

Wison Engineering Services Co. Ltd.

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



**Wison Engineering
Builds a Better World**

**Environmental, Social and
Governance Report**

2021



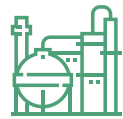
Wiscon Engineering Services Co. Ltd.

Environmental, Social and Governance Report 2021

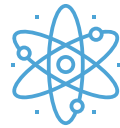


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ABOUT THIS REPORT

REPORT OVERVIEW

This report is the sixth Environmental, Social and Governance Report of Wison Engineering Services Co. Ltd. (the “Company”). This report is issued on an annual basis and focuses on the disclosure of the Company’s performance in economic, environmental protection, quality control, employees’ rights and interests, public charity and other aspects.

SCOPE OF REPORT

The policies and information contained in this report cover the Company and its wholly-owned and controlled subsidiaries (“Wison Engineering”, the “Group” or “We”). Some of the contents involve Wison Group Holding Limited (the “Wison Group”). The scope of information disclosure is from 1 January 2021 to 31 December 2021 (the “Reporting Period”), with some additional related information incorporated that may have occurred outside the Reporting Period. Unless otherwise specified, the currency used in this report is Renminbi (“RMB”).

BASIS OF PREPARATION





This report is prepared based on the Environmental, Social and Governance Reporting Guide (“Guide”) in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange” or “HKEX”) (the “Listing Rules”) with reference to the “Core” aspects of the GRI Standards (the “GRI Standards”) issued by the Global Sustainability Standards Board (the “GSSB”).

This report mainly discloses Wison Engineering’s performance in environmental, social and governance (“ESG”) aspects for stakeholders’ reference. The contents of this report are determined according to a set of established procedures including identifying and ranking important stakeholders and ESG issues, determining the boundaries of the report, collecting information in relation to the report, preparing the report based on the information and reviewing the information in the report.

The content covered in this report complies with the “comply or explain” provisions of the Guide and the requirements of four Reporting Principles (i.e. materiality, quantitative, balance and consistency).



ABOUT THIS REPORT

 <p>Materiality</p>	<p>This report has identified and disclosed the process of significant ESG factors and the principles on which such factors are chosen, as well as the description of key stakeholders and the process and results of stakeholder engagement.</p>
 <p>Quantitative</p>	<p>The statistical criteria, methods, assumptions, and/or calculation tools used to report emissions/energy consumption (if applicable) in this report, as well as the sources of conversion factors, are all explained in the report.</p>
 <p>Balance</p>	<p>The report provides an unbiased picture of the Company's performance during the Reporting Period and avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.</p>
 <p>Consistency</p>	<p>Consistent statistical methodologies are used for the information disclosed in this report. Any changes will be clearly stated in the report.</p>

SOURCE OF AND RELIABILITY GUARANTEE FOR INFORMATION

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 (the "Board of Directors" or the "Board") 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.

ACCESS AND RESPONSE TO THIS REPORT

This report is available in both traditional Chinese and English versions for readers' reference. In case of any discrepancy, the traditional Chinese version prevails.

The electronic version of the report is available in the section headed "Financial Statements/Environmental, Social and Governance Information" on the website of the Stock Exchange (www.hkexnews.hk) or in the section headed "Investor Relations" and on the official website of Wison Engineering (www.wison-engineering.com).

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.

Tel: 852-21164313

Fax: 852-21169273

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

MANAGEMENT/CHAIRMAN'S MESSAGE

In 2021, Wison Engineering upheld the strategies of “driven by innovations, focused on principal operations and establishing a global presence”. In face of new challenges and new opportunities, the Company forged ahead and continued to optimise its organisational structure, implement refined management, strengthen risk control, and enhance its digital and modular capabilities. As an enterprise in the energy and chemical fields, we continued to consolidate core business markets and kept improving our operation and management efficiency. We strived to create value for shareholders, customers, employees and society, grow with employees, and reward shareholders for their long-term support.

Looking back at 2021, governments stepped up efforts to promote vaccination and lifted entry and exit restrictions. This combined with fiscal stimulus measures led to the gradual recovery of the global economy. With the control of the epidemic and the gradual release of energy demand from various countries, the repeated growth in international oil prices has led to a rise in prices throughout the refining and chemical value chain, which has improved the profitability of relevant enterprises. As one of the major global energy and chemical markets, China reported a stable recovery in domestic energy supply and demand and steady growth of production in the energy and chemical industries.

Wison Engineering recognises the importance of environmental protection to the long-term development of a company. In response to the Chinese government's environmental policies such as “carbon peak, carbon neutrality” and “plastic bag ban”, we strengthen technical research and development and cooperation in new material, new energy, and other fields with an aim to minimise the impact of production and operations on surroundings. At the same time, we promote advanced technology and factory transformation and upgrades, and encourage the accelerated application of new energy such as hydrogen energy, wind power, photovoltaic, and technological research and development of new materials such as degradable plastics, thereby achieving the Group's green development.

Under the normalization of the COVID-19 epidemic, the Company keeps enhancing quality, health, safety, and environment (“QHSE”) management and focuses on both epidemic prevention and production. Various epidemic prevention measures have been developed and implemented. Meanwhile, we continue to strengthen the concept of QHSE for all employees, upgrade the project QHSE management module, build a management system with partners, and improve the emergency management and handling capacity for various emergencies.

Talent is an indispensable part of a company's sustainable development. Guided by the core idea of “vitality, efficiency, perfection, compliance, and mutual benefits”, Wison Engineering keeps improving its management system and rules and regulations. We have put in place a dynamic talent management system. We enhance employees' sense of belonging and cohesion and stimulate their motivation through activities to comprehensively improve the overall efficiency of the Company.

Yan Shaochun

Executive Director and Chief Executive Officer

AWARDS AND HONOURS

As an enterprise in the energy engineering field, Wison Engineering exercises stringent control over pollution emissions and energy and material consumption for our engineering projects. We won several awards and honours during the Reporting Period, fully demonstrating our efforts to minimise the impact of production and operations on the surrounding environment and protect the ecological environment to achieve long-term corporate development. This year, the major awards and honours we have obtained include:

Award and Honour	Awarding Institution
<p>2021 China Petroleum and Chemical Industry Technology Innovation Demonstration Enterprise</p> 	<p>China Petroleum and Chemical Industry Federation</p>
<p>Top 100 Suppliers in Petrochemical Industry in 2021</p> 	<p>China Petroleum and Chemical Industry Federation</p>
<p>Trusted Service Provider in China's Petroleum and Chemical Industry</p> 	<p>Supply Chain Working Committee of China Petroleum and Chemical Industry Federation</p>

AWARDS AND HONOURS

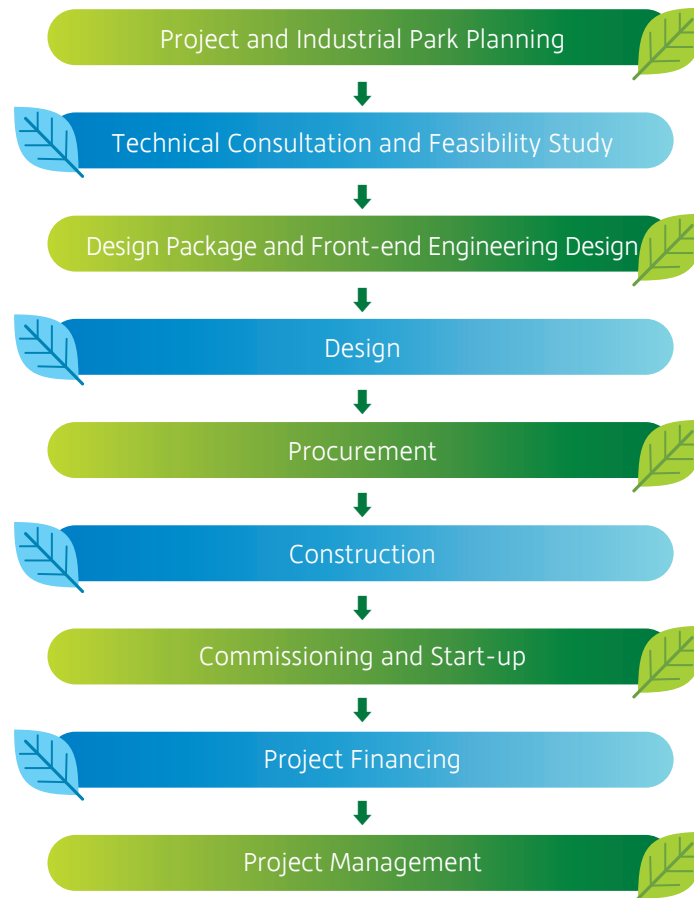
Award and Honour	Awarding Institution
<p>First Level Certificate of Excellent Engineering Consultancy in Shanghai City – Feasibility Study Report on the Comprehensive Utilisation of C3 and C4 for Shandong Binhua New Material Co., Ltd.</p> 	<p>Shanghai Engineering Consulting Trade Association</p>
<p>First Prize of 2021 Excellent Survey and Design Award in Henan Province – PTA project (phase I) for Zhejiang Dushan Energy Co., Ltd. under Xin Feng Ming Group</p>	<p>Survey and Design Association of Henan Province</p>
<p>First Prize of 2021 Excellent Survey and Design Award in Henan Province – Annual treatment of 36,500 tonnes of Zhengzhou Gewo Environmental Protection Development Co., Ltd.</p>	<p>Survey and Design Association of Henan Province</p>
<p>First Prize of 2021 Excellent Engineering Consultancy Award in Henan Province – “Annual Treatment of 36,500 Tonne Sludge of Zhengzhou Gewo Environmental Protection Development Co., Ltd.”</p>	<p>Association of Engineering Consultation of Henan Province</p>
<p>Second Level Certificate of Excellent Engineering Consultancy in Shanghai City – “Feasibility Study Report on the Annual Production of 100,000 New Materials by Shandong Binhua New Material Co., Ltd.”</p>	<p>Shanghai Engineering Consulting Trade Association</p>
<p>Third Prize of 2021 Excellent Survey and Design Award in Henan Province – Xinjiang Xinlianxin Energy Chemical Co., Ltd.’s 60,000 tonne/year melamine production project (Phase II)</p>	<p>Survey and Design Association of Henan Province</p>
<p>Third Prize of 2021 Excellent Engineering Consultancy Award in Henan Province – “Feasibility Study Report on the Project of Comprehensive Storage, Transportation, and Peak Shaving for Natural Gas Prepared by the Industrial Exhaust Gas with Integrated Energy”</p>	<p>Association of Engineering Consultation of Henan Province</p>
<p>High-quality Project in Chemical Industry – 1.4 million tonne/year ethylene plant of Zhejiang Petroleum & Chemical Co., Ltd.’s 40 million tonne annual refinery-petrochemical integration project 2#</p>	<p>China National Association of Chemical Construction Industry Enterprises</p>
<p>High-quality Project in Chemical Industry – High-performance polyamide and polyimide filming project of Wison (Taizhou) New Material Technology Co., Ltd.</p>	<p>China National Association of Chemical Construction Industry Enterprises</p>
<p>High-quality Project in Chemical Industry – Zhejiang Dushan Energy Co., Ltd.’s 2.2 million tonnes/year PTA project (Phase II)</p>	<p>China National Association of Chemical Construction Industry Enterprises</p>

1. ABOUT WISON ENGINEERING

1.1 A CLOSER LOOK AT WISON ENGINEERING

Company Profile

Wison Engineering Services Co. Ltd. (stock code: 2236) is headquartered in Shanghai and Hong Kong and has been listed in Hong Kong since 2012. As a leading provider of energy and chemical engineering EPC (engineering, procurement and construction management) services and integrated technology solutions in China, it specialised in the provision of technical and engineering construction services in the five fields of oil refining, petrochemicals, coal-to-chemicals, new materials and new energy. While proactively striving for technical innovation, Wison Engineering remains committed to enriching its product and service offerings, in a bid to forge itself into a full-chain enterprise covering the full project lifecycle.



1. ABOUT WISON ENGINEERING

Key industry qualifications obtained:

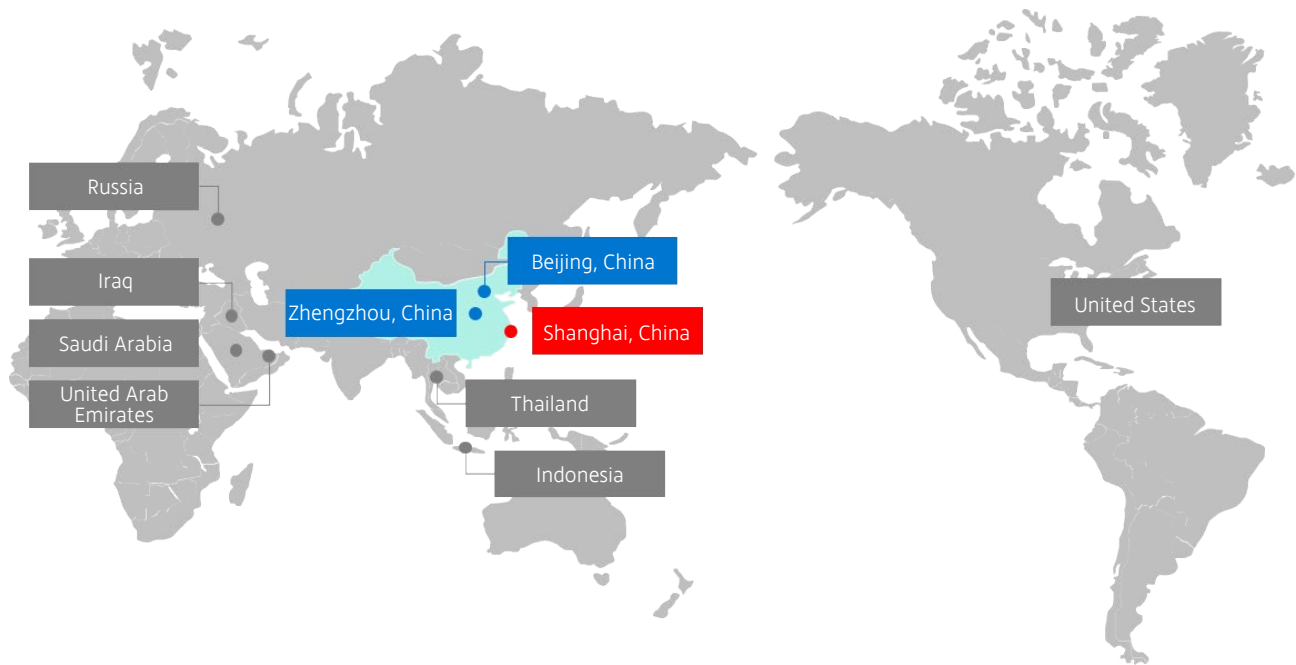
- Grade A Engineering Design Qualification in Chemical, Petrochemical and Pharmaceutical Industries
- Grade A Engineering Consulting Qualification in Petrochemical, Chemical and Pharmaceutical Industries
- Grade I Petrochemical EPC Qualification
- Special Equipment Production License (Pressure Vessel Design)
- Special Equipment Production License (Pressure Pipeline Design)
- GB/T 19001/ISO 9001 Quality Management System
- GB/T 24001/ISO 14001 Environmental Management System
- GB/T 45001/ISO 45001 Occupational Health and Safety Management System

Development History

Wison Engineering started from manufacturing core components of cracking furnaces in 1988 and was officially established in Shanghai in 1997. During the period, it accelerated the development of process equipment and broadened production and services. It has built its core competitiveness in ethylene cracking furnace technology and project management. It achieved a breakthrough in 2007 with the successful delivery of the first complete set of EPC equipment, thereby making inroads into coal-to-chemicals and oil refining EPC fields. In 2008, it officially went global by setting up an overseas branch and established its leading position in the coal-to-chemicals market. To date, Wison Engineering has developed its leading advantages in technology integration, digitalisation, and modularisation and established its stable presence in both the Chinese and international markets, thereby growing into a diversified and internationalised comprehensive engineering company.

