey results:

Client satisfaction survey results of international clients



Client satisfaction survey results of clients in China



4.4 Protection of Clients' Privacy

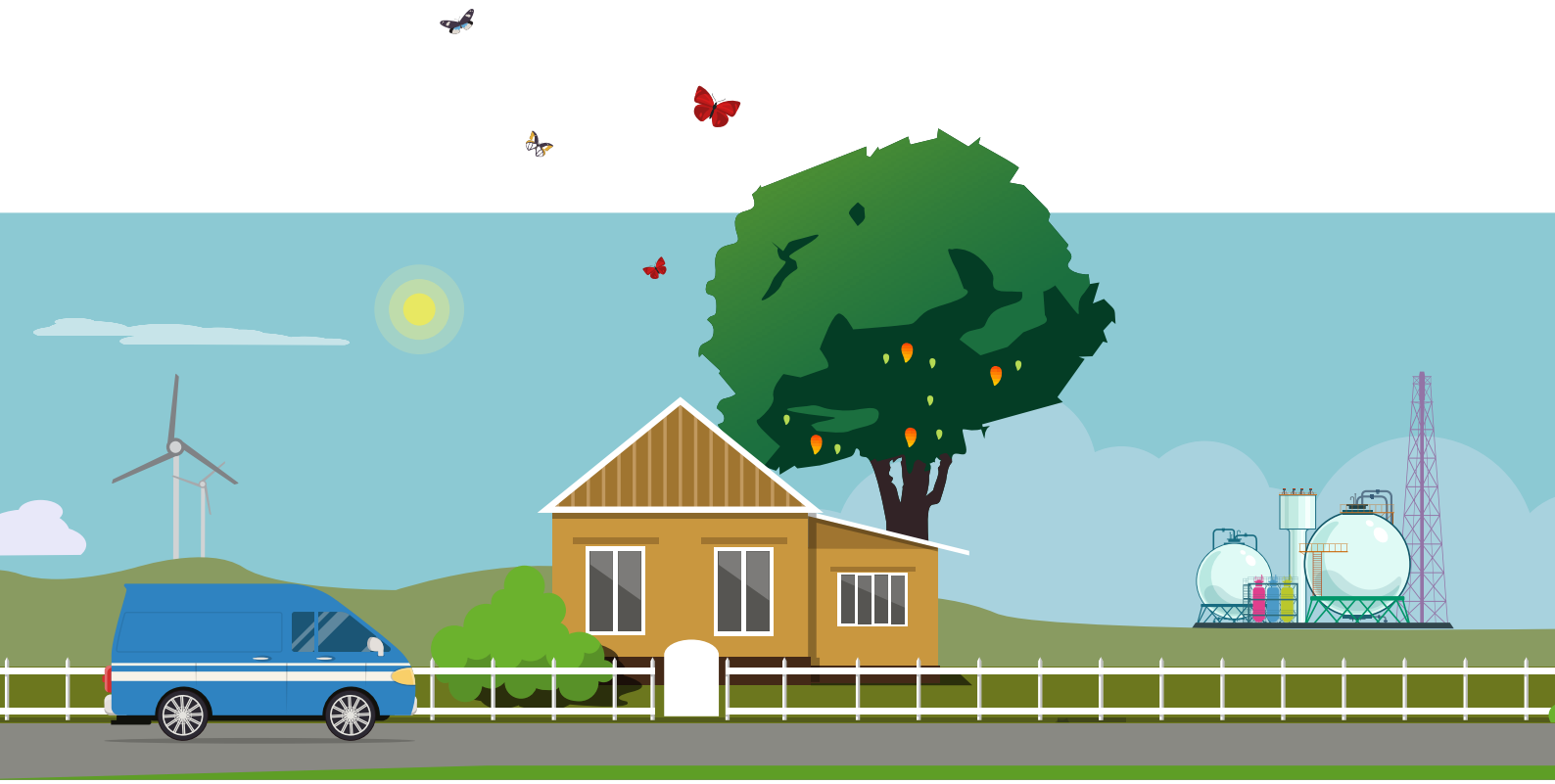
In pursuit of the satisfaction of clients towards our products, services and management, Wison Engineering also lays emphasis on protection of clients' privacy and is committed to protecting the privacy right of our clients. Before executing a project, Wison Engineering signs a confidentiality agreement with clients. Wison Engineering will not disclose data or information provided by clients to any third party without the consent of clients. And the usage of information provided by relevant clients is limited to the employees that needed to be engaged based on the need of the projects; meanwhile, even for confidential information that is not subject to the confidentiality agreement, Wison Engineering does not disclose to the public without the consent of clients, e.g. project condition of clients, other suppliers situation of clients, picture of the location of the project or production equipment, capital situation, organization structure and staff of clients.

In addition, we believe that a safe and reliable information system is critical to client privacy and the stable operation of the Company. In 2017, the Company further strengthened the security and confidentiality construction of information systems, including information security training, password management and control, authority control, security updates and file encryption and carried out regular information security operation and maintenance in an orderly manner.

Project Management

4.5 Protection of Intellectual Property Rights

Wison Engineering has always been investing extensive efforts in technological development and investment to push forward technological innovation persistently. It adopts incentive system to encourage invention and protection of patent. In the petrochemical, coal chemical, and other industries, we have accumulated many patented technologies with independent intellectual property rights. As of 31 December 2017, we have obtained a total of 72 patented technologies and submitted 21 patent applications. The main technology areas covered by patents include catalyst for molecular sieve, syngas-to-natural gas, methanation technology, butadiene technology, syngas-to-ethanol catalyst, etc. Being technology reserves of Wison Engineering, the patented technologies will support the rapid development of business and create considerable economic benefits for the Company. Meanwhile, many technologies have been commercialized and industrialized, particularly Wison Engineering can provide full set of technology in the areas of ethylene cracking furnace, olefins separation, new hybrid gasification technology, low-temperature methanol wash as well as butane oxidization and dehydrogenation butadiene catalyst and related technology. We have made great achievements in commercialization and industrialization of olefins separation technology and obtained "Non-copious cooling lower carbon number hydrocarbons separation method containing light gas (一種含輕質氣體的非深冷低碳烴分離方法)", "Light hydrocarbons (with light gas) separation technology with a combination of rectification and solvent (精餾與溶劑吸收相結合的含輕質氣體低碳烴的分離方法)" and many other patents.



5. Safety and Health

OUR MANAGEMENT APPROACH

We have always regarded protecting the safety of life and health of our employees as one of the Company's priorities and an important part of our overall HSE system. We are committed to upholding the principle of "safety comes first and precaution is crucial; cherish health and protect the environment; be people-oriented and manage all employees; continuous development and benefit people's livelihood", and strictly comply with relevant laws and regulations including the Law on Prevention and Control of Occupational Disease of the PRC, the Safety Production Law of the PRC and the Fire Prevention Law of the PRC, so as to create a healthy and safe working environment for our employees. This is not only an inevitable requirement for sustainable operation and production, but also a concrete way of being responsible for the Company and our employees.

With designs of devices subject to "Hazard and Operability Analysis (HAZOP)" approval requirements to ensure safety, together with the implementation of standardized and civilized procedures at construction sites and the introduction of humanity concept of "warm moments", Wison Engineering has always given priority to protecting the life, safety and health of our employees and has incorporated the advanced Health, Safety and Environment (HSE) concept into our decision-making process. We strive to pursue an international outstanding HSE management approach and become the market leader adopting HSE management with scientific management, advanced technologies and efforts by all of our employees.

SAFETY PERFORMANCE

Over the years, the performance in safety and health of Wison Engineering has won recognition from all parties. In April 2012, we formally became the standing council unit of the China Safety Production Association, and we have always met the requirements of the "Occupational Health and Safety Management System" (GB/T 28001-2011 and OHSAS 18001: 2007).

We work together with our employees actively to establish a safe production system. Meanwhile, we encourage and support our employees to obtain relevant qualifications, so as to guide and promote the safety and health management of the Company. 123 of our employees have obtained safety-related qualifications or certificates, among which:

Names of certificates	Holders of certificates
Safety Production Assessment Certificate for Full-Time Safety Production Management Personnel of Building Construction Enterprises (建築施工企業專職安全生產管理人員安全生產考核證)	44
Safety Production Assessment Certificate for Project Managers of Building Construction Enterprises(建築施工企業項目負責人安全生產考核證)	42
Registered Safety Engineer (註冊安全工程師)	27
Safety Production Assessment Certificate for Chief Person in Charge of Building Construction Enterprises (建築施工企業主要負責人安全生產考核證)	8
NEBOSH (National Examination Board in Occupational Safety and Health of the United Kingdom Certificate	2

Given the effective implementation of HSE management system, there was no work-related injury incident at Wison Engineering during 2017.

Safety and Health

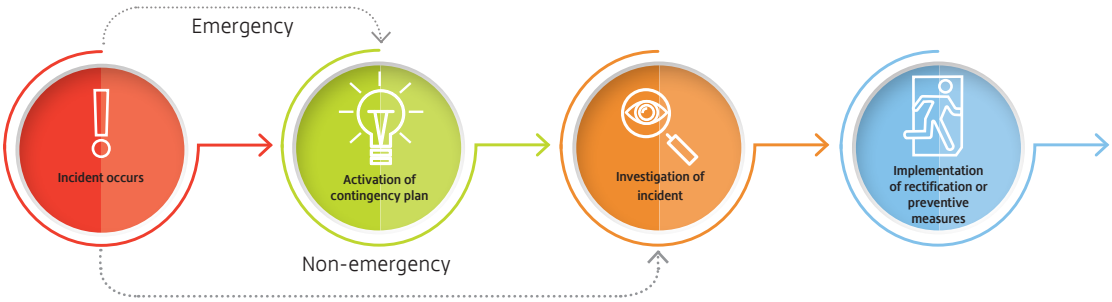
5.1 Safety Operation

Monitoring and inspection system for HSE performance

The Company has established a performance monitoring and inspection system for inspecting, recording and tracking the operation of HSE system, the control over hazard sources and environmental elements as well as the site civilized construction. Monitoring and inspection are carried out on two levels: by the Company on the project department, and self-inspection by the project department. The requirements of "HSE Monitoring and Inspection Management Requirements" and "Project HSE Assessment, Reward and Discipline Management Requirements" are strictly complied to ensure the safety of the construction projects. Hazard sources and environmental elements are identified, evaluated and controlled during the process of procurement of materials, design and construction of engineering projects as well as management of living facilities. Moreover, the Company will evaluate, report and rectify any potential dangers and issues on a timely basis.

Emergency management

"Emergency Management Procedures" are in place to enhance emergency management process, improve our employees' ability of response to emergencies and minimize potential loss that may be caused by incidents. The Company established a plan comprising 3 levels: Wison Engineering comprehensive contingency plan, Wison Engineering headquarters contingency plan, as well as contingency plan of branches and the project department, which specify the respective responsibilities of each emergency management organization and the emergency response process.



Events (Incidents) Management Procedures

Occupational health

In order to safeguard the health of our employees, the Company has established "Occupational Health Management Procedure". Wison Engineering and contractors have their respective responsibilities on controlling and eliminating the adverse factors affecting the occupational health of employees. Regular occupational health check and employee health records are in place for the occupational health management. We set up occupational health and sanitation facilities and on-site first aid facilities on the project sites jointly with contractors, so as to provide safe and comfortable working conditions and protective facilities to workers.

Safety and Health

HSE Management for Nanjing Chengzhi MTO and Butadiene Project

According to the requirements of the HSE Management System of Wison Engineering, the project department of Nanjing Chengzhi was fully in charge of organizing and carrying out HSE management for projects. Such initiatives have achieved satisfactory management result, and received recognitions from local government, owners, supervisors and other relevant parties. The project department carried out construction work in an orderly manner with strict implementation standards throughout the working process starting from the commencement of the construction.

Project Planning	• Organizing and discussing the HSE targets and indicators setting for projects, preparing the "HSE Management Plan for Projects" and "Comprehensive Contingency Plan for Projects", furthermore, organizing the construction contractors to understand various indicators and requirements of HSE management clearly before the commencement of the projects and the contractors entering into the sites.
HSE Training	• Organizing all personnel to attend HSE admission training and other special trainings, and requiring the construction contractors to hold a pre-work safety meeting every day to convey construction safety information and improve workers' safety awareness.
Equipment Management	• All special equipment, construction facilities and vehicles are required to undergo inspection and acceptance before entering into the sites, so as to ensure that only qualified equipment and facilities can enter into the sites; checking on-site vehicles monthly to ensure compliance with construction safety requirements.
Environmental Management	• Planing the overall rational layout of temporary facilities on the construction sites, meanwhile, unifying the requirements of the temporary boundary and warning signs on the sites, so as to promote the standardization of civilized construction.
Safety and Health	• Entering into a medical green fast channel agreement with local hospitals, deploying medical stations, emergency doctors and nurses at the project sites to provide health and emergency services for all employees of the projects.
HSE Recognition	• Holding annual and monthly HSE summary recognition meetings to enhance the initiative and enthusiasm of all personnel of the projects to participate in HSE management.

Safety and Health

5.2 Safety Training

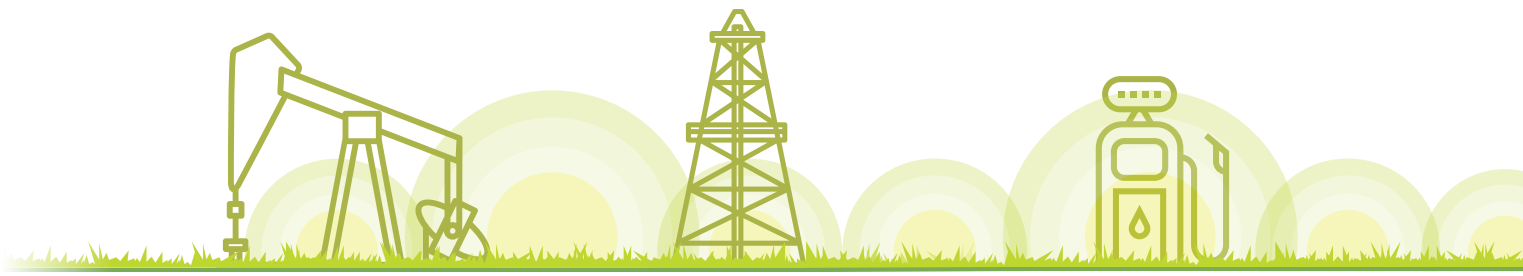
Wison Engineering has always emphasized the concept of people-oriented, and consistently adheres to enhancing employees' safety awareness. At the same time, we have implemented a safety management policy which highlights the importance of prevention instead of treatment. Therefore, we focus on enhancing employees' safety and health training as well as promoting employees' HSE awareness, so as to protect employee's health and safety in the workplace.

Enhance the awareness of HSE

Through multi-levels and multi-paths of promotions and exchanges, Wison Engineering has been actively promoting the requirements of HSE Management System, HSE concept and HSE culture. Meanwhile, Wison Engineering has enhanced employees' awareness and skills on HSE to ensure that all employees work in a healthy and safe manner. We regard health and safety as a collective honor.