As of 31 December 2021, we had established 29 branches or subsidiaries with a global presence in regions such as the Southeast Asia, Middle East, North America and Europe. We are committed to providing professional services and high-quality products for industry customers from different regions.

1. ABOUT WISON ENGINEERING



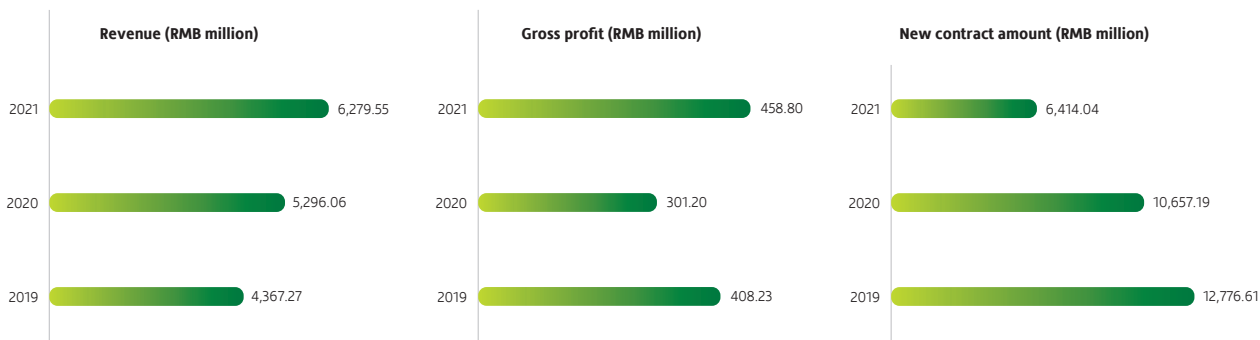
Corporate Mission

Over two decades, Wison Engineering has been upholding its mission and vision. Guided by the mission of “creating social value and promoting the harmonious development of human life and the natural environment” and the corporate principle of “Better Technology, Better Life”, Wison Engineering dedicates itself to the vision of creating a “world-class energy and chemical engineering company”, adheres to the core values of customer priority and integrity, and sticks to the strategy of “driven by innovations, focused on principal operations and establishing a global presence”, in a bid to strive for win-win results with our stakeholders. We remain committed to providing our customers with satisfactory solutions covering the full project lifecycle in the field of energy and chemical services, with a view to promoting the development of the engineering service industry, creating customer value, rewarding employees and shareholders, and contributing to society.

1. ABOUT WISON ENGINEERING

Economic Performance

In 2021, upholding the strategy of “driven by innovations, focused on principal operations and establishing a global presence”, Wison Engineering gave full play to the rapid and flexible mechanism of private enterprises, proactively faced new challenges and opportunities, and kept improving operation and management efficiency. It increased research and development and cooperation in the field of new energy and new materials, so as to seize the opportunity to open up new markets. We moved forward with a pragmatic and pioneering attitude, calmly responded to market changes and the impact of the epidemic, and maintained a steady momentum of development. As of 31 December 2021, Wison Engineering secured revenue of RMB6,279.5 million, representing an increase of 18.6% over 2020. Our gross profit amounted to approximately RMB458.8 million, representing an increased of 52.3% from 2020. In 2021, the Group secured new contracts with a total amount of approximately RMB6,414.0 million, representing a year-on-year decrease of 39.8%.



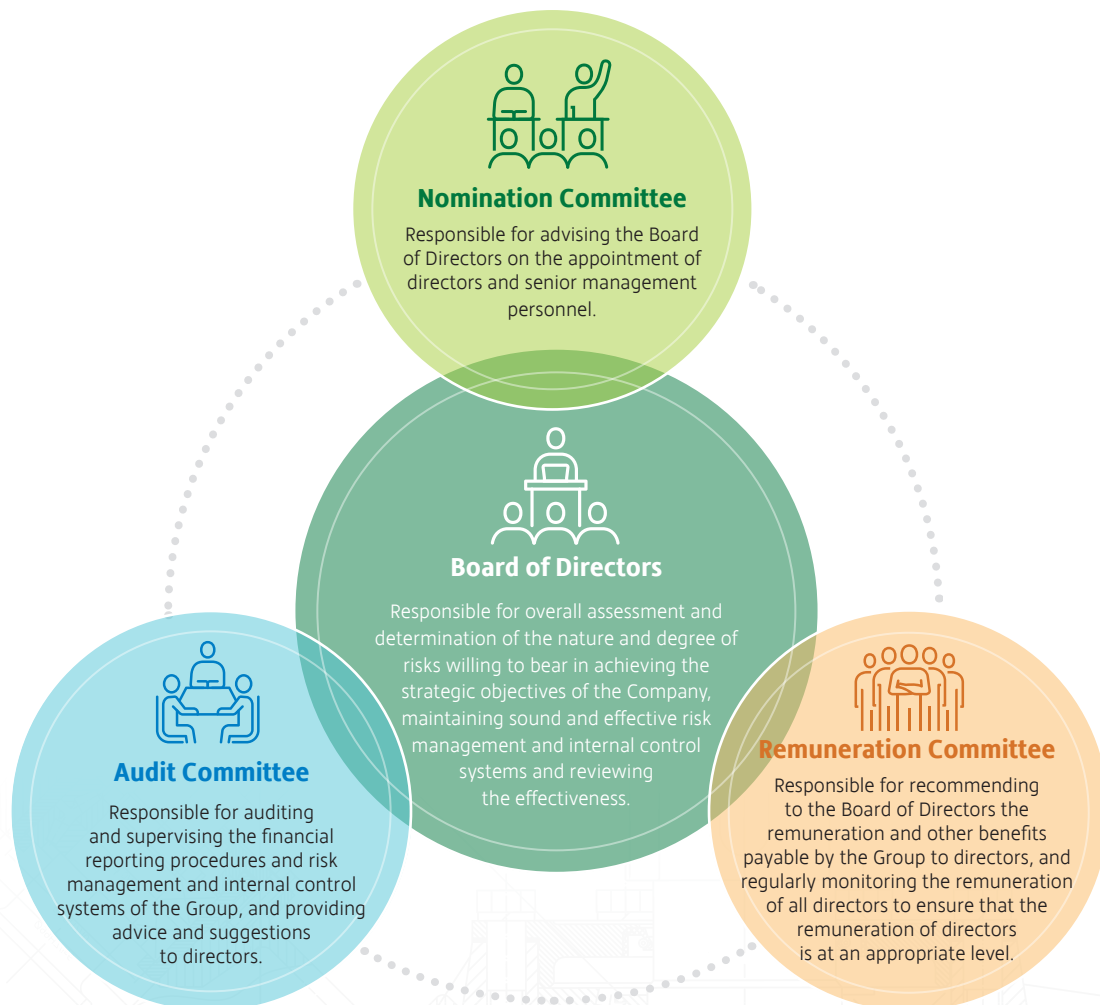
During the Reporting Period, Wison Engineering continued to consolidate its core business market, maintaining a leading position in traditional hit products such as ethylene, cracking furnace, propane dehydrogenation (PDH), coal gasification, methanol to olefin (MTO), synthetic stop and melamine. In 2021, by actively exploring emerging fields, strengthening the research and development of new energy and new material technologies, and accelerating the development of new markets, Wison Engineering made continuous breakthroughs in the oxidative dehydrogenation of ethane (ODHE) to ethylene, degradable plastics (PGA), and methyl methacrylate (MMA), methylcyclohexane (MCH), hydrogen energy, green coal chemical industry, butadiene process technology and catalysts.

1. ABOUT WISON ENGINEERING

1.2 CORPORATE GOVERNANCE

The Group has been attaching importance to corporate governance. With strict adherence to the requirements of the Company Law of the People’s Republic of China and the Corporate Governance Code set out in Appendix 14 to the Listing Rules, the Group keeps promoting innovation in management, continuously improves the governance structure of the Group, and improves governance levels. All these will help realise the Group’s growth and improve the rights and interests of shareholders.

After years of practice, Wison Engineering has established a perfect governance structure and corresponding organisational systems. The Board of Directors is responsible for assessing risks and conducting overall maintenance of the risk management and internal control system. To ensure good corporate governance, the Board of Directors has established three dedicated working bodies, namely the Audit Committee, Remuneration Committee and Nomination Committee, as well as their terms of reference, in accordance with relevant provisions.



1. ABOUT WISON ENGINEERING

Risk Management and Control

The Group attaches great importance to risk control and internal control and is deeply convinced that this is an important support for corporate sustainability. In view of this, Wison Engineering has established and maintained a risk management system and an internal control system in accordance with the Enterprise Risk Management-Integrated Framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission of the U.S, and has developed regulations such as the Risk Management Manual, the Measures for Risk Management in the Early Stages of Engineering Projects, and the Risk Management Procedures for Execution of Engineering Projects.

Wison Engineering has set up a clear organisational structure and regularly reviews the sufficiency and effectiveness of the Group’s risk management system and internal control system. If any defects or deficiencies are found, Wison Engineering will report the examination and evaluation results to the Board of Directors and the Audit Committee and continue to follow up and improve deficiencies. We carry out regular and irregular risk assessment at all levels each year through management, business departments and various engineering projects to meet the Group’s overall objectives. We identify key risks that meet objectives, assess residual risks based on countermeasures to key risks, and establish a risk management database. All these will help with effective risk control and safeguard the legitimate rights and interests of investors.



RISK MANAGEMENT CHECKLIST

1. ABOUT WISON ENGINEERING

Integrity and Compliance

Guided by the idea of being “integrity-oriented and customer-oriented”, the Group lays great emphasis on integrity and compliance. Over the years, it has been strictly complying with applicable laws and regulations regarding bribery, extortion, fraud, and money laundering with a “zero tolerance” attitude towards unethical behaviours. Wison Engineering has formulated rules and regulations such as the Anti-Corruption, Anti-Bribery and Anti-Money Laundering Management System, Souvenirs Management Regulations, and Staff Behaviour, Reward and Punishment Management Regulations in accordance with the Prevention of Bribery Ordinance of the Hong Kong Special Administrative Region, Company Law of the People’s Republic of China, Anti-Unfair Competition Law of the People’s Republic of China, Interim Provisions on Prohibition of Commercial Bribery and other national laws and regulations in the place where the Company operates and under the jurisdiction of the contract law. It proactively performs daily supervision and strengthens the implementation of responsibilities.

Meanwhile, Wison Engineering redoubles its efforts to promote the building of the Party’s style of work and integrity and anti-corruption in accordance with manuals and regulations such as the Code of Business Conduct, Interim Measures for Investigation and Handling of Violation Cases, Interim Measures for Punishment of Violation of Compliance Regulations and Interim Provisions on Management of Business Hospitality and Gifts. With the same attitude towards third-party business partners, we regulate potential ethical risks in cooperation and require their signing of the Commitment Letter for Integrity before conducting business cooperation to build a clean, upright business climate.



Acts prohibited by the Code of Business Conduct

1. ABOUT WISON ENGINEERING

Compliance and Anti-corruption Training

In order to effectively convey the idea of integrity and standardise directors' and employees' behaviours, we conduct training regularly on compliance and anti-corruption. During the Reporting Period, directors and employees participated in external and in-house anti-corruption training, respectively. The training content covers anti-corruption laws in places where we operate, corporate compliance and anti-corruption measures to provide all-round anti-corruption training to employees from the perspectives of development background of compliance and anti-corruption, major legal systems, institutional documents, the current status of compliance and anti-corruption, and specific behavioural guidelines.

Whistleblowing Channel

While carrying out anti-corruption and integrity training and strengthening anti-corruption awareness among employees, the Group has also established various whistleblowing channels, including online web pages, e-mails, telephone calls and mailboxes. During the process, the Company keeps whistle-blowers' personal information strictly confidential and encourages employees to regulate their own behaviours and report cases of violations. During the Reporting Period, Wison Engineering did not record any case of corruption-related litigation.

Whistleblowing website and email:

Whistleblowing website: <http://www.wison-engineering.com/site/honesty>

Whistleblowing email: ethics@wison.com

1.3 SUSTAINABILITY STRATEGY

Board's Statement

The Group states that sustainability is an important element of our steady development. As the Group's highest management body, the Board of Directors is responsible for the overall supervision of the Group's sustainable development and assumes full responsibility for the Group's ESG strategies and reporting. The Board of Directors undertakes that the Company strictly complies with the disclosure requirements of the Environmental, Social and Governance Reporting Guidelines under the Listing Rules.