In order to enhance employees' HSE awareness, we have formulated and implemented the following initiatives:

- QHSE web sub-portals are set up to share with our employees the news on HSE management within both the Company and the industry, as well as the relevant laws and regulations on HSE.
- "HSE bulletins" are released to employees on a regular basis to share employees' visions and experience of HSE as well as the Company's concern regarding the safety and health of the employees.
- QHSE lectures are available on the QHSE web sub-portals to share training material of HSE.
- "HSE Observation Card", which is available on the QHSE web sub-portals, at our reception desk and project sites, is a channel for every employee, visiting client or cooperation partner to give advice or suggestions regarding Wison Engineering's HSE management procedures.



Safety and Health

Wison Engineering formulated "HSE Training Management Requirements" and prepared "HSE Management Brochure", "HSE Construction Brochure", "HSSE Handbook" and "Overseas Safety Knowledge" for guiding and conducting employees' HSE training, so as to promote safe working awareness among the employees and improve safe working skills. All employees have the rights and obligations to participate in various HSE trainings organized by the Company while they are subject to corresponding HSE assessment.

Safety training offered to employees

Safety and Health

Case: Health, Safety and Environmental Training

The Company enhances employees' health, safety and environmental awareness by trainings, including:

In order to publicize firefighting knowledge and strengthen employees' emergency response capabilities, we organized a firefighting training on 23 October 2017 to introduce typical fire cases, methods to troubleshoot and eliminate potential hazards in offices and homes, as well as knowledge such as discovery of fire and firefighting.

In order to popularize knowledge of health and enhance employees' awareness of physical and mental health management, on 26 December 2017, we organized a seminar themed "Cherish for Life, Caring for Health", at which we introduced on-site treatment of common unexpected accidents, prevention of chronic diseases such as hypertension and heart disease, relief of psychological stress, hydration and diet health in high temperature weather, as well as the hazards, prevention and control of haze.

In 2017, the 27th "HSE Bulletins" was released with topics including: common sense of emergency escape and the revision of the Company's contingency plan, introduction of the activity "Responsible for the Safety Together" under the "Safety Production Month", safety notes for working in Africa , safe working in high temperature environment, driving safety, escalator safety, as well as introduction of the new "Regulation on the Management of Environmental Protection for Construction Projects" and on-site HSE observation activities, etc.

In addition, we arranged HSE training for all personnel who might go to project sites, and also organized special trainings about high-risk operations such as on-site operations at height, scaffolding operations at height, lifting operations and limited space operations.

Participants of admission training in 2017:
Wison Engineering: 373
Contractors: 10,212

Participants of special trainings in 2017:
Wison Engineering: 751
Contractors: 10,688

6. Work with Employees

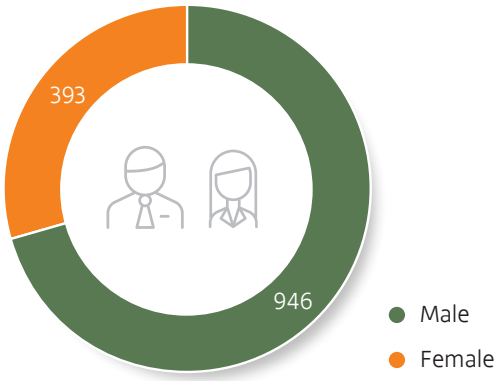
OUR MANAGEMENT APPROACH

Employees are the most vibrant and valuable assets of Wison Engineering. We believe that our employees can grow, share and achieve excellence with the Company. We pay close attention to the long-term development of all employees, by not only implementing a fair and unified performance management system, but also providing competitive career development channels for both management and technical employees, various training programs and diverse employees caring activities. In addition, Wison Engineering creates a working environment which is suitable for the development of its employees, fully respects and trusts them and helps them to realize self-value.

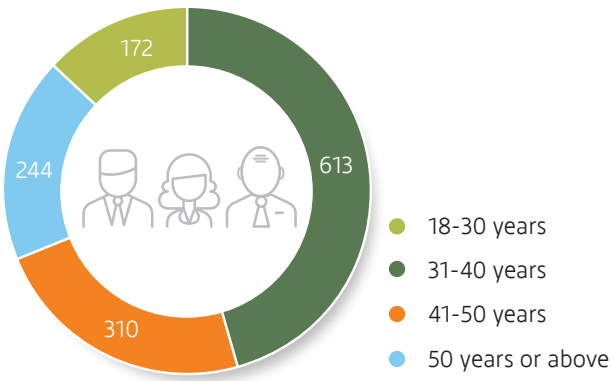
EMPLOYEES OVERVIEW

As of 31 December 2017, Wison Engineering had a total of 1,339 employees, and the number of our employees by gender, age and position is as follows:

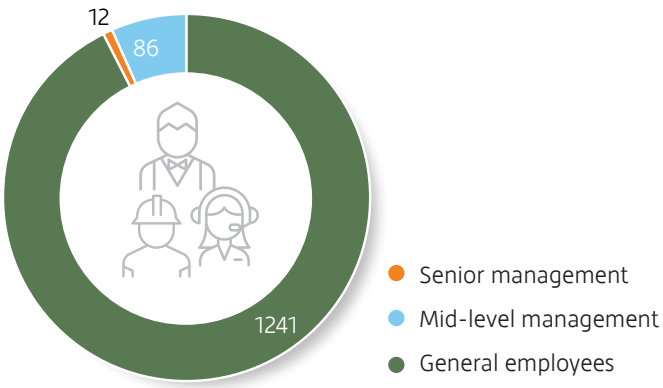
Number of employees by gender



Number of employees by age



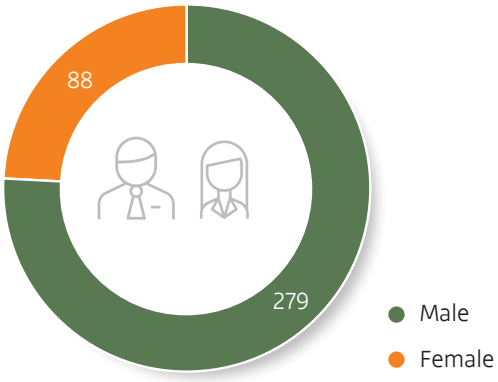
Number of employees by position



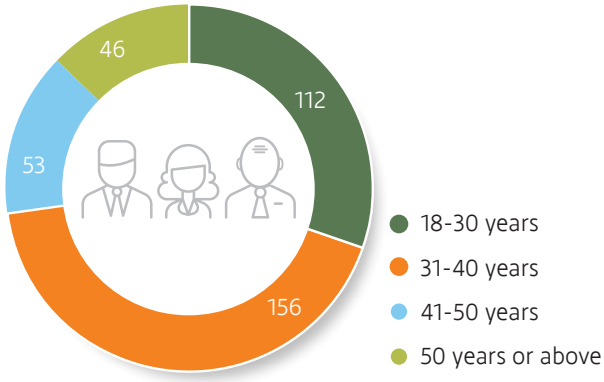
Work with Employees

During the reporting period, there were 367 new employees and the distribution of our new employees by gender, age, position and region is as follows:

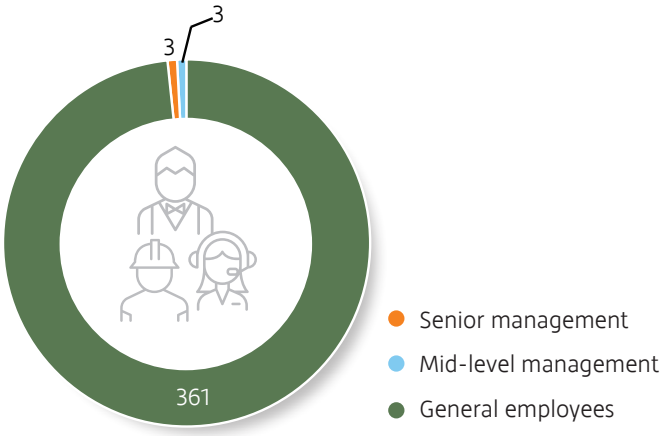
Number of new employees by gender



Number of new employees by age



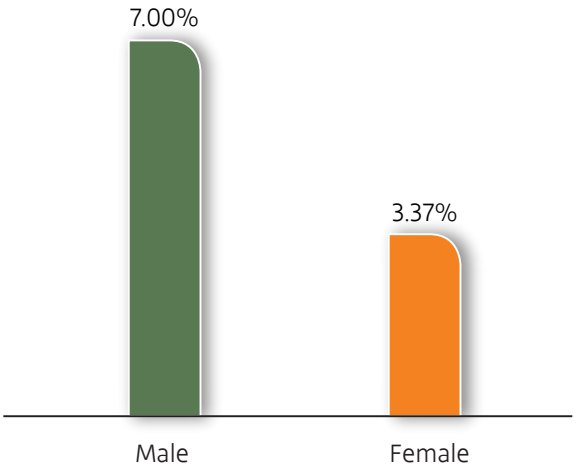
Number of new employees by position



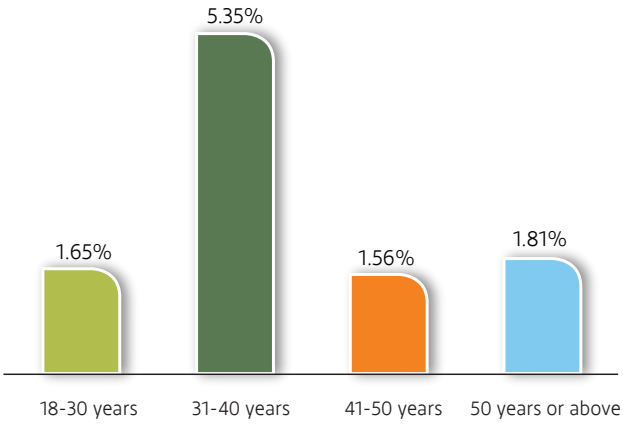
Work with Employees

In 2017, the total employee turnover rate of Wison Engineering was 10.37%.

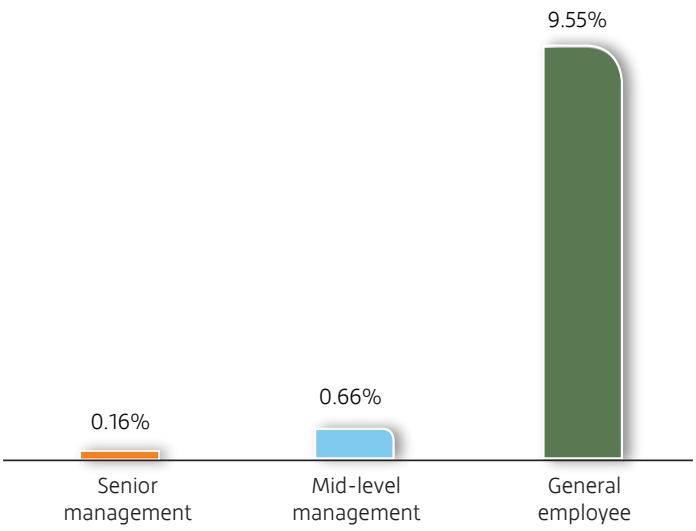
Employee turnover rate by gender



Employee turnover rate by age



Employee turnover rate by position



Work with Employees

EMPLOYMENT POLICY

To standardize employment processes, labor contracts and employee remunerations and benefits and other related matters and safeguard the legitimate rights and interests of our employees, we have formulated the "Provision for Managing the Recruitment of Employees" in strict compliance with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and the relevant laws, regulations and systems in the countries or regions where we operate. We forbid the use of children or forced labor. For any violation during the recruitment process, we will carry out a strict investigation. After verification, corresponding measures will be adopted to prevent its recurrence in the future according to requirements. In 2017, there was no labor complaint.

We treat our employees of different race, religion, age, gender, marriage, disability or nationality equally, and provide an equal and diversified working environment without discrimination to our employees. Our project teams respect the laws and regulations, religious belief and customs in the places where we operate, and live in harmony with local employees and communities. In 2017, in order to ensure the safety of local communities and residents, we employed a total of 44 security personnel in places where we conducted our projects, and there was no discrimination on race, skin color, gender, religion, political opinion, origin or social origin as defined by the International Labor Organization, or other discrimination in relation to internal and external stakeholders.

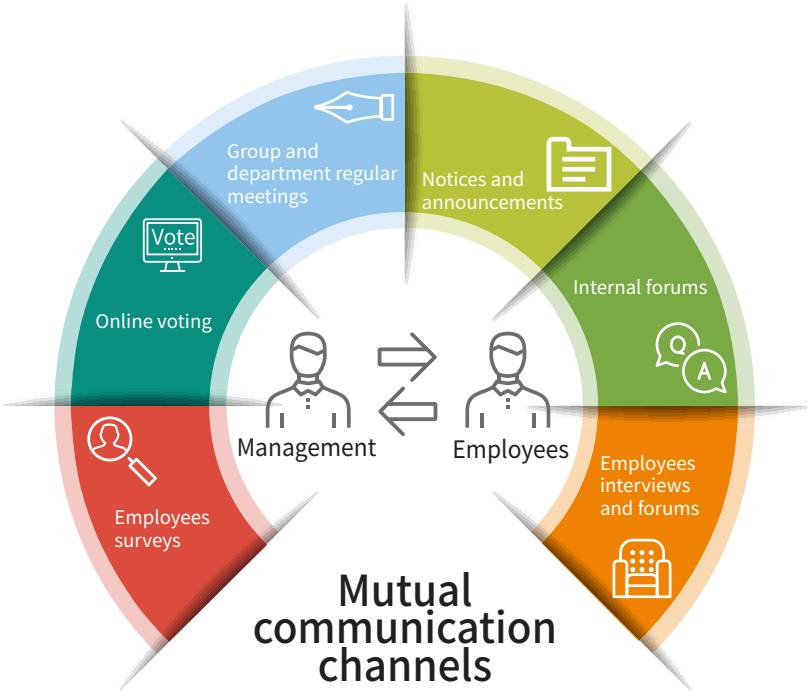
We strive to create more jobs for local communities in the countries where we operate to promote the development of local economy. In 2017, we focused on recruiting more local talents in the places where our projects located. A lot of local talents were employed to serve as the project management personnel of our projects, covering from the original administration personnel to management personnel relating to procurement, project construction, quality and safety. In addition, we provide professional training to local employees employed to help them master the skills of project management and raise their awareness. In 2017, the percentage of local employees in the project departments of Wison Engineering remained at around 50%.

Work with Employees

6.1 Caring for Employees

Employees communication

The number of employees team of Wison Engineering keeps growing while its business expands steadily. We place high emphasis on the opinions of our employees, encourage the interaction between the management and our employees and provide our employees with all kinds of communication channels. Our employees can share their advice on the Company at all levels honestly through diversified communication channels.



In addition, we document the growth of the Company and our employees through online and offline platforms to create a harmonious, efficient and pleasant working environment.

- Online platform: we publish an electronic journal for members of Wison on monthly basis to share our development status, document memorable moments at work, and share the insights of our senior management and the thoughts from our employees.