The Group has set directional targets related to the environment and is moving towards a vision of emission reduction as required by local governments. Relevant emission reduction targets and corresponding strategies have been established and sustainability considerations have been incorporated into the Group's strategic planning, business model and other decision-making processes. Effective implementation of environmental, social and governance policies relies on the cooperation of different departments. To this end, the Group has established a cross-departmental Social Responsibility Executive Committee, which is mandated by the Board to determine the Group's ESG materiality and key ESG risks and to report regularly to the Board on ESG management.

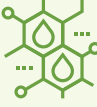




1. ABOUT WISON ENGINEERING

The Group endeavours to ensure that appropriate and effective risk management and internal control systems are in place to oversee the identification and assessment of ESG and climate-related risks and opportunities, as well as to address the challenges and impacts of changing times. Looking ahead, the Board will continue to review and monitor the Group’s ESG performance and continue to provide its stakeholders with important, reliable, consistent and comparable ESG information to contribute to a better environment.

Social Responsibility Management Concept

Wison Engineering upholds the philosophy of a “people-oriented and joint-development approach” and incorporates environmental awareness in all aspects to realise the Group’s green development. To implement the Group’s development philosophy, we will include a health, safety and environment management system in the decision-making process and implement the social responsibility concept of “green technology, community communication, health and safety, environmental cooperation, and quality assurance”. By doing this, we are committed to building ourselves into a world-leading energy and chemical engineering enterprise.

SOCIAL RESPONSIBILITY MANAGEMENT CONCEPT OF WISON ENGINEERING

SOCIAL RESPONSIBILITY CONCEPT				
				
Green Technology	Community Communication	Safe and Health	Environmental Cooperation	Quality Assurance
<p>We adhere to the strategy of “driving green development with technology innovation”, maintain the strategic investment in research and development in the fields of “green technology”, “energy saving and consumption reduction” and “breakthrough technology”, and integrate the concept of social responsibility such as green, low carbon and sustainability into the whole development process. We believe that we will facilitate Wison Engineering to achieve the goal of “green projects” more effectively from the source.</p>	<p>As the business continues to grow, we place great importance on 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.</p>	<p>We adhere to a “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 operational efficiency of the Company.</p>	<p>Wison Engineering proactively carries out research with peers and scholars, making good use of their advantages and working together towards green development. We conduct 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.</p>	<p>We lay emphasis on quality assurance for our products and services, 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 customer privacy protection and intellectual property rights protection, which are important guarantees for us to ensure the quality of service.</p>

1. ABOUT WISON ENGINEERING

Social Responsibility Governance Structure

In order to incorporate ESG ideas in the Group’s management approaches, strategies, business plans and policies and actively fulfil corporate social responsibilities, the Group has established a top-down ESG management structure with three levels. The Board of Directors leads and manages the Group’s all levels. This structure includes decision-making level, coordination level and implementation level. The Group also expressly states duties at all levels of the social responsibility governance structure.

Social Responsibility Governance Structure and Functions

Decision level: Board of Directors

- To discuss major ESG affairs and future development
- To review the ESG work plan and achievements
- To review ESG strategies and policies
- To review the effectiveness of ESG management

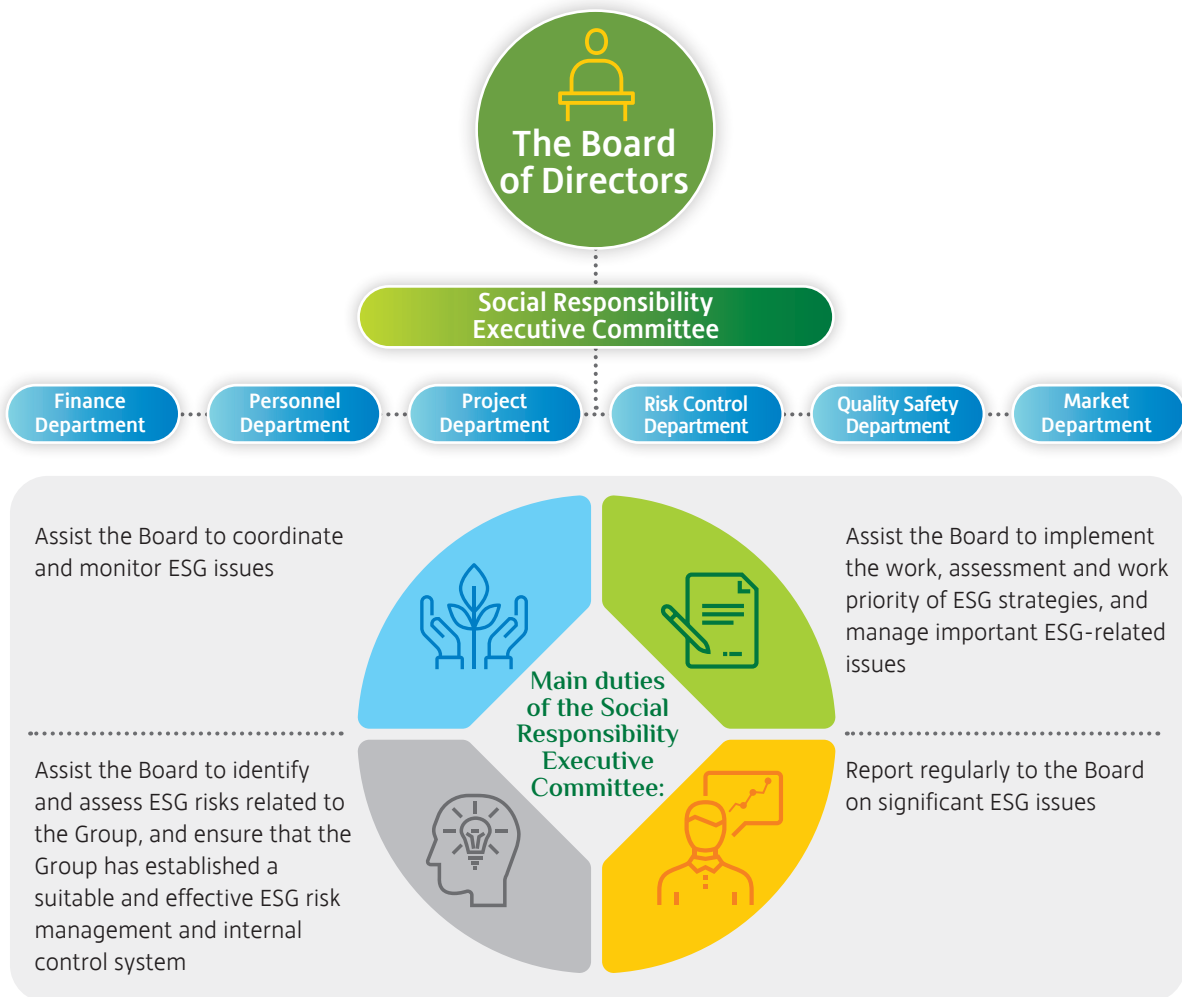
Coordination level: Social Responsibility Executive Committee

- To identify material ESG issues and major risks of the Group
- To formulate ESG plans and manage targets
- To coordinate ESG management and disclosure
- To formulate ESG strategies and approaches
- To coordinate and arrange communication with stakeholders
- To report the status of ESG management to the Board of Directors on a regular basis

Implementation level: ESG coordinators of departments

- To implement ESG information and policy management
- To support the tasks of the Social Responsibility Executive Committee

1. ABOUT WISON ENGINEERING



- The Social Responsibility Executive Committee is responsible for ESG risk identification and assessment, and assessing, establishing and updating relevant management policies accordingly. We have put in place effective monitoring mechanisms to ensure that our ESG risk management policies are implemented effectively and that the effectiveness and appropriateness of the policies are tracked on an ongoing basis.
- The Social Responsibility Executive Committee identifies and selects four environmental areas — greenhouse gas emissions, waste generation, energy use and water use — by reviewing information on the Group’s key environmental factors, significant environmental risks, materiality issues and operations. It sets directional targets for these environmental areas and develops action plans or related measures for the targets.
- The Social Responsibility Executive Committee conducts a materiality assessment by inviting internal and external stakeholders to participate in a questionnaire to help the Company identify materiality issues and develop an initial framework for reporting on these issues to address stakeholder expectations.

1. ABOUT WISON ENGINEERING

Identification and Communication with Stakeholders

Wison Engineering has established close relationships with customers, investors/shareholders, employees, suppliers, business partners, communities, and other stakeholders through a diversified communication mechanism. It deepens the understanding of opinions and requirements of all parties through various communication channels such as interviews, regular meetings, and satisfaction surveys to review and modify work plans in a timely manner and respond to the parties with actual actions to consolidate mutual benefits.



1. ABOUT WISON ENGINEERING

Stakeholders of Wison Engineering

The following table sets out the issues of concern to different stakeholder groups and our response measures during the Reporting Period:

Stakeholders	Issues of Concern to Stakeholders	Response of Wison Engineering	Communication and Feedback Channels	Communication Frequency
Customers	<ul style="list-style-type: none"> Develop green technology Protect customers' privacy Protect intellectual property rights Improve the quality of products and services 	<ul style="list-style-type: none"> Follow the low-carbon and sustainable development policy of the state and the industry, guarantee the strategic investment in the research and development of green chemical technology and energy saving and emission reduction technology, and develop a number of green processes and catalytic technologies independently and together with other parties to promote sustainable business development. Earnestly protect customer privacy and intellectual property rights, take the initiative to sign confidential agreements with customers, and orderly carry out routine maintenance of customer information security through a sound customer information management system. Continuously optimize the quality management system, introduce the standardised management of projects, and adopt rigorous quality management measures in all stages of business operations, including project planning and control, procurement, design and construction management. 	Contract negotiation	Before entering a contract
			Customer satisfaction survey	Regular
			Customer communication	Regular
			Customer services	Regular
			Interviews	Regular
Investors/ Shareholders	<ul style="list-style-type: none"> Business development and financial performance Compliant operations Safeguard the rights and interests of investors/ shareholders 	<ul style="list-style-type: none"> Maintain a sound financial position in the face of internal and external challenges, and share our performance and breakthroughs in domestic and overseas markets with investors/shareholders via various channels. 	Annual and interim reports	Regular
			Annual general meeting	Regular
			Results announcement	Regular
			Business communication, such as letters to shareholders, circulars and notices of meetings	Ad hoc
			Interviews	Ad hoc

1. ABOUT WISON ENGINEERING

Stakeholders	Issues of Concern to Stakeholders	Response of Wison Engineering	Communication and Feedback Channels	Communication Frequency
Employees	<ul style="list-style-type: none"> Personnel training and development Salary and benefits Healthy and safe working environment Well-established employee grievance mechanism 	<ul style="list-style-type: none"> Continuously establish and improve the employee training system and strengthen employees training to promote the personal career development of employees. Regularly review the compensation and benefits system of employees to ensure that all employees enjoy fair and competitive compensation and benefits, and strive to improve employee compensation. Establish a sound occupational health and safety management system, review it regularly to ensure the effective implementation of safety measures, and endeavour to create a safe and healthy working environment. Value the two-way communication with employees, and provide different channels internally for employees to voice their opinions freely and furnish feedback in a timely manner. 	Labour contract	Before induction
			Routine meetings of the Group and departments	Regular
			Appraisal of work performance	Regular
			Internal announcements	Regular
			Internal forums	Often
			Interviews and surveys	Ad hoc
			Education and training	Ad hoc
			Employee Intranet	Regular
Suppliers	<ul style="list-style-type: none"> Establish a steady and long-term cooperation relationship Management of suppliers' social responsibility Improve occupational health and safety management 	<ul style="list-style-type: none"> Develop rigorous supplier admission and assessment criteria and effectively implement the green procurement policy for suppliers, and strengthen day-to-day supply chain management through ad hoc supplier evaluation and management at different levels. Establish and improve the occupational health and safety management system to ensure the effective implementation of relevant policies and measures, and carry out regular supervision and inspection to ensure the construction safety of engineering projects. 	Contract negotiation	Before entering a contract
			Inspection and evaluation on site	Ad hoc
			Supplier/Contractor evaluation system	Regular
			Education and training	Ad hoc
			Regular meetings	Regular
			Interviews	Ad hoc

1. ABOUT WISON ENGINEERING

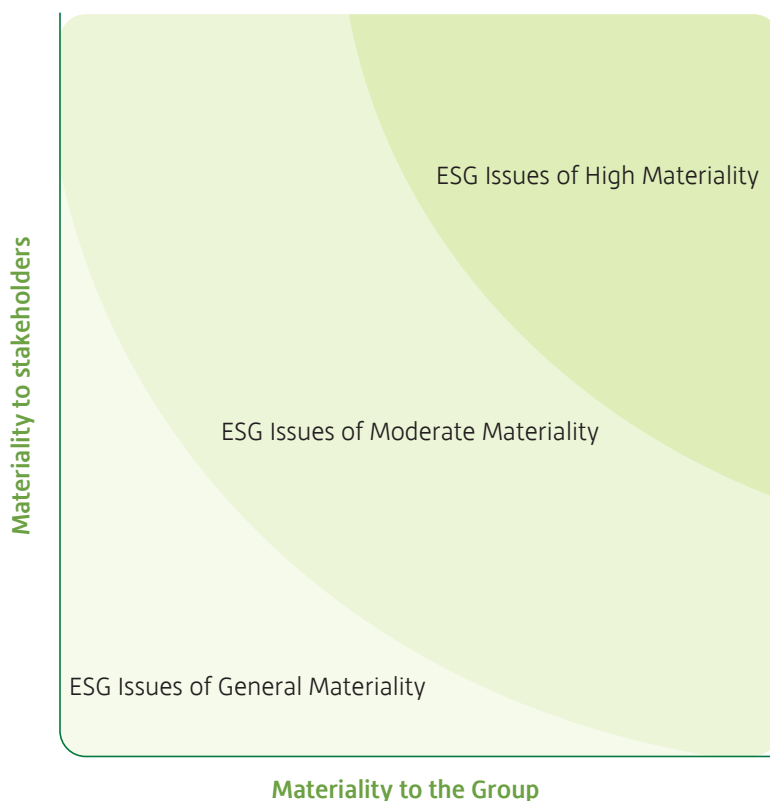
Stakeholders	Issues of Concern to Stakeholders	Response of Wison Engineering	Communication and Feedback Channels	Communication Frequency
Business partners	<ul style="list-style-type: none"> Business development and financial performance Actively develop green technology Reduce resources consumption and pollution emissions Improve internal anti-corruption management 	<ul style="list-style-type: none"> Maintain a sound financial position in the face of internal and external challenges, and achieve better-than-expected results in domestic and foreign markets. Strive to rapidly grasp the knowledge in related fields and achieve breakthroughs in green technology through independent research and development and cooperation with external scientific research institutions. Develop and apply green technology to provide production technology with low energy consumption and high efficiency, and reduce resources consumption during operation. Fully implement the Management Measures for Anti-Corruption, Anti-Bribery and Anti-Money Laundering, strengthen the internal anti-corruption supervision, and set up transparent whistleblowing channels to encourage employees to directly report their integrity concerns to the Group. We also incorporate integrity education activities into the annual training programme, with a view to deepening the Group's integrity culture. 	Multi-channel cooperation and technical research	Long-term
			Contract negotiation	Before entering a contract
			Regular meetings	Regular
			Interviews	Regular
Community	<ul style="list-style-type: none"> Impact on the community environment Care about and respond to community needs 	<ul style="list-style-type: none"> Conduct an environmental risk assessment on the construction site and surrounding communities prior to the construction of each project, and minimise the impact of construction on the local environment based on the principle of balancing construction and environmental protection during construction. Actively get involved in the community near the project to learn about the needs of the community, invest and participate in issues of concern to the community to help the community improve the quality of life, including organising various educational, cultural and environmental activities. 	Participate in and organise public welfare activities	Ad hoc

1. ABOUT WISON ENGINEERING

Evaluation of Material Issues

To identify the Group’s material sustainability risks and opportunities, we evaluate material ESG issues based on our business strategies and business focuses. Considering the Group’s business operations, we have finally determined 30 material issues for the year, including 11 issues of high materiality, 14 issues of moderate materiality and 5 issues of general materiality based on expectations of stakeholders and peer benchmarking and with reference to the disclosure responsibility covered by the Environmental, Social and Governance Reporting Guide, the materiality issue database of Sustainability Accounting Standards Board (SASB). This report will focus on the following issues to reflect our contribution to ESG work.

Materiality Matrix of ESG Issues



1. ABOUT WISON ENGINEERING

Issue of High Materiality	Issue of Moderate Materiality	Issue of General Materiality
Scientific technology innovation	Business ethics	Rights grievance mechanism
Anti-corruption	Environmental impact assessment of suppliers	Marketing
Intellectual property rights	Social impact assessment of suppliers	Non-discrimination
Product responsibility	Employee remuneration and welfare benefits	Environment and natural resources
Procurement model	Labour grievance mechanism	Community public welfare services
Customer privacy	Diversity and equal opportunities	
Security measures	Child labour and forced labour	
Occupational health and safety	Water resources management	
Training and education	Energy management	
Environmental compliance	Wastewater and solid waste	
Use of materials	Management of GHG emissions	
	Exhaust emissions	
	Dealing with climate change	
	Environmental grievance mechanism	

2. LEADING IN THE FUTURE OF INNOVATION

With adherence to the business philosophy of “innovation-oriented and achieving mutual success in harmony”, Wison Engineering continuously strengthens the infinite possibilities of technological innovation brought to corporate business growth. Guided by global energy development trends and national strategies and policies, the Group focuses on green coal chemical engineering and clean energy. We are strong at combining technology development with engineering. Several technologies developed by us and with our partners have been rapidly industrialised, allowing our customers and partners to seize market opportunities and create more commercial value.

INNOVATION AND DEVELOPMENT

Despite market changes and the epidemic, Wison Engineering gave full play to the rapid and flexible mechanism of private enterprises, and moved forward with a pragmatic and pioneering attitude, and maintained a steady momentum of development. Wison Engineering increased technological research and development and external cooperation with a focus on the field of new energy and new materials, so as to seize the opportunity to open up new markets and strive to move forward with the vision of creating a “world-class energy and chemical engineering company”.

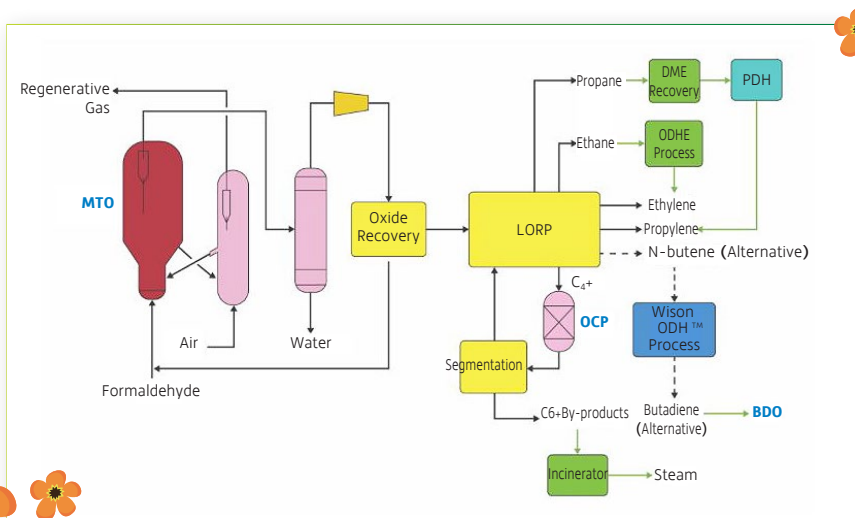
During the Reporting Period, we deployed new energy such as hydrogen energy, developed the new energy business, promoted green electricity hydrogen production, hydrogen storage and transportation, and the comprehensive utilisation of hydrogen in chemical and carbon emission reduction industries. We focused on breakthrough technologies from photovoltaic power generation to hydrogen production by electrolysis of water, hydrogen liquefaction and storage to coupling of hydrogen and coal chemical industry, to create a complete value chain from green electricity to green hydrogen, green chemistry, and carbon emission reduction. During the Reporting Period, our technology research and development investment totalled RMB168.9 million, representing an increase of 16.6% compared with 2020.

PENETRATION INTO NEW ENERGY BUSINESS

In its proactive response to the national policy and international mainstream of “carbon peak and carbon neutrality”, the Group confirmed new energy business as its key strategic exploration area. Leveraging independent research and development capabilities and engineering technology advantages, Wison Engineering established strategic cooperation with global advanced technology providers, integrated internal and external resources and extended business potentials with technology.

2. LEADING IN THE FUTURE OF INNOVATION

We actively carried out energy reform and explored the application of hydrogen in the field of coal-to-chemicals field. We proposed coupling with green hydrogen in the coal-to-chemicals industry to create new development opportunities. With a focus on water electrolysis, the green hydrogen coupling process eliminates most of air separation and transformation, reduces the scale of coal gasification and purification, and cuts down coal consumption per product by 33% to 50%, making it possible to produce synthetic ammonia, methanol, ethylene glycol, and other products. This technology can also be applied to other energy fuels in the future to improve their utilisation efficiency.



Efficient Utilisation of CTO By-products



Mr. Li Yansheng, a chief engineer of Wison Engineering, was invited to attend the 13th Coal-to-Olefin and New Materials Forum where he delivered a speech on green coal-to-chemicals technology and the high-value use of CTO by-products.

2. LEADING IN THE FUTURE OF INNOVATION

Liquid Organic Hydrogen Storage and Hydrogen Production Technology — Convenient Transportation and Less Energy Consumption



During the Reporting Period, the Group and Japan High Chemical Co., Ltd. signed a cooperation agreement on organic liquid hydrogen storage and hydrogen production technology. Wison Engineering undertook the commissioned methylcyclohexane hydrogen storage and hydrogen production (MCH) project. The feasibility study of this project was completed and the basic design was carried out. The demonstration project of both parties was implemented in China.

Pressure Swing Adsorption and Separation, Carbon Dioxide Capture, Ammonia Cracking Hydrogen Production



During the Reporting Period, the Group and Southwest Chemical Research and Design Institute signed a cooperation agreement, under which the two parties rely on their respective advantages and resources in the field of hydrogen production and carbon emission reduction, to develop pressure swing adsorption and separation, carbon dioxide capture, ammonia cracking hydrogen production and other technologies. Thanks to its extensive experience in research, the Group will expedite the industrialisation of these technologies with its partners to facilitate the high-quality development of the industry.

Comprehensive Utilisation of Green Hydrogen Energy



During the Reporting Period, the Group discussed the cooperation intention of green hydrogen energy comprehensive utilization project with China Shenhua and other companies. Wison Engineering completed the preliminary planning from photovoltaic power generation to hydrogen production by electrolysis of water, hydrogen liquefaction and hydrogen storage to the coupling of hydrogen and coal chemical industry, and conducted a feasibility study on green hydrogen in the coal chemical industry. In future, Wison Engineering will continue to accelerate the expansion of the new energy market to form a new core competitiveness, and make new energy a new business growth point for the Company.

NEW MATERIALS AND NEW PROCESS DEVELOPMENT

Wison Engineering proactively explores emerging fields and develops and researches various new materials and new processes in a response to policies such as “carbon peak and carbon neutrality”. The development and utilisation of new processes and new technologies such as new materials and degradable plastics is the development trend of the industry and the key development direction of Wison Engineering. After long-term R&D investment and technology accumulation, Wison Engineering made a number of major breakthroughs in key technologies during the Reporting Period.

2. LEADING IN THE FUTURE OF INNOVATION

Ethylene Carbonate Hydrogenation to Produce Ethylene Glycol and Methanol

During the Reporting Period, Wison Engineering took the lead and worked with Tianjin University and East China University of Science and Technology to complete the sub-project of “ethylene carbonate hydrogenation to produce ethylene glycol and methanol” of the national key research and development project of “new technology of CO₂ efficient synthetic chemicals”. The Company developed and built a thousand-tonne ester hydrogenation pilot plant as scheduled and passed the on-site performance assessment of the expert group. The ester hydrogenation technology was recognised as internationally leading, providing a new technical route for green and low-carbon development and industry technology transformation. This technology can effectively synthesize carbon dioxide into other useful compounds, providing a new technical route for a high-value and large-scale utilisation of carbon dioxide in the future and a sustainable, innovative production technology for the green and low-carbon development of the industry.



Olefin Hydroformylation Technology and New Technology of One-step Oxidation and Esterification of Methacrolein — Less Pollution and Energy Consumption

During the Reporting Period, Wison Engineering completed the process package development of Panjin Sanli's MMA project. As the first domestic MMA industrial production device of ethylene, the process adopts leading olefin hydroformylation technology and new technology of one-step oxidation and esterification of methacrolein. This process can solve the problems of high pollution and huge energy consumption from the acetone cyanohydrin MMA production route adopted in traditional processes and technologies.

2. LEADING IN THE FUTURE OF INNOVATION

Oxidative Dehydrogenation of Ethane to Ethylene (ODHE) Technology

During the Reporting Period, the ODHE technology developed with the Dalian Institute of Chemical Technology of the Chinese Academy of Sciences passed the single-tube pilot technology evaluation organised by the China Petroleum and Chemical Industry Federation. Compared with the traditional steam cracking technology, this technology features a high ethane conversion rate and ethylene yield, a simple process flow, and a significant reduction in carbon emissions. The Group will accelerate cooperation and continue in-depth research to promote the industrialisation and commercialisation of technology as soon as possible and play a more active role in improving the quality and efficiency of the industry and realising the “carbon peak, carbon neutrality” goal.



The expert group of the evaluation meeting was composed of seven experts from the Chinese Academy of Sciences. The academician from the Institute of Chemical Technology and the executive director and CEO of Wison Engineering attended the meeting on behalf of both parties.

2. LEADING IN THE FUTURE OF INNOVATION

INTELLECTUAL PROPERTY RIGHTS

Wison Engineering complies with relevant Chinese and foreign laws and regulations, including but not limited to the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, and the Advertising Law of the People's Republic of China. The Company has developed the Patent Management Regulations and the Technical Research and Development Achievement Management Regulations based on the GB/T 29490-2013 intellectual property management system certification. We are convinced that this will help protect and manage our intellectual property rights such as patents, trademarks, and copyrights and combat infringements in accordance with national laws and regulations. The Group also attaches great importance to rewarding inventors or designers, hoping to improve our innovation capability. The Patent Management Regulations stipulate management requirements regarding the Company's patent application, acquisition, implementation, transfer, licensing, maintenance, termination, protection, rewards and penalties. The Technical Research and Development Achievement Management Regulations stipulate the classification of technology research and development achievements and requirements for their grading, promotion, application, and rewards. During the Reporting Period, Wison Engineering filed 19 new patent applications and obtained 13 authorised patents with significant breakthroughs in several technologies this year. By doing so, it continued to strengthen its intellectual property and technical reserves. In total, Wison Engineering had made 177 patent applications and obtained 118 licensed patents and 22 software copyrights, indicating quite fruitful achievements in intellectual property.

DIGITAL APPLICATION

During the Reporting Period, Wison Engineering accelerated the process of digitisation and intelligence. Committed to the vision of "creating a world-class energy and chemical engineering company" and aimed at the realisation of corporate digitalised development, the Company built a digital design platform and extended the digital integrated design to digital engineering to improve engineering design and operation management capabilities.

The Group elevated the design and delivery standards of digital applications through project implementation at home and abroad. We released the Digital Development Plan to speed up digitalization and intellectualisation and improve digital integrated design and the digitalisation of technical standards for better quality and efficiency. Meanwhile, Wison Engineering built and improved an expert-aided design system to improve the design optimisation. Through a project management system and an integrated management system of man-hours and schedule costs, Wison Engineering visualised data analysis and prediction to continuously improve refined project management and corporate operation and management.