- Offline platform: we update the culture walls of departments every month to demonstrate our corporate culture, share our development status and document company activities.

Work with Employees

Employees benefits

Wison Engineering is devoted to providing its employees with reasonable remuneration packages and benefits. We have formulated and implemented the "Provision for Managing Employees Contracts and Agreements" to safeguard the interests of our employees. In addition, we have set up the Employees Club (員工互助會) to help our employees in difficulties. A "Mommy Corner" has also been set up in the headquarters of the Company to provide special care to young mothers.

Benefits

The benefits we provided to our employees include: "five insurance and one fund", supplementary medical insurance, annual leave and regular health check.

A canteen is set up in our office building to provide free meal to our employees, and shuttle buses are arranged for the commute of our employees to ease their living and economical pressure.

Mutual aid among staff

we have set up the Employees Club (員工互助會) to encourage our employees to care for their colleagues, and formulated the Provisions on the Management of Employees Club to standardize the application and use of mutual aid fund, ensuring that the care and help from the big family of Wison Engineering are delivered to employees families mostly in need.

Special care

In 2017, to improve the living quality of female employees, we have particularly set up a "Mommy Corner", in which there are a disinfection cabinet, refrigerator, air cleaner, magazines, disposable bags for storing breast milk and disinfecting wipe for female employees, aiming to help young mothers pass their special stage of life comfortably and ease their living and economical pressure.

Work with Employees

In order to safeguard the health of our employees, we have set up a well-managed in-house canteen to provide free, healthy, and nutritious meals to our employees:

At our headquarters, we offer individual sports facilities to our employees, which include a gym, dancing room, badminton room, table tennis room and snooker room:

Gym

Badminton hall

Dancing room

Work with Employees

In 2017, we organized a series of company activities in diverse forms, including the family day, sports day and evening gala. We have also organized yoga, Latin dance, football, basketball, badminton and other clubs to hold group activities regularly, enabling our employees to relax physically and emotionally in their spare time.

Case: Unite together to win

On 7 April 2017, the project department of Wison Engineering in Saudi Arabia invited the project department of Tianchen (天辰) to have an indoor basketball game at Jubail. During the intense and exciting competition, the players of Wison Engineering strove to catch up steadily upon 8 points behind in the first quarter, and finally won the game with excellent cooperation, beating the Tianchen team by 10 points. After the competition, the players shared their project experience and took photos together.

Through organizing and participating in this competition, all employees of Wison Engineering in Saudi Arabia not only released their working pressure, but also enjoyed the joy of winning, which greatly enhanced the cohesiveness and centripetal force of the team. The project department of Wison Engineering in Saudi Arabia will continue to adhere to the Wison spirit of solid work and lean management in the future, striving to deliver the project with high quality safely as soon as possible.

Work with Employees

6.2 Employee Development

Wison Engineering is always concerned about the cultivation and development of talent, and strives to provide its employees with scientific and proper training and career development channels. It is committed to enhancing the professional skills and market competitiveness of its employees through providing various training and fair and just promotion channels.

Employee training

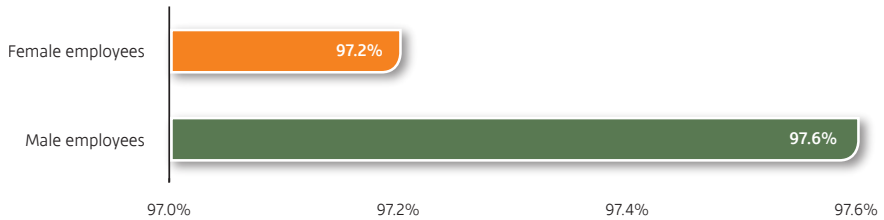
To standardize the management procedure of employee training and improve the professional skills of our employees, we have formulated the "Provisions for Managing Employee Training", which specify the goals for training and the types of training. We have also developed appropriate training plans, training budgets and training implementation plans. In addition to the targeted internal and external training provided regularly according to the requirements of our employees, such as internal entry training and corporate culture training and external skill training, we also provide our employees with annual cross-department training, centralized department training and international talent cultivation programs:

Work with Employees

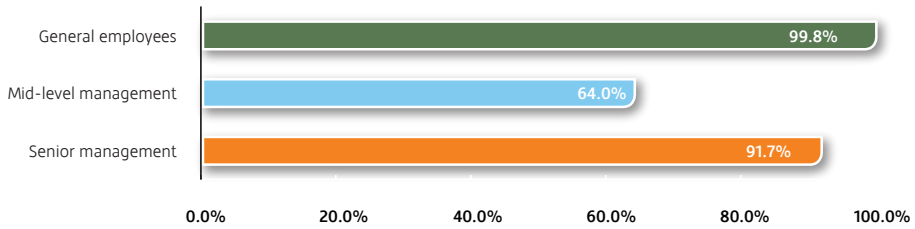
In 2017, we set up our own open learning platform through Wison School, on which a total of 20 various training programs were provided to 1,527 employees successively.

During the year, as the total number of our employees increased significantly, the total hours of training received by our employees reached 74,031 hours, representing an increase of 85.1% as compared with those in 2016. A total of 3,174 employees have participated in the training.

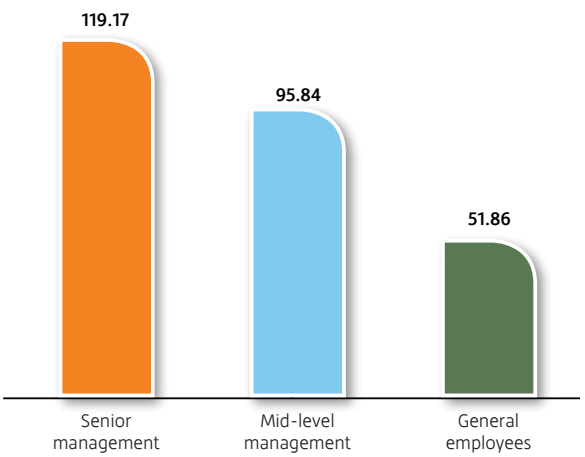
Percentage of employees trained by gender



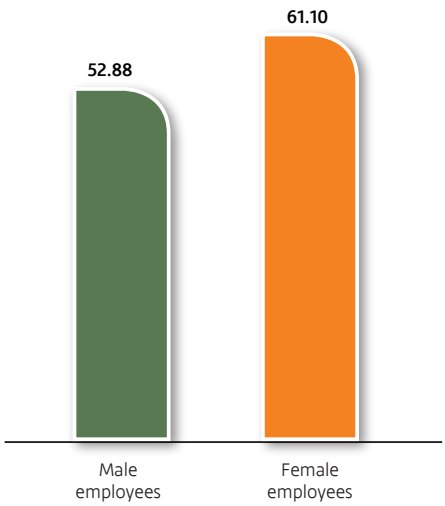
Percentage of employees trained by position



Average hours of training per employee by position (unit: hour)



Average hours of training per employee by gender (unit: hour)



Work with Employees

Development and promotion

In 2017, to continue to improve the professional development and promotion channels of our employees and provide guidance on their career development and ability enhancement, Wison Engineering has developed the career development paths for different position sequence, and clearly specified the ability and experience requirements of employees at different positions and levels. Position sequence assessment has been conducted on all employees to determine their position sequence and job grades, laying out clear future career development paths for our employees, which is beneficial to attracting and retaining talent.

Case: "New Journey, New Venture"—- Wison Entrepreneur Project

In 2017, we planned and implemented the Wison Entrepreneur Project. With an objective of "New journey, New venture", the project was intended to select and cultivate a group of excellent middle and basic-level backup management talent, thus building our backup talent team and promoting the spirit of entrepreneur. Outstanding young staff were promoted to mid-level management positions to add vitality into the Company and promote the establishment of a young and global-minded management team.