2. LEADING IN THE FUTURE OF INNOVATION

MODULAR PRODUCTION

By combining modular design with factory prefabrication, transportation conditions, on-site hoisting and other construction processes, Wison Engineering employs integrated, standardized, digital and engineering modular solutions to reduce project cost and construction period, lower environmental impact and dependence, minimise project risks, and improve execution quality and efficiency. Modular delivery is one of the core competencies of Wison Engineering, which helps the Company expand its global presence and secure projects in China and beyond. During the Reporting Period, Wison Engineering accelerated the development of “three generations+” modular technology, improved system integration, and standardised modules and modular transportation design capability to provide customers with competitive modular optimisation solutions. It improved the quality and efficiency of project implementation and maximised the advantages and value of modular design. Meanwhile, Wison Engineering combined digitisation and modularisation and started with project optimisation to reduce engineering costs and shorten project durations.



Promotion of Modular Delivery Among Overseas Implementation Projects

During the Reporting Period, Wison Engineering further promoted modular delivery to overseas implementation projects, including U.S. AP’s synthetic ammonia project, Juhua Abu Dhabi fluorination and chlor-alkali chemical plant module projects to create more value for customers in different regions. This allowed Wison Engineering to improve its modular process design capability and reputation in the industry, highlighting modular advantages. By doing so, it aimed to become an industry benchmark.

3. ADHERENCE TO COMPLIANT OPERATION

Wison Engineering sticks to the approach of “zero safety accidents, zero environmental pollution and zero casualties of employees” and strictly follows the laws, regulations, technical standards and regulatory requirements of the country and the place where it operates in terms of quality, environment and occupational health and safety. It has also established and improved a health, safety and environmental management system applicable to Wison Engineering with reference to relevant regulations and provided a systematic, standardised guidance for the improvement of product, engineering and service quality.

3.1 SOUND SYSTEM

Wison Engineering kept improving the overall requirements and deployment for production safety and set up a System Standard Department based on the requirements ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System and ISO 9001 Quality Control System. It established the QHSE management system adaptable to Wison’s culture by integrating key factors of production and operation such as labour, markets, equipment, and procurement, laying a solid foundation for improving the Company’s QHSE management capability. Wison Engineering constantly strengthened its own capacity in target settings, management procedures, management review, compliance and information communication, in a bid to continuously improve the building of management systems.

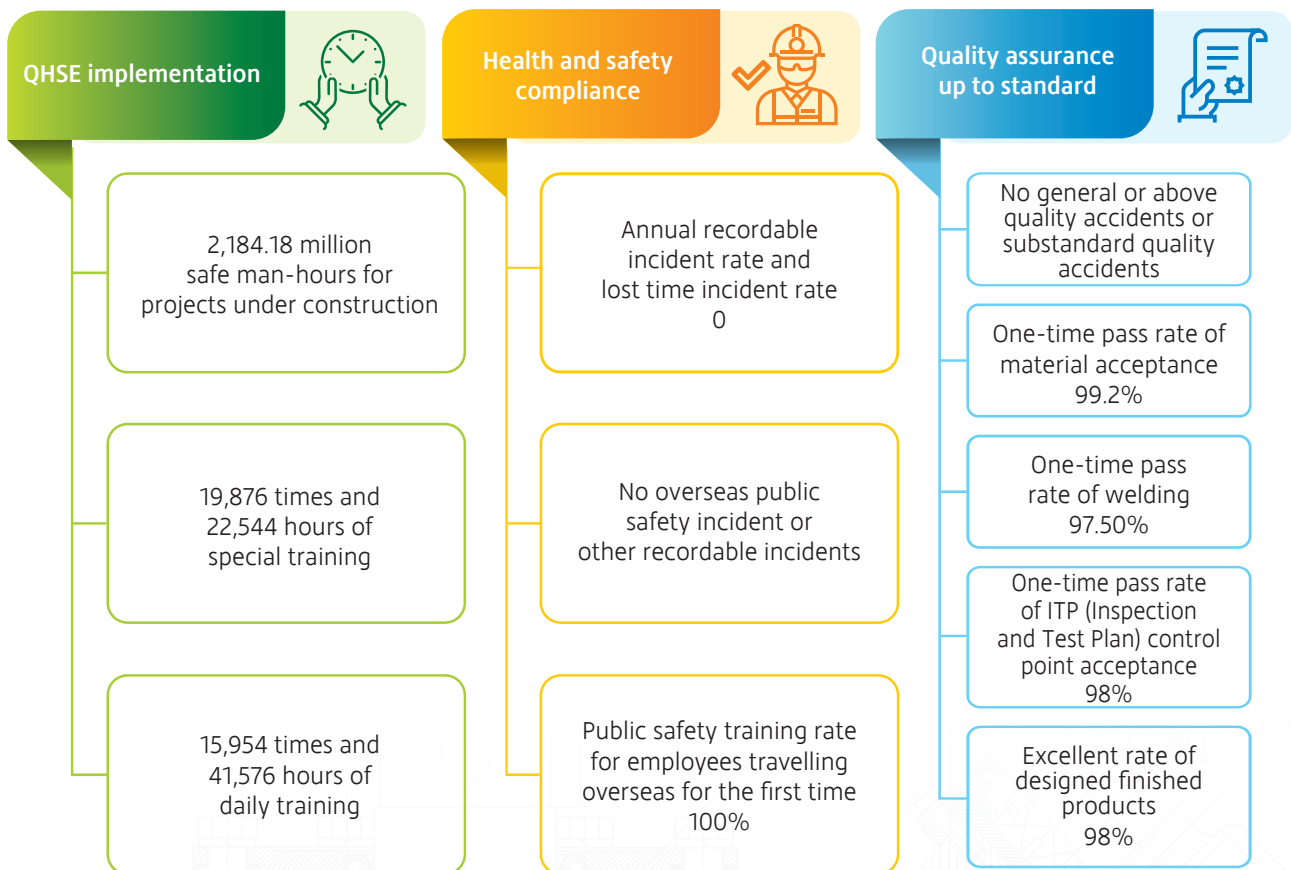


3. ADHERENCE TO COMPLIANT OPERATION

Wison Engineering delivered QHSE training to contractors and assessed their relevant systems to understand and strengthen their QHSE management and capabilities. This ensured that contractors laid emphasis on quality, health, safety and environmental management models apart from quality and allowed Wison Engineering to join hands with relevant external parties to assume social responsibilities.

During the Reporting Period, we developed the QHSE Management Manual. Under the guidance of the health, safety and environment (the “HSE”) Management Objectives in 2021, we further optimised our QHSE management leveraging control of the operation of the management system and implementation of HSE quantitative management. In addition, we gained appraisal from relevant external parties for our performance in QHSE management. The Group’s Zhejiang Petrochemical Phase II project won “Advanced Construction Unit of Quality” and “Advanced Construction Unit of HSE Management”; Shandong Binhua’s project won “Advanced Unit of HSE Management” and “Winning Unit of 100-Day Battle”; Middle East’s STC project won the safe green flag of Saudi Basic Industry Corporation (“SABIC”) and realized 7 million safe man-hours; SIPCHEM hydrogen project realized 500,000 safe man-hours, etc.

Achievement of Annual QHSE Management Objectives of Wison Engineering

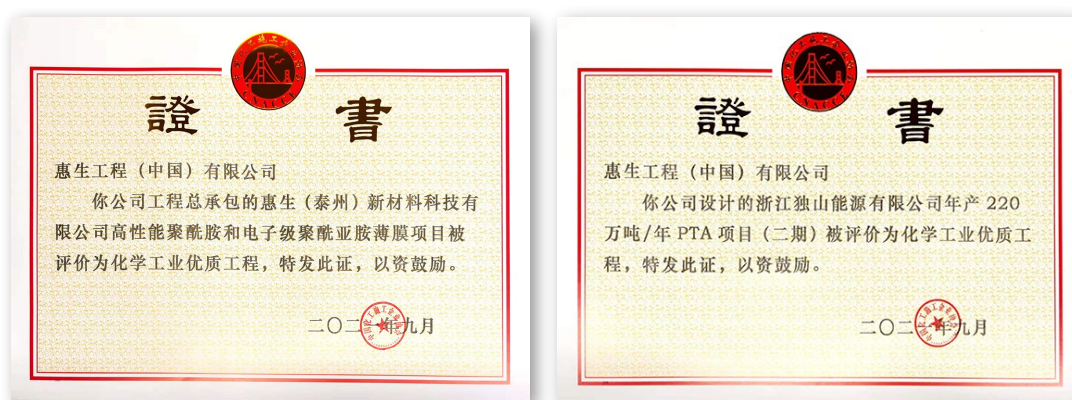


3. ADHERENCE TO COMPLIANT OPERATION

3.2 EXCELLENT QUALITY

Wison Engineering believes that high-quality project is essential to corporate development. Therefore, we implement refined management, strengthen project pre-planning and project management capabilities, and provide early warnings and control against various risks to improve project execution and delivery capabilities, thereby improving project quality. During the Reporting Period, all the projects contracted by Wison Engineering performed well.

Zhejiang Petrochemical' 2# 1.4 million tonnes/year ethylene project	High-quality Excellent Project in Chemical Industry Award, Advanced Construction Unit of Quality, and Advanced Construction Unit of HSE Management
Wison (Taizhou) New Materials' project	High-quality Project in Chemical Industry
Zhejiang Dushan Energy Co., Ltd.'s 2.2 million tonnes/year PTA project (Phase II)	High-quality Project in Chemical Industry
Shandong Binhua project	Advanced HSE Management Unit and Winner in the One-hundred Day Campaign
Saudi STC project	SABIC Green Flag for Safety, achieving 7 million safe man-hours
Saudi SIPCHEM hydrogen project	Achieve 500,000 safe man-hours



Certificate of High-quality Project in Chemical Industry Award

Wison Engineering always puts quality first. It kept improving engineering and service quality while improving the quality control system. It actively promoted the completion and implementation of project standardisation and improved the standardised project workflow from three aspects: standardised construction and inspection, implementation of quality model projects and project quality special process management, so as to ensure project quality and enhance QHSE brand. During the Reporting Period, no products sold or shipped were subject to recalls for safety and health reasons.

3. ADHERENCE TO COMPLIANT OPERATION

Standardised Project Construction

- The standardisation of all projects under construction was inspected and supported
- Over 80% implementation rate of applicable projects in the Project Standardisation Atlas of domestic projects under construction in 2021
- All ongoing projects fully met the management requirements of quality and safety standardisation

Implementation of quality model projects

- The Model Project Compilation was updated
- The number of model projects increased from 38 to 50, representing an increase of 12, and the reuse rate of each model projects exceeded 80%
- The project ITP (Inspection and Test Plan) was soundly implemented, and the project department established an ITP inspection account, with an actual implementation rate of approximately 100%

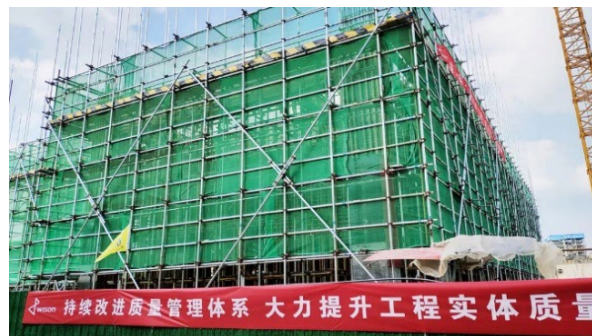
Project quality special process management

- Revise the Regulations on the Management of Special Construction Processes of Engineering Projects to regulate the management of a special project process, which has been put into force since April 2021
- Add 30 typical special construction processes
- Before construction, professional engineers of the project department will prepare special process confirmation records, so as to confirm the main factors affecting special process capabilities in accordance with relevant design documents, specifications, and standards
- The Special Process Implementation Plan was implemented during construction and the special process confirmation rate and special process monitoring rate exceeded 90%

Wison Engineering is committed to implementing quality responsibility, enhancing quality awareness and building a quality brand. During the Reporting Period, Wison Engineering analysed and formulated quality improvement measures according to the actual situation, and completed quality standardisation and promoted model projects, thus clearly defining quality management standards and improving the quality management of various departments accurately.

3. ADHERENCE TO COMPLIANT OPERATION

In terms of the promotion of quality awareness, Wison Engineering held the “Quality Month” in September this year and carried out an abundance of quality activities with the theme of “continuously improving the quality control system and vigorously improving the quality of projects”. During the events, slogans, banners and posters were posted inside and outside the premises of the Company for publicity, creating a good setting for “Quality Month”. In addition to traditional activities such as knowledge quizzes, case study and sharing, and lectures and training on quality, the Company enhanced employees’ quality awareness and let them understand the importance of quality control. This year, a commendation meeting was held to praise good performers individually and collectively and create a benign competition atmosphere to improve the quality of projects. Meanwhile, the Group conducted joint inspections on all projects under construction and urged the closure and adjustment of units that were found with problems to ensure the high-quality delivery of projects.



Quality Month Activities

3.3 SAFETY FIRST

With great emphasis on production safety, Wison Engineering strictly abided by the Safety Production Law of the People’s Republic of China, the Regulations on Production Safety Management of Construction Projects and other laws and regulations. It worked to control safety risks during production and reduce potential safety hazards with reference to international advanced safety management approaches in the industry such as the Hazard and Operability Analysis (HAZOP), Safety Integrity Level (SIL) and Job Hazard Analysis (JHA), so as to provide a healthy and safe working environment for employees.

Standardised management procedures are indispensable to good onsite safety management. To ensure safety in technology research and development, Wison Engineering formulated guiding documents such as the Laboratory Management Regulations, Hazardous Chemicals Safety Management System and Hazardous Waste Safety Management System to improve production safety management and lower risks of safety incidents.

Meanwhile, it introduced laboratory safety equipment and provided labour protection supplies to create a safe working environment for employees. During the Reporting Period, the Group invested RMB1.76 million in HSE, and recorded no work-related fatalities in the past three years (including this year) and zero lost man-hour accident rate and zero total recordable incident rate (TRIC) for every 200,000 working hours.