The Wison Entrepreneur Project was consisted of Plan A and Plan B:

- Plan A focused on seeking management talent and cultivating pioneering spirit and placed extra emphasis on selecting, developing and making breakthroughs on new business;
- Plan B focused on cultivating young backup talent by improving their project management efficiency and abilities to outsource projects.

The senior management of the Company was invited to serve as the mentors of the entrepreneur training camp. Department experts were included in training teams and participated in the whole process from initial selection to cultivation and appointment. As for the 2017 training camp, one third of the trainees was promoted to higher positions.

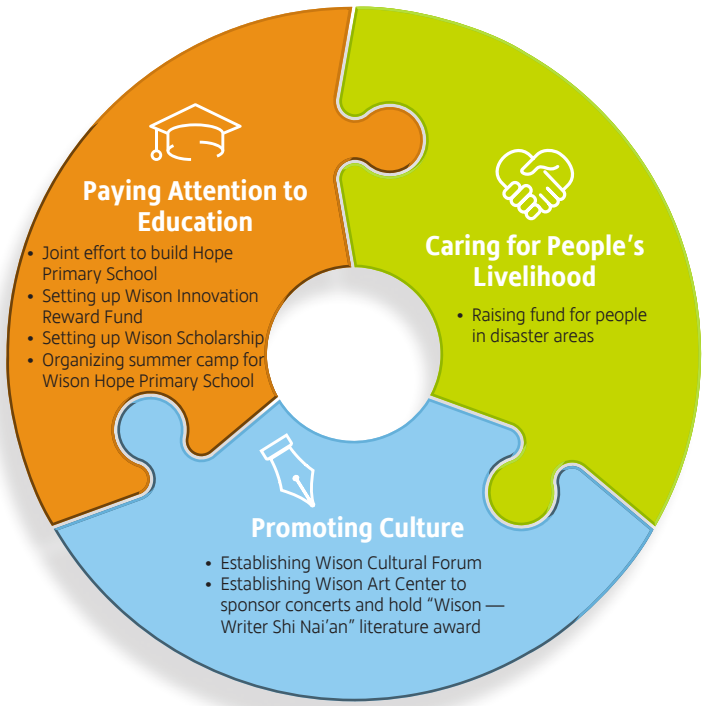
7. Community Contribution

OUR MANAGEMENT APPROACH

The Company focuses on not only self-growth, but also contribution to the society. Whilst growing its business, Wison Engineering uses its best endeavor to actively participate in education and people's livelihood, and puts the mission of "developing technology and benefiting people's livelihood" into practice. The action of caring for the society and education has been gradually integrated into the corporate humanistic spirit of Wison Engineering. A large number of Wison people has taken the initiative to join the effort of contributing to the society under the leadership of the Company.

GIVE BACK TO COMMUNITY

At home, we pay attention to education issues in remote and impoverished areas and offer hundreds of children opportunities to receive education. We actively assist people in disaster areas and organize fund-raising activities within the Company to help people in disaster areas overcome difficult times. Besides, we have established Wison Cultural Forum (惠生文化論壇) to facilitate cultural development.



Community Contribution

Case: Wison Art Center — A new way to explore the organic combination of science and technology and art

Science and technology emphasizes the exploration of the unknown world, while art emphasizes the abstract expression of the objective world, but both of them need the passion of creation. To provide a new way to explore the organic combination of science and technology and art in practice becomes the simplest idea behind the establishment of Wison Art Center. We hope to exhibit the artist's humanistic spirit and innovative thinking in artistic exploration, so as to call for the integration of science and technology and art, through which we expect that every member in Wison and each employee of technology companies will condense the innovative ideas and the desire for perfection that they have acquired into every project and product dedicated to society.

Since its establishment in 2005, the Wison Art Center, as a non-profit public welfare art organization of Wison Group, has successfully hosted various art exhibitions each year, attracting numerous artists and art groups at home and abroad as well as employees of companies based in Zhangjiang High-tech Park where the art center is located to come to visit, exchange or hold exhibitions. Various types of art exhibitions held throughout the year not only enable employees of high-tech companies to understand different forms of art and artistic development trends, improving their art appreciation abilities, but also give new connotations to the innovation and entrepreneurship culture of the high-tech park, bringing new vitality to the innovation and entrepreneurship atmosphere in the park.

Many of the artists taking part in the exhibitions at Wison Art Center also enthusiastically participated in Wison's public welfare activities. They participated in the charity auction by donating their participating works, and donated the proceeds to Wison Hope Primary School. In 2017, Wison Art Center held "Yingxiong Painting — The First Exhibition of Maritime Young and Middle-Aged Painting Works (瓔雄繪 — 海上中青年繪畫作品第一展)" and "Reproduction — The Temperella Art Works Exhibition (再現 — 坦培拉藝術作品展)":

Community Contribution

At abroad, we pay attention to the development of the communities where our projects are operated, take the initiatives to enter the communities which are located in the vicinity of our overseas projects, establish community networks, understand the needs of the local communities, and help the communities in need to improve their life quality by utilizing the resources and capabilities of Wison Engineering. Moreover, we encourage employees to participate in such activities and contribute their own strength.

Case: RPLC Team in Venezuela continues to carry out public welfare activities

In order to fulfill its social responsibilities, support the public welfare undertakings in Venezuela and strengthen cultural exchanges with the local communities, the RPLC Project Department in Venezuela of Wison Engineering continues to carry out kindness sharing activities, such as activities to assist the impoverished students and the poor.

➢ Beach Cleaning Day Activity

In September 2017, with the support of and in cooperation with Environment Department, Social Activities Department of the owner, PDVSA, as well as Guanta City Hall and other related institutions, RPLC project management team in Venezuela carried out a beach cleaning event at Valle Seco, which received positive feedback from local communities, with 284 participants. During the event, Wison Engineering organized volunteers to collect 65 bags (approximately 585 kg) of household garbage, such as mineral water bottles and plastic bags, and set 10 garbage bins and 7 environmental slogans along the coastline, through which we have a better understanding of the marine environment in Venezuela, and enhanced the environmental awareness of participants while restoring the beach.

➢ Tree Planting Activities

In order to optimize the environment of the area in which the project is operated and improve the life quality of the people in the local community, the RPLC project department in Venezuela implemented a tree planting plan at the site where it operates and organized construction contractors to carry out the tree planting activities. We adhered to scientific tree planting procedures and methods, and planted a total of 144 trees of various species. Moreover, we formulated plans for watering and fertilizing in order to ensure that the trees survive during the dry season. Wison Engineering has a concept that social responsibility is of great importance, and also put this concept into practical actions, thus winning praise from the project department of PDVSA.

Community Contribution

➢ Kindness Sharing Donation Warming the Stadium

On 23 December 2017, three representatives from the project department paid a special visit to the Barcelona Stadium in Venezuela, bringing the children of the Little Bees Baseball Team donated supplies, such as baseball uniform, caps and protective equipment they needed. At 11:00 a.m., the donation ceremony began with enthusiastic applause from the children. The head of the Little Bees Baseball Team highly praised Wison Engineering's generous donation and expressed his sincere gratitude. The entire donation activity was conducted in a warm and friendly atmosphere. After the donation ceremony, the children of the Little Bees Baseball Team went to training and exhibition matches in baseball uniform donated by Wison Engineering.

➢ Safety Month Painting Exhibition — Cultural Performance for Commending and Celebrating Children's Day

On 14 July 2017, the Venezuelan Children's Day, Wison Engineering and the Project Department of RPLC at Puerto La Cruz of Petroleum of Venezuela organized the "Safety Month Painting Exhibition — Cultural Performance for Commending and Celebrating Children's Day" event. This event aims to promote safety behaviors by paintings, deliver the HSE culture of Wison Engineering, and interpret the concept of "HSE is the first priority of every person's value" from different perspectives, enabling the client and subcontractors to understand in depth and consolidate our HSE culture, also establishing closer relationship between Wison Engineering and client and subcontractors.

50 representatives of Venezuelan employees and their children as well as representatives of Petroleum of Venezuela (PDVSA) and subcontractors participated in the event. The project department of Wison carefully decorated a safety month painting theme wall at the event venue to wish the children a happy children's day and encouraged them to become teenagers with ideals. Subsequently, we commended and awarded many winners of the Safety Month Excellence Awards, and encouraged all employees to keep upholding the responsibility for safe production.

8. Appendix Content Index

8.1 GRI CONTENT INDEX

Indicator	Description	Reference	Page	Note
GRI 102 General Disclosures 2016				
102-1	Name of organization	About this report	2	
102-2	Activities, brands, products, and services	1.1 Company Profile	6	
102-3	Location of headquarters	1.1 Company Profile	6	
102-4	Location of operations	1.1 Company Profile	6	
102-5	Ownership and legal form	1.1 Company Profile	6	
102-6	Markets served	1.1 Company Profile	6	
102-7	Scale of the organization	1.2 Financial Performance Summary 6. Work with Employees	7 45	
102-8	Information on employees and other workers	6. Work with Employees	45	
102-9	Supply chain	4.2 Supply Chain Management	32	
102-10	Significant changes to the organization and its supply chain	Not applicable	N/A	There was no significant change to the organization and its supply chain
102-11	Precautionary principle or approach	3. Innovative Technology and Green Management	19	
102-12	External initiatives	1.1 Company Profile	6	

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Indicator	Description	Reference	Page	Note
102-13	Membership of associations	Vice president of China National Association of Engineering Consultants, executive director of China Exploration and Design Association, director of China Petroleum and Chemical Industry Association, vice chairman of Suppliers Committee of China Petroleum and Chemical Industry Federation, executive director of China Petroleum and Chemical Exploration and Design Association, director of China Overseas Development Association, director of Shanghai Producer Services Promotion Association, vice president of Shanghai Chemical Industry Association, director of Shanghai Exploration &Design Trade Association, director of Shanghai Engineering Consulting Trade Association, member of Construction Industry Institute of America, member of China Association of Construction Enterprise Management, director of China Association of Work Safety, executive director of China Chemical Safety Association etc.	N/A	
102-14	Statement from senior decision-maker	Management Statement	3	
102-16	Values, principles, standards, and norms of behavior	1.3 Corporate Governance	7	
102-18	Governance structure	2.2 ESG Management	11	
102-40	List of stakeholder groups	2.2 ESG Management	11	

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Indicator	Description	Reference	Page	Note
102-41	Collective bargaining agreements	Not applicable	N/A	No formal collective bargaining agreement exists currently. Complaints and requests could be made by employees through existing channels and followed up by the Company according to established procedures
102-42	Identifying and selecting stakeholders	2.2 ESG Management	11	
102-43	Approach to stakeholder engagement	2.2 ESG Management	11	
102-44	Key topics and concerns raised	2.2 ESG Management	11	
102-45	Entities included in the consolidated financial statements	1.2 Financial Performance Summary	7	
102-46	Defining report content and topic boundaries	About this report	2	
102-47	List of material topics	2.2 ESG Management	11	
102-48	Restatements of information	1.2 Financial Performance Summary	7	
102-49	Changes in reporting	2.2 ESG Management	11	
102-50	Reporting period	About This Report	2	
102-51	Date of most recent report	About This Report	2	
102-52	Reporting cycle	About This Report	2	

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Indicator	Description	Reference	Page	Note
102-53	Contact point for questions regarding the report	About This Report	2	
102-54	Claims of reporting in accordance with the GRI Standards	About This Report	2	
102-55	GRI content index	8.1 GRI Content Index	60	
102-56	External assurance	This report did not obtain external assurance	N/A	This report did not obtain external assurance
GRI 200 Economic 2016				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	1.2 Financial Performance Summary	7	
103-2	The management approach and its components	1.2 Financial Performance Summary	7	
103-3	Evaluation of the management approach	1.2 Financial Performance Summary	7	
GRI 201 Economic 2016				
201-1	Economic value directly generated and distributed	1.2 Financial Performance Summary	7	
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	1.3 Corporate Governance	7	
103-2	The management approach and its components	1.3 Corporate Governance	7	
103-3	Evaluation of the management approach	1.3 Corporate Governance	7	
GRI 205 Anti-corruption 2016				
205-2	Communication and training on anti-corruption policies and procedures	1.3 Corporate Governance	7	
205-3	Confirmed incidents of corruption and actions taken	1.3 Corporate Governance	7	There was no incidents of corruption during the reporting period

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Indicator	Description	Reference	Page	Note
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	1.3 Corporate Governance	7	
103-2	The management approach and its components	1.3 Corporate Governance	7	
103-3	Evaluation of the management approach	1.3 Corporate Governance	7	
GRI 206 Anti-Competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	During the year, we have no legal actions for anti-competitive behavior, anti-trust, and monopoly practices	9	
GRI 300				
Use of Material				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	4. Project Management	30	
103-2	The management approach and its components	4. Project Management	30	
103-3	Evaluation of the management approach	4. Project Management	30	
GRI 301 Materials 2016				
301-1	Materials used by weight or volume	4.2 Supply Chain Management	32	
301-3	Reclaimed products and their packaging materials	3.3 Reducing Emissions	27	
Energy Management				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	3.2 Saving Energy and Reducing Consumption	25	
103-2	The management approach and its components	3.2 Saving Energy and Reducing Consumption	25	
103-3	Evaluation of the management approach	3.2 Saving Energy and Reducing Consumption	25	

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Indicator	Description	Reference	Page	Note
GRI 301 Energy 2016				
302-1	Energy consumption within the organization	3.2 Saving Energy and Reducing Consumption	25	
302-4	Reduction of energy consumption	3.2 Saving Energy and Reducing Consumption	26	
302-5	Reductions in energy requirements of products and services	3.1 Technology Innovation 3.2 Saving Energy and Reducing Consumption	20, 21, 26	
Water Resource Management				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	3. Innovative Technology and Green Management	19	
103-2	The management approach and its components	3. Innovative Technology and Green Management	19	
103-3	Evaluation of the management approach	3. Innovative Technology and Green Management	19	
GRI 303 Water Resource 2016				
303-1	Water withdrawal by source	3.4 Water Resource Management	29	
303-3	Water recycled and reused	3.4 Water Resource Management	29	
Greenhouse Gas Emission				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	3. Innovative Technology and Green Management	19	
103-2	The management approach and its components	3. Innovative Technology and Green Management	19	
103-3	Evaluation of the management approach	3. Innovative Technology and Green Management	19	
GRI 305 Emissions 2016				
305-1	Direct (Scope) GHG emissions	3.2 Saving Energy and Reducing Consumption	25	
305-2	Energy indirect (Scope) GHG emissions	3.2 Saving Energy and Reducing Consumption	25	