3. ADHERENCE TO COMPLIANT OPERATION

Safe Operation

Wison Engineering continuously improves its employee occupational health and safety management system and prioritises employees' physical and mental health. It is committed to creating a safe working environment and equipment to protect employees from potential safety risks.

Wison Engineering carries out the national requirements on the full implementation of the responsibility system for production safety, and has prepared documents such as the Occupational Health Management Procedure, Accident Reporting and Emergency Management and High (Low) Temperature, Toxic Dust, and Noise Management Regulations. This helps manage the prevention, declaration, monitoring and evaluation of occupational diseases, emergency assistance for occupational disease prevention and treatment, and accident handling, and provide employees with clear work guidelines and norms. We regularly detect occupational risk factors for employees and continuously improve their working environment and on-site safety inspection mechanism. We also established a standardised occupational health management system, and implemented the occupational health management of employees through setting up employee health records and regular physical examinations for employees. We also extend the health and safety requirements to the supply chain, and work with subcontractors to identify, prevent and mitigate the potential safety hazards that may cause employees' occupational health, so as to ensure employees' occupational health and safety in a targeted and purposeful manner.

Wison Engineering recognises employees as important assets and attaches great importance to employees' health and safety at the workplace. We have established an HSE performance supervision and inspection mechanism and regularly inspect, record and track the operation of the HSE system, control of hazard sources and environmental factors, and on-site construction safety. Adhering to the "risk-based thinking" safety management principle, the Group continuously promotes the improvement and implementation of the HSE management system and has prepared documents such as Identification, Evaluation and Control of HSE Hazard Sources to carry out hazard source identification, risk assessment and control in all aspects of the production process from project design to construction and operation facilities management, so as to comprehensively investigate and eliminate potential risks in production and operation. Meanwhile, the Group improves HSE coordination and management and seeks unity of regulations, standards and systems to provide standardised guidance for the occupational health and safety of employees. This year, we have also prepared the Procedure for Identifying and Evaluating Sources of Hazards and Environmental Factors to identify the sources of hazards and environmental factors and evaluate their risks. This will help the development of relevant control measures to ensure employees' health and safety.

We carried out risk identification for public health emergencies and established the management system for public health emergencies of the Company and various projects with reference to the risk identification results. Meanwhile, based on the different epidemic prevention stages of projects and the extreme weather conditions in the places where the projects are located, we conducted more targeted risk identification and evaluation, and formulated corresponding control measures to improve the risk control capacity in the project implementation process, and prevent the occurrence of safety accidents.

3. ADHERENCE TO COMPLIANT OPERATION

Safety Emergency Response Management

We strictly comply with the Law of the People's Republic of China on Work Safety, Emergency Response Law of the People's Republic of China, and other laws and regulations. We have put in place a three-level safety emergency response mechanism comprising Wison Engineering's Comprehensive Emergency Response Plan, Wison Engineering Headquarters' Emergency Response Plan and Branches and Project Departments' Emergency Response Plan to advance the standardisation of emergency response procedures and improve on-site emergency management capabilities.

In order to achieve balanced improvement in the level and capacity of safety emergency response management of all operating branches of Wison Engineering, Wison Engineering updated the Emergency Response Plan of Wison Centre, Emergency Response Plan of Wison Engineering Beijing Branch, Emergency Response Plan of Wison Engineering Henan Branch and New Technology Research Institute Laboratory Safety Accident Emergency Response Plan of Wison Engineering. This year, Wison Engineering also released the Emergency Management Procedures and modified Wison Engineering's Comprehensive Emergency Response Plan and set up an emergency steering group to help the Company respond to emergencies without delay. Wison Engineering also carried out three accident and response management drills this year to familiarise employees with handling processes.

Fire and Emergency Drills

On 23 June 2021, Wison Centre performed an annual fire emergency evacuation drill to further strengthen employees' awareness of disaster prevention and self-rescue, improve their ability to quickly respond to emergencies, and ensure the safety of employees and property. Before the drill, the Company delivered training to volunteer firefighters with a focus on the specific process of the drill, escape routes of different departments, duties of volunteer firefighters, and the locations and work content of employees on duty. A total of over 2,000 employees, tenants and visitors participated in the fire drill and gathered within the required time period.



3. ADHERENCE TO COMPLIANT OPERATION

Promotion of Safety Culture

Wison Engineering guaranteed the safety culture of operation and the safety building of engineering projects by carrying out training, organising safety activities and enhancing HSE awareness among employees.

Our HSE training covers all employees, including HSE related topics such as emergency response management, construction safety and personal protective measures to spread the idea of safety culture among employees and continuously improve their safety awareness.

Production Safety Activities with the theme of "Sharing Safety Responsibility, Building Wison Brand Together"



Building a Safety Line of Defence Through Keynote Lectures

The lecture with the theme of "Implementing Safety Responsibility and Building Wison Brand" organised by the quality and safety department marked the start of the "Month of Production Safety" activities of Wison Engineering in 2021. The heads of various departments of the Company attended the meeting on site, and more than 150 employees, including heads of subsidiaries (branches) and managers of the project department, attended the meeting via video conference.

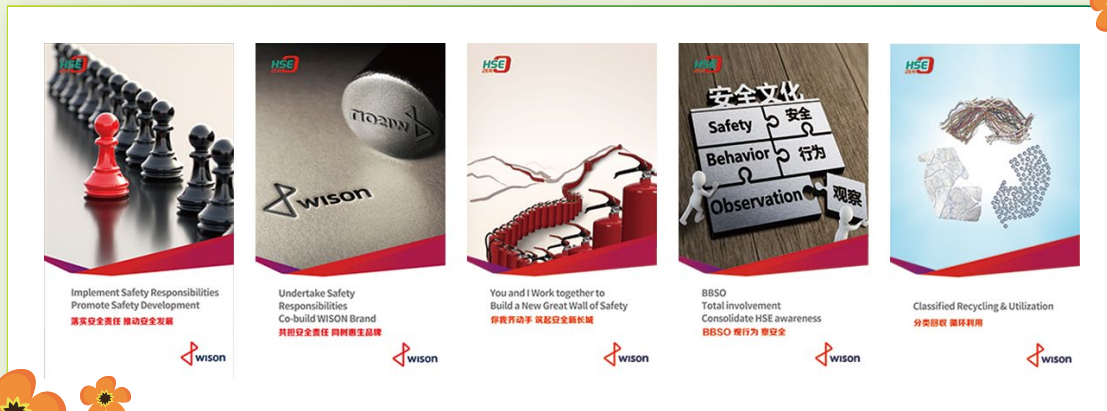
Leaders at the meeting emphasized the building of a strong safety line of defence by implementing the requirements of "one post with dual responsibilities" in safety management, further promoting Wison Engineering's building of safety culture, and improving and implementing the HSE management concept of "Felt leadership — Line responsibility — Territorial management" to create the climate of safety culture where "everyone talks about safety and strives to be a whistle-blower". According to the leaders, Wison Engineering should guide employees to "think about safety", urge them to "know about safety" through rules and regulations, and help them "work safely" through skills training.



3. ADHERENCE TO COMPLIANT OPERATION

Raise Safety Awareness with Posters

We put up posters on the welcome screen in the lobby of the headquarters, in tea rooms and on employees' computer desktops to remind every employee of the importance of production safety.



Strengthening Safety Concepts Through Participation by Everyone

We carried out several production safety activities such as “Lectures”, “Open Classes”, “Micro-Classes”, “Let’s Talk”, “Safety Self-Inspection and Self-Correction at Constructions Sites”, and “Safety Quiz for All” with a focus on the two themes of “implementing safety responsibilities and promoting safety development” and “sharing safety responsibilities and building Wison brand together”. All these helped create a good safety climate, strengthen the concept of safe development among all employees, and enhance safety consciousness and initiative among management personnel at all levels.

Epidemic Prevention and Control

Although the COVID-19 epidemic posed many challenges to our employees and business, Wison Engineering adopted different plans and set up different epidemic prevention and control teams in response to various situations in China and beyond, which helped lay a solid foundation for epidemic prevention and ensure the safety of employees during the epidemic with production unaffected.

- Setting up an emergency response team to assess the development of the situation, formulate emergency plans, coordinate emergency supplies, equipment and personnel, and distribute required materials to employees in need
- Setting up a logistics support team to disinfect the public areas of Wison Centre every day to prevent the spread of the virus
- Setting up a prevention and control team to check body temperature in the public areas of Wison Centre and supervise and inspect the implementation of relevant measures to prevent COVID-19

3. ADHERENCE TO COMPLIANT OPERATION

In addition to establishing epidemic prevention and control teams, Wison Engineering also formulated relevant prevention and control measures to protect the health of employees and tenants.

- Requiring all personnel entering Wison Centre to wear a mask
- Paying close attention to the physical condition of employees and asking employees who left or travelled to medium to high risk areas to undergo medical observation and receive health inquiries for 7 or 14 days
- Investigating relevant personnel who had close contact with patients during work, establishing a list of controlled personnel, and assigning close contacts to separate offices
- Performing screening and conducting nucleic acid testing on relevant high-risk individuals and their families to ensure the safety of the park
- Covid-19 vaccines are encouraged. During the Reporting Period, Wison Engineering arranged a total of 5 vaccination activities at Wison Centre, providing vaccination services to about 2,900 employees and tenant
- Inviting the chief lecturer of Shanghai Jianpu Health Consulting Service Centre to share knowledge on emergency rescue and major disease prevention, so that employees can learn more about epidemic prevention information and the importance of health

3.4 GREEN DEVELOPMENT

Wison Engineering responded to the national “14th Five-Year Plan”, continued to practice the green development model, and actively implemented management by environmental objectives. From the Company’s internal policies to engineering construction policies, we are all committed to achieving green operations and reducing the environmental impact of our business. We strictly follow the Environmental Protection Law of the People’s Republic of China, the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Regulations on Environmental Protection Management of Construction Projects and other laws and regulations to continuously advance the standardisation of environmental protection. We have formulated and implemented procedures such as the Environmental Management Procedures, Regulations on the Management of Solid Waste, Waste Steam (Gas) and Wastewater, and Regulations on Waste Management to stipulate specific rules and requirements on the environmental management of office premises and project construction sites.

3. ADHERENCE TO COMPLIANT OPERATION

In terms of environmental management on construction project sites, we set up special environmental management teams in various project departments and required construction subcontractors to use construction technologies that can save resources and protect the environment. Throughout the business process, we organise and implement specific environmental management rules, environmental protection facilities, and environmental pollution prevention and control facilities with the subcontractors, so as to increase resource utilisation efficiency, strengthen clean production models, and reduce the damage on the environment. Meanwhile, we will evaluate the impact of climate change risks while managing projects and formulate corresponding response mechanisms to lower operational risks.

Wison Engineering implements the Group's systems and measures to reduce greenhouse gas emissions, save energy and water, and reduce waste. In the future, it will maintain or gradually reduce the intensity of greenhouse gas emissions (Scope 1 and Scope 2), waste intensity, and electricity and water consumption intensity while maintaining our operations.

Emission and Waste Management

Wison Engineering acts in strict compliance with the requirements of laws and regulations related to pollutant emissions and operating standards of the place where it operates. It has formulated the Environmental Management Procedures and Waste Management Procedures, setting out the duties, processes, content, and requirements of clean production.

It adheres to compliance discharge and continuously reduces pollutant emissions through the establishment of the Environmental Management Procedure and other institutional systems and the application of green processes and technologies. Based on compliance emissions, Wison Engineering implements green operations in engineering design, constantly explores and applies green processes and technical solutions, and strives to reduce the impact on the environment.

Green Construction Cases: Reducing Air Pollutant Emissions

When implementing Xinjiang Weigerui's project, Wison Engineering had to deal with a large amount of sand and soil for earthwork excavation, replacement, backfilling and other works involved, which could easily cause air pollution and endanger the health of employees. Therefore, to effectively curb the air pollution caused by fugitive dust, we organised construction under the idea of divided excavation, centralised stacking in the field and sub-regional backfilling and adopted the method of combining the preloading and use of two working surfaces in accordance with the actual process requirements of projects. All these do not only shortened the distance of earthwork transportation, but also improved the utilisation efficiency of the site, thereby meeting dust control requirements.

3. ADHERENCE TO COMPLIANT OPERATION

During Wison Engineering’s implementation of Huizhou Petrochemical’s project, many big crawler-type machineries used for the construction of the pile foundation caused a large amount of floating soil and dust. Given the site conditions, the construction unit was arranged to send people to use dust control sprayers to spray water mist every day for dust suppression.



When implementing Yangmei First Chemical Fertilizer Plant’s project, Wison Engineering set up a car wash tank on site to reduce the environmental pollution caused by transportation vehicles which were covered by pollutants on the construction site during transportation. We also used dust nets to cover bare soil and installed fog cannons to reduce dust and fugitive dust pollution generated by construction sites.



The construction contractor organised the treatment of hazardous waste steam (gas) and wastewater within the construction scope of the project site before discharge or emissions. Special pipelines were set up to discharge into sewage pipes and ditches designated by the customer. When the construction contractor has no treatment capacity or qualification, relevant work should be handed over to a unit with processing capacity and qualifications for disposal. The HSE management team of the project department was responsible for supervision and inspection.

3. ADHERENCE TO COMPLIANT OPERATION

In addition, Wison Engineering Industrial Furnace Division proactively responded to the requirements of the “13th Five-Year Plan” and the Notice on Printing and Distributing the Action Plan for Air Pollution Prevention and Control on air pollutant control, strictly complied with the emission standards for nitrogen oxides in the Emission Standards for Petrochemical Industry (GB 31571-2015), paid attention to pollutant emission control from the aspects of research and development and design and committed itself to reducing the emission of nitrogen oxides (NOx) and air pollution through making NOx reduction transformations to the burners and adopting SCR/ SNCR denitration process. Meanwhile, Wison Engineering Industrial Furnace Division strived to find alternatives to similar foreign technologies through the research and development of clean production processes, reduce foreign exchange losses incurred in the introduction of foreign technologies, improve the strength of China’s environmental protection technology in the international arena, accelerate the application of denitration technology in China and develop flue gas purification industry suitable for national conditions to protect the environment and sustainable development of the national economy.

During the Reporting Period, the data for air pollutant emissions¹ from vehicles of the Group were set out below:

Type of Emission	Unit	Emission in 2021
Nitrogen oxides (NOx)	kg	6,319.08
Sulphur oxides (SOx)	kg	10.40
Particulate matter (PM)	kg	609.82

During the Reporting Period, the wastewater discharge data of the Group were set out below:

Type of Discharge	Unit	Discharge in 2020	Discharge in 2021
Total wastewater discharge	tonnes	61,700.00	65,885.00
Intensity of wastewater discharge	tonnes/ten-thousand-yuan revenue	0.12	0.11

¹ We calculate the Group’s vehicle air pollutant emissions with reference to the Stock Exchange’s “How to Prepare an Environmental, Social and Governance Report — Appendix II: Guidance on Reporting Environmental Key Performance Indicators”.

3. ADHERENCE TO COMPLIANT OPERATION

Facing up to Climate Change to Reduce Greenhouse Gas Emissions

The Group's greenhouse gas emissions are divided into direct emissions (Scope 1) and indirect emissions (Scope 2). Scope 1 refers to direct greenhouse gas emissions from sources that are owned or controlled by the Group. Scope 2 refers to the greenhouse gas emissions indirectly caused by the electricity purchased by the Group from external sources. The greenhouse gas emissions come from the Group's fuel consumption, fuel used by its vehicles (Scope 1) and electricity consumption during operations (Scope 2). We are committed to reducing our carbon footprint through several energy conservation measures, which will be further elaborated in the "Resource Management" section of this report to reduce carbon emissions and achieve our country's goal of carbon neutrality. We encourage employees to use telephone or video conferencing more often to reduce unnecessary business trips. Choosing direct flights is required for business trips. The greenhouse gas emissions inventory is calculated with reference to the Greenhouse Gas Inventory Protocol developed by the World Resources Institute and World Business Council for Sustainable Development, and the ISO 14064-1 standard set by the International Organization for Standardization. During the Reporting Period, greenhouse gas emissions (Scopes 1 and 2) within the scope of this report were 13,882.07 tonnes, and the intensity of greenhouse gas emissions was 0.022 tonnes per RMB10,000 of revenue.

During the Reporting Period, the greenhouse gas emissions data of the Group were set out below:

Type of Emission	Unit	Emission in 2020	Emission in 2021
Greenhouse gas emission (scope 1)	tonnes CO ₂ -e	4,177.00	3,435.50
Greenhouse gas emission (scope 2)	tonnes CO ₂ -e	8,888.00	10,446.57
Total greenhouse gas emission	tonnes CO ₂ -e	13,065.00	13,882.07
Intensity of greenhouse gas emission	tonnes CO ₂ -e/ten-thousand-yuan revenue	0.025	0.022

3. ADHERENCE TO COMPLIANT OPERATION

Improving Management Regulations to Reduce Waste Generation

For wastes, we collect by classification and treat them uniformly. We entrust qualified disposal service providers to dispose of hazardous wastes, so as to reduce the impact on the environment. The Waste Management Procedure and Solid Waste, Waste Steam (Gas) and Wastewater Management Regulations formulated this year regulate the management of waste. General waste and solid and liquid hazardous waste shall be treated and stored differently to strengthen waste management, prevent the leakage of related waste from causing pollution to the environment, and also protect the health and safety of employees. Our waste includes hazardous waste, non-hazardous waste, recyclable waste, domestic waste, construction waste, food waste, and medical waste.

We have five principles of waste management including classification management, reduction at source, reuse, recycling and outside disposal. Given the complexity of the nature of waste involved in our business activities, the administrative departments, project departments and construction contractors of the headquarters and branches are asked to classify and collect waste based on the characteristics of waste, separate waste from the source, and minimise the impact of waste on the environment through recycling and separate disposal. We require that all garbage generating units need to set up containers such as garbage bins/buckets for the temporary storage of waste in construction sites, offices, and living and other areas. If a customer has clear regulations on the disposal of waste within the construction scope of a project, the waste should be disposed of in accordance with the customer's disposal regulations with approval from the local administrative authority. Otherwise, we have to determine specific disposal methods and disposal sites with the customer before handling waste. It is strictly prohibited to dispose of, discharge or bury waste on site without authorisation. We have a waste disposal account to monitor the effectiveness of waste management procedures, including the classification of waste into hazardous waste, non-hazardous waste, and medical waste, monthly waste generation, management plan verification and waste disposal contractors.

As for the storage of waste, the waste should be classified and stored by category and property, and storage locations should be equipped with eye-catching signs indicating the type of waste. Material safety data sheets (MSDS) should be placed at locations where hazardous waste is stored. All waste should be cleaned and transported to the centralised waste storage site from garbage bins/buckets in construction sites, offices and living and other areas in a timely manner. The storage of hazardous waste and non-hazardous waste shall meet the corresponding requirements. As for the collection and storage of hazardous waste, special containers should be set up or isolation and protective measures should be taken to prevent loss, leakage and diffusion, resulting in secondary pollution.

3. ADHERENCE TO COMPLIANT OPERATION

During the Reporting Period, the solid waste disposal data of the Group were set out below:

Type of Waste	Unit	Waste in 2020 ²	Waste in 2021
Food waste	tonnes	68.60	85.53
Domestic waste	tonnes	73.12	74.61
Recyclable waste	tonnes	176.80	248.60
Total non-hazardous waste ³	tonnes	318.52	408.74
Intensity of non-hazardous waste	tonnes/ten-thousand-yuan revenue	0.00060	0.00065
Construction waste	tonnes	281.50	475.62
Disposal volume of hazardous waste	tonnes	26.00	7.13
Disposal intensity of hazardous waste	tonnes/ten-thousand-yuan revenue	0.00005	0.00001
Total waste	tonnes	626.02	891.49
Waste intensity	tonnes/ten-thousand-yuan revenue	0.0012	0.0010

Project Document Management System (DC-ONLINE) of Wison Engineering

We are also committed to reducing paper use and encourage employees to make full use of paper that can be reused or printed double-sided to reduce waste and centrally stack waste paper for unified recycling. During the Reporting Period, Wison Engineering put into use the project document management system (DC-ONLINE) and promoted a paperless office, thereby reducing the consumption of paper. During the Reporting Period, the Company consumed a total of 30,049.35 kg of paper.

² Solid waste data for 2020 has been updated after review and is based on the data disclosed in this report.

³ Total non-hazardous waste = Total food waste, domestic waste and recyclable waste.

3. ADHERENCE TO COMPLIANT OPERATION

Resource Management

This year, the Company passed the comprehensive performance evaluation organised by the Shanghai Science and Technology Commission and was approved to establish “Shanghai Green Chemical and Energy Saving Engineering Technology Research Centre”. The Company hopes to make breakthroughs in green technology research in the future to promote the green and high-quality development of the industry. Wison Engineering has formulated the Energy and Resource Consumption Management Regulations, which clearly stipulate the relevant management requirements of energy conservation and consumption reduction for engineering projects and administrative offices to use energy resources reasonably and economically, reduce waste and consumption, and implement sustainable development.

To save energy and reduce resource consumption, we have a few measures at Wison Engineering’s construction sites and office areas as follows:

Construction Sites

- Use energy-saving materials as much as possible for temporary facilities and materials with good thermal insulation properties for walls and roofs to reduce the usage and energy consumption of air conditioners in summer and heating equipment in winter;
- Select construction machinery and equipment with matching power and load to avoid the long-term operation of high-power construction machinery and equipment at low load;
- Arrange procedures reasonably to improve the utilisation rate and full load rate of various machinery and reduce the unit energy consumption of various equipment;
- Put in place a management system for construction machinery and equipment, measure electricity and oil consumption, improve equipment archives, and perform maintenance in a timely manner to keep machinery and equipment operating efficiently with low energy consumption;
- Prioritise energy-saving wires and lamps, design and arrange circuits reasonably, use automatic control devices for the equipment, and recommend the use of energy-saving lighting fixtures such as voice control lighting and photosensitive lights as much as possible;
- Meet the principle of minimum illuminance and limit the illuminance to up to 20% of the minimum illuminance for lighting design.

3. ADHERENCE TO COMPLIANT OPERATION

Office Areas

- Maintain the equipment well to keep the equipment in good condition and reduce energy consumption;
- Set the cooling and heating temperatures of air conditioners within a suitable range to avoid increased energy consumption;
- Strictly control the number of lights turned on in the case of good lighting;
- Prohibit the use of electric stoves and electric heaters at offices and doormen;
- Turn off the power for various electrical equipment such as water dispensers, printers, and photocopiers in time after getting off work;
- During festivals and holidays, electrical equipment such as lighting and air conditioners should be selectively turned on based on the number of overtime workers;
- Respond to government departments' electricity restriction requirements, and develop and take the corresponding electricity restriction measures based on the requirements.

During the Reporting Period, the energy consumption data of the Group were set out below:

Type of Energy	Unit	Consumption in 2020	Consumption in 2021
Unleaded gasoline	tonnes	313.79	450.69
Diesel	tonnes	1,017.60	124.25
Natural gas	m ³	10,119.00	114,146.57
Electricity purchased	kWh	12,355,738.00	17,114,578.26
Direct energy consumption	GJ	55,501.00	30,050.54
Indirect energy consumption	GJ	43,558.00	61,612.48
Total energy consumption intensity	GJ/ten-thousand-yuan revenue	0.19	0.15

3. ADHERENCE TO COMPLIANT OPERATION

Water Resources Management

In terms of water resources management, the Group promoted the application of water-saving technologies and comprehensive use of recycled wastewater while continuously improving the Group's utilisation efficiency of water resources and strengthening basic water-saving management during project operations to reduce water consumption. On construction sites, we will also take different water-saving management measures:

Improving Water Use Efficiency

- Design and arrange the water supply pipe network with reasonable pipe diameters and simple pipelines at a construction site based on water consumption and take effective measures to reduce the leakage of the pipe network and water appliances;
- Use water-saving systems and appliances for domestic water in the office and living areas of construction sites and improve the ratio of water-saving appliances;
- Set up a system for collecting, treating and reusing reusable water at a construction site and collect and treat water used for pressure tests, flushing, and concrete curing at the site to recycle water resources in a cascade manner;
- Set up recycled water devices for machinery, equipment, and vehicle washing water;
- Determine water quota indicators for domestic water and engineering water and measure and manage them separately.

Utilising Non-traditional Water Sources

- Prioritise reclaimed water mixing and maintenance for civil engineering construction water in areas where the conditions for using reclaimed water are met;
- Prioritise the use of the groundwater extracted as the construction water (such as water used for concrete maintenance, flushing, and on-site dust control and sprinkling) that does not require high water quality at construction sites in the stage of foundation pit dewatering;
- Prioritise non-traditional water sources for water used in machinery, equipment, vehicle washing, road spray, and greening, and avoid tap water and production water wherever possible;
- Build a rainwater collection and utilisation system at large construction sites, especially those in areas with abundant rainfall to collect rain for suitable places in construction and lives.

3. ADHERENCE TO COMPLIANT OPERATION

Water Recycling and Reuse Cases

While implementing projects such as Yangmei First Chemical Fertilizer Plant’s project, given problems such as the lack of water resources at construction sites and no pressure test water and inconvenient discharge at plants, Wison Engineering decided to adopt an air pressure test instead of a water pressure test after communicating with the project department, owners, supervisors, and the manufacturer (Yangmei Chemical) to save water and reduce the discharge of pressure test water. This time, three towers saved 500 m³ of water during pressure tests.

Due to safety risks in a pressure test, various safety controls must be performed during the pressure test, including preparing a special construction plan, setting up emergency relief devices, and isolating energy in a pressure test area to ensure the safety of employees.



In addition, during the daily operation of the office, we will also take the following water-saving management measures:

- The general management department should urge the property management company to regularly check the valves, fire hydrants, pipes and other water supply facilities in valve wells and promptly eliminate defects such as running out, spraying, dripping and leaking;
- If employees find that there are drips or leaks in domestic water facilities such as sinks and toilet flushing tanks, they should promptly eliminate them or contact the employee service centre for repairs;
- Faucets or valves should be shut off in time after use, and it is strictly forbidden to run the water for a long time.

3. ADHERENCE TO COMPLIANT OPERATION

During the Year, the Group's water resource consumption was set out below:

Type of Water Resource	Unit	Consumption in 2020	Consumption in 2021
Municipal water supply	m ³	122,243.00	142,599.31
Surface water	m ³	108,156.00	9,402.00
Underground water	m ³	0	9,600.00
Total water consumption	m ³	230,399.00	161,601.31
Water consumption intensity	m ³ /ten-thousand-yuan revenue	0.44	0.26

Green Construction

Wison Engineering upholds the green construction and start-up principle of "putting people first, adapting to local conditions, giving priority to environmental protection, and making efficient use of resources" to minimise the negative impact of construction projects on the environment and the pressure on energy consumption. Wison Engineering is committed to applying environmental-friendly construction technologies and facilitating the construction of an ecological civilisation to contribute to the beautifying and greening of the environment. We strictly implement the Regulations on the Management of On-Site Civilized Construction to standardise the behaviour of construction subcontractors.

Before project construction

1. We conduct an environment risk assessment on the construction site and surrounding community and the environmental management team develops risk mitigation measures based on assessment results;
2. Relevant measures include formulating construction plans including green construction management and technical requirements, explicitly listing requirements and control measures for resource conservation and environmental protection, and formulating project-specific plans for green construction when necessary, such as special plans for energy conservation and energy utilisation, and special plans for solid waste (including construction waste) disposal.

3. ADHERENCE TO COMPLIANT OPERATION

During project construction

1. Each project department shall promote advanced construction techniques, use efficient construction equipment, and eliminate or restrict construction techniques, equipment, and materials that do not meet the requirements of green construction;
2. We organise operations according to construction plans and special plans for green construction, formulate effective management and controls in respect of soil protection and waste disposal, set up car washing machines and fog guns in the plant areas and cover bare soil with dust nets. We also ensure the construction site environment management complies with laws and regulations by performing effective dust control to promote natural ecological protection.