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Indicator	Description	Reference	Page	Note
305-4	GHG emissions intensity	3.2 Saving Energy and Reducing Consumption	25	
305-5	Reduction of GHG emissions	3.2 Saving Energy and Reducing Consumption	25	
Effluents and Waste				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	3.3 Reducing Emissions	27	
103-2	The management approach and its components	3.3 Reducing Emissions	27	
103-3	Evaluation of the management approach	3.3 Reducing Emissions	27	
GRI 306 Effluents and Waste 2016				
306-2	Waste by type and disposal method	3.3 Reducing Emissions	27	
Environmental Compliance				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	3. Innovative Technology and Green Management	19	
103-2	The management approach and its components	3. Innovative Technology and Green Management	19	
103-3	Evaluation of the management approach	3. Innovative Technology and Green Management	19	
GRI 307 Environmental Compliance 2016				
307-1	Non-compliance with environmental laws and regulations	During the year, we did not breach any environmental laws and regulations.	N/A	

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Indicator	Description	Reference	Page	Note
Procurement Model				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	4.2 Supply Chain Management	32	
103-2	The management approach and its components	4.2 Supply Chain Management	32	
103-3	Evaluation of the management approach	4.2 Supply Chain Management	32	
GRI 308 Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	4.2 Supply Chain Management	32	
GRI 400 Social				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	6. Work with Employees	45	
103-2	The management approach and its components	6. Work with Employees	45	
103-3	Evaluation of the management approach	6. Work with Employees	45	
GRI 401 Employment 2016				
401-1	New employee hires and employee turnover	6. Work with Employees	45	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.1 Caring For Employees	50	
Safe Operation				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	5. Safety and Health	39	
103-2	The management approach and its components	5. Safety and Health	39	
103-3	Evaluation of the management approach	5. Safety and Health	39	

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Indicator	Description	Reference	Page	Note
GRI 403 Occupational Health and Safety 2016				
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism	5. Safety and Health	39	
403-3	Workers with high incidence or high risk of diseases related to their occupation	5.1 Safety Operation	40	
Staff Training				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	6.2 Employee Development	53	
103-2	The management approach and its components	6.2 Employee Development	53	
103-3	Evaluation of the management approach	6.2 Employee Development	53	
GRI 404 Training and Education 2016				
404-1	Average hours of training per year per employee	6.2 Employee Development	54	
404-2	Programs for upgrading employee skills and transition assistance programs	6.2 Employee Development	55	
Employment				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	6. Work with Employees	48	
103-2	The management approach and its components	6. Work with Employees	48	
103-3	Evaluation of the management approach	6. Work with Employees	48	

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Indicator	Description	Reference	Page	Note
GRI 405 Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	6. Work with Employees	45	
Child Labor and Forced Labor				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	6. Work with Employees	48	
103-2	The management approach and its components	6. Work with Employees	48	
103-3	Evaluation of the management approach	6. Work with Employees	48	
GRI 408 Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	4.2 Supply Chain Management 6. Work with Employees	32 48	There was no significant risk for incidents of child labor in operations and suppliers during report period
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	6. Work with Employees	48	
103-2	The management approach and its components	6. Work with Employees	48	
103-3	Evaluation of the management approach	6. Work with Employees	48	
GRI 409 Forced or Compulsory Labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.2 Supply Chain Management 6. Work with Employees	32 48	There was no significant risk for incidents of forced or compulsory labor in operations and suppliers during reporting period

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Indicator	Description	Reference	Page	Note
Product Responsibility				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	4. Project Management	30	
103-2	The management approach and its components	4. Project Management	30	
103-3	Evaluation of the management approach	4. Project Management	30	
GRI 416 Client Health and Safety 2016				
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.1 Quality Management	31	There was no incident of non-compliance concerning the health and safety impacts of products and services during reporting period
Client Privacy				
GRI 103 Management Approach 2016				
103-1	Explanation of the material topics and its boundaries	4.4 Protection of Clients' Privacy	37	
103-2	The management approach and its components	4.4 Protection of Clients' Privacy	37	
103-3	Evaluation of the management approach	4.4 Protection of Clients' Privacy	37	
GRI 418 Client Privacy 2016				
418-1	Substantiated complaints concerning breaches of client privacy and losses of client data	4.4 Protection of Clients' Privacy	37	

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8.2 HKEx ESG CONTENT INDEX

Indicator	Description	Reference	Note
A. Environmental			
Aspect A1: Emissions			
General Disclosure		3. Innovative Technology and Green Management	
KPI A1.1	The types of emissions and respective emissions data	3.3 Reducing Emissions	
KPI A1.2	Greenhouse gas emissions in total and intensity	3.2 Saving Energy and Reducing Consumption	
KPI A1.3	Total hazardous waste produced and intensity	3.3 Reducing Emissions	
KPI A1.4	Total non-hazardous waste produced and intensity	3.3 Reducing Emissions	
KPI A1.5	Description of measures to mitigate emissions and results achieved	3.3 Reducing Emissions	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	3.3 Reducing Emissions	
Aspect A2: Use of Resources			
General Disclosure		3. Innovative Technology and Green Management	
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity	3.2 Saving Energy and Reducing Consumption	
KPI A2.2	Water consumption in total and intensity	3.4 Water Resource Management	
KPI A2.3	Description of energy use efficiency initiatives and results achieved	3.2 Saving Energy and Reducing Consumption	
KPI A2.4	Water efficiency initiatives and results achieved	3.4 Water Resource Management	

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Indicator	Description	Reference	Note
KPI A2.5	Total packaging material used for finished products and with reference to per unit produced	Not Applicable	The business of Wison Engineering does not involve the use of any packaging materials
Aspect A3: The Environment and Natural Resources			
General Disclosure		3 Innovative Technology and Green Management	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Not Applicable	
B. Social			
Aspect B1: Employment			
General Disclosure		6. Work with Employees	
KPI B1.1	Total number of employees by gender, employment type, age group and geographical region	6. Work with Employees	
KPI B1.2	Employee turnover rate by gender, age group and geographical region	6. Work with Employees	
Aspect B2: Health and Safety			
General Disclosure		5. Safety and Health 5.1 Safety Operation	
KPI B2.1	Number and rate of work-related fatalities	5.1 Safety Operation	
KPI B2.2	Lost days due to work injury	5.1 Safety Operation	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	5.1 Safety Operation 5.2 Safety Training	

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Indicator	Description	Reference	Note
Aspect B3: Development and Training			
General Disclosure		6.2 Employee Development	
KPI B3.1	The percentage of employees trained by gender and employee category	6.2 Employee Development	
KPI B3.2	The average training hours completed per employee by gender and employee category	6.2 Employee Development	
Aspect B4: Labor Standards			
General Disclosure		6. Work with Employees	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor	6. Work with Employees	
KPI B4.2	Description of steps taken to eliminate such practices when discovered	6. Work with Employees	
Aspect B5: Supply Chain Management			
General Disclosure		4.2 Supply Chain Management	
KPI B5.1	Number of suppliers by geographical region	4.2 Supply Chain Management	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	4.2 Supply Chain Management	
Aspect B6: Product Responsibility			
General Disclosure		4.1 Quality Management	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	4.1 Quality Management	During the year, no products provided by Wison Engineering were recalled
KPI B6.2	Number of products and service related complaints received and how they are dealt with	4.3 Client Comes First	

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Indicator	Description	Reference	Note
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	4.5 Protection of Intellectual Property Rights	
KPI B6.4	Description of quality assurance process and recall procedures	4.1 Quality Management	
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	4.4 Protection of Clients' Privacy	
Aspect B7: Anti-corruption			
General Disclosure		1.3 Corporate Governance	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	1.3 Corporate Governance	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	1.3 Corporate Governance	
Aspect B8: Community Investment			
General Disclosure		7. Community Contribution	
KPI B8.1	Focus areas of contribution	7. Community Contribution	
KPI B8.2	Resources contributed to the focus area	7. Community Contribution	

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