Wison Engineering's Green Construction Cases

1. When implementing Yangmei First Chemical Fertilizer Plant's project, Wison Engineering replaced traditional polyurethane and foam glass materials with new flexible cryogenic insulation materials to design new equipment and pipes for better cold insulation. The large sheet of the new materials can shorten the splicing process and reduce the use of volatile and polluting glue. Materials are also easy to cut with less scrap, making the site easy to clean and causing less pollution than traditional cold insulation materials.



2. While implementing Xinjiang Weigerui's project, Wison Engineering adopted a closed recycled water test to protect precious water resources in Xinjiang and reduce the impact on the ecology.

3. ADHERENCE TO COMPLIANT OPERATION

Green Construction from Four Dimensions



Dealing with Climate Change

With growing concerns about climate changes in the international community, China resolutely implemented the “carbon peak, carbon neutrality” policy, facilitated the elimination of backward production capacity, and promoted advanced technology and factory transformation and upgrading. The country encouraged the accelerated application of new energy such as hydrogen energy, wind power, and photovoltaic and technological research and development of new materials such as degradable plastics. The Central Economic Work Conference pointed out that the new renewable energy and raw material energy consumption will not be included in the total energy consumption control. The relevant policies would help ease the constraints on the energy consumption of chemical raw materials and release the industry capital expenditure, promoting the optimal combination of coal and new energy and bringing new opportunities to the engineering service market.

3. ADHERENCE TO COMPLIANT OPERATION

Wison Engineering actively responded to the national policy and international trend of “carbon peak, carbon neutrality”. We identified new energy business as the Company’s strategic key development area, including green electricity hydrogen production, hydrogen storage and transportation, comprehensive utilisation of hydrogen in the chemical industry and carbon emission reduction industry, etc. We also accelerated the pace of deployment of new energy, gave full play to the advantages of independent research and development and engineering technology, cooperated with global advanced technology patent vendors, integrated internal and external resources, and provided customers with comprehensive solutions.

Based on the existing risk management system, the Group stayed informed of the latest laws and regulations. The Group has identified the following climate change risks and opportunities and formulated corresponding countermeasures with reference to international standards and based on industry characteristics and development trends.

Climate Risks	Risk Levels	Potential Risks/Opportunities	Responses
Acute risk	Moderate	Increase in extreme weather conditions such as super typhoons and rainstorms may cause damage to infrastructure and facilities, delays in construction in progress and supply chain disruptions	<ul style="list-style-type: none"> • Develop extreme weather contingency plan • Regularly check whether buildings are compliant with the latest local building standards and carry out necessary repairs • Add back-up power and water storage where permissible • Have early discussion with suppliers and logistics companies on emergency measures in extreme weather (including discussion with owners on contingency plans and timely communication on relevant matters such as additional budgets, overtime arrangement and additional equipment on site, e.g. water pumps) • Design with the most advanced engineering techniques and build to the highest standards, taking into account maximum affordability

3. ADHERENCE TO COMPLIANT OPERATION

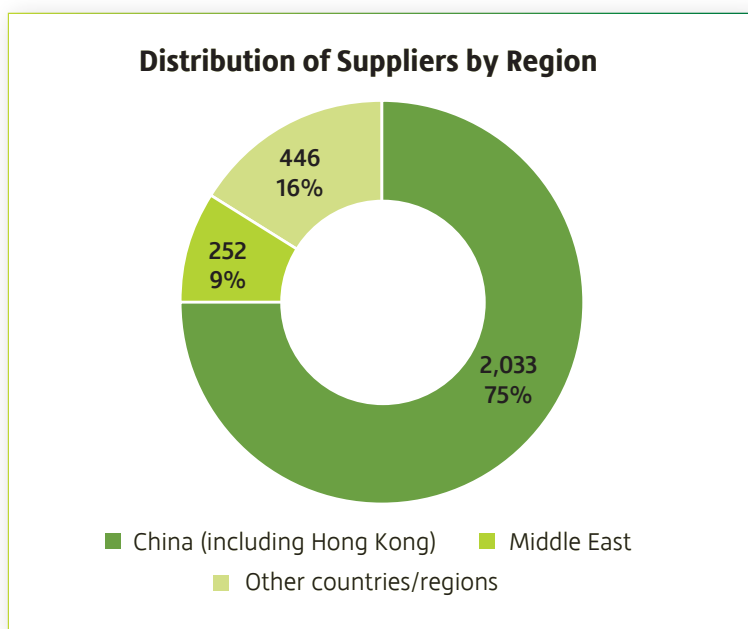
Climate Risks	Risk Levels	Potential Risks/Opportunities	Responses
Chronic risk	Low	<ul style="list-style-type: none"> Extreme hot weather may increase the demand for cooling and cause heat stroke for employees working outdoors 	<ul style="list-style-type: none"> Use ground water for cooling to significantly reduce electricity consumption in the office Explore the possibility of developing renewable energy business (e.g. install solar panels) Optimise the operational efficiency of heating, ventilation and air conditioning systems to reduce power consumption while raising temperatures Provide appropriate training and heatstroke prevention measures for employees
Market risk	Moderate	<ul style="list-style-type: none"> Address the growing concern of stakeholders on sustainable development 	<ul style="list-style-type: none"> Respond to the national policy of "carbon peak, carbon neutrality" by identifying new energy business as a strategic focus of the Company Work consistently with our customers, relevant industry associations and governments to keep up to date with the latest policy requirements and encourage our employees to enhance their study
Technical risk	Moderate	<ul style="list-style-type: none"> Increase relevant R&D costs and investment in technology innovation for the transition to a low carbon economy 	<ul style="list-style-type: none"> Develop new and clean energy sectors such as solar, wind, hydrogen, and CO₂ integrated use
Policy and regulatory risks	Low	<ul style="list-style-type: none"> China resolutely implemented the "carbon peak, carbon neutrality" policy, facilitated the elimination of backward production capacity, and promoted advanced technology and factory transformation and upgrading. The country encouraged the accelerated application of new energy such as hydrogen energy, wind power, and photovoltaic and technological research and development of new materials such as degradable plastics. 	<ul style="list-style-type: none"> Keep abreast of the latest climate change related legislation and regulations and integrate them into business management strategies Accelerate the pace of deployment of new energy, and give full play to the advantages of independent research and development and engineering technology

4. ACHIEVING WIN-WIN RESULTS THROUGH MUTUAL HELP

4.1 SUSTAINABLE PROCUREMENT

Supply Chain Management

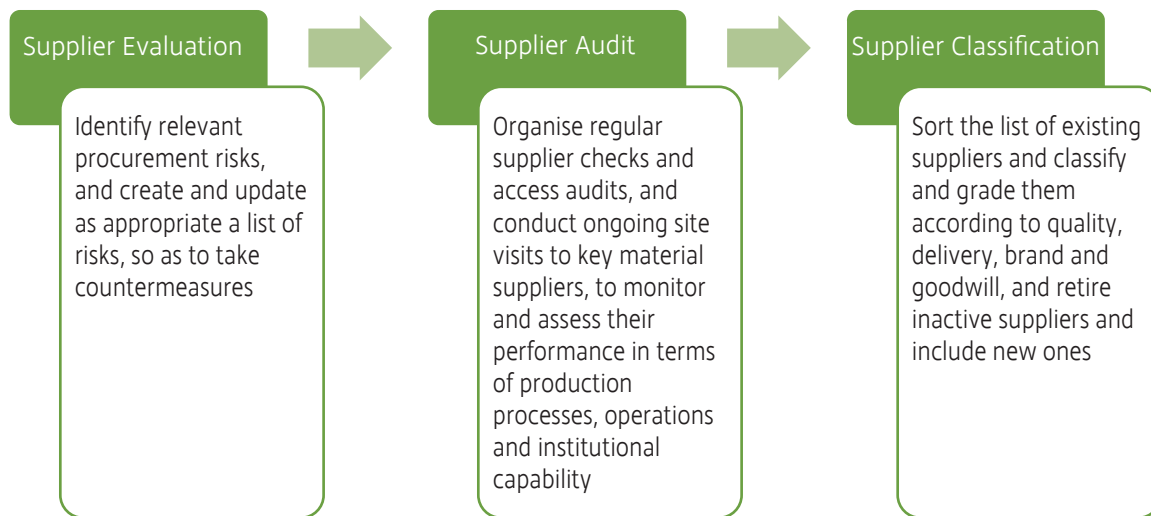
The Group works closely with its suppliers to maintain high quality, environmental, health and safety standards by striving to stabilise the quality of supply and thereby provide excellent service to our customers. In order to comply with our commitment to environmental protection, product quality and social responsibility, we place emphasis on supply chain management and have established a series of internal policies and guidelines such as the Supplier Management Measures and the Construction Materials Procurement Measures. These documents specify a range of management procedures for access, audit and evaluation of suppliers, and are rigorous in selecting external suppliers and maintaining high quality, environmental, health and safety standards. As of 31 December 2021, the Group had 2,731 suppliers, including 698 overseas suppliers. Distribution of suppliers by region is set out below:



Supplier Access and Evaluation

The Group adheres to the principles of “fair, impartial, open and transparent” in the acquisition of products and services from external business partners for its operations. In accordance with the Supplier Management Measures established by the Group, suppliers are subject to a series of social and environmental risk-related checks at the time of access. For the period, we also standardise the management process for construction subcontractors, design subcontractors and material and service suppliers. During the Reporting Period, we updated and improved our processes and systems for supplier evaluation, audit, access and classification, with a view to improving the efficiency and effectiveness of supplier management.

4. ACHIEVING WIN-WIN RESULTS THROUGH MUTUAL HELP



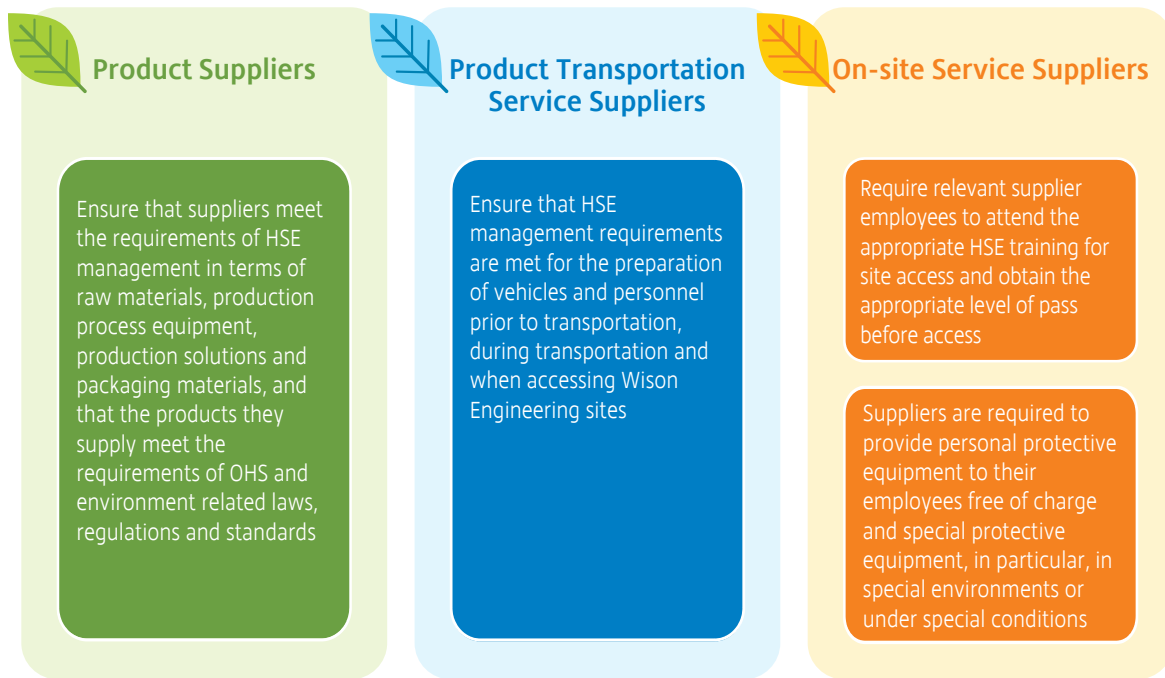
Supplier Evaluation, Audit and Classification in 2021

Responsible Supply Chain

In order to create a healthy and win-win supply chain ecosystem, we strictly require our suppliers to fulfil their commitment to social responsibility. We strictly follow the Anti-Unfair Competition Law of the People's Republic of China, the Civil Code of the People's Republic of China, the Bidding Law of the People's Republic of China and other laws and regulations, and have accordingly formulated such internal measures as the Management Measures for Anti-corruption, Anti-bribery and Anti-money Laundering and the Contract Negotiation Management Measures in response to these laws and regulations. We require suppliers to understand, sign and comply with the HSE Management Requirements for Projects of Wison Engineering and Equipment Packaging, Labelling and Shipping Requirements, encourage suppliers to assume social responsibility, and value and promote environmental protection and occupational health management. We compulsorily require manufacturers to obtain ISO 9001 certification, and with all things being equal, we give preference to suppliers with ISO 14001, OHSAS 18001/ISO 45001, ISO 27001 and other certifications, and establish long-term relationships with socially responsible suppliers.

At the same time, we require all suppliers to sign a Letter of Commitment to Integrity before engaging in business activities with us, and strictly abide by the negotiation discipline during the business negotiation process to eliminate underhanded operation and exchange of benefit, so as to ensure clean practices in line with the Group. During the Reporting Period, 100% of the Group's suppliers had signed the Letter of Commitment to Integrity.

4. ACHIEVING WIN-WIN RESULTS THROUGH MUTUAL HELP



HSE Management Requirements on Suppliers

In order to encourage green procurement, we prefer to procure and use energy-saving, water-saving, material-saving and other eco-friendly raw materials or products, and to establish long-term relationships with suppliers who are more socially responsible. In addition, we require transportation service suppliers to carry out transportation planning in advance, inspect transportation routes, select transportation vehicles and vessels, reasonably optimize transportation schemes, reduce transportation costs and energy consumption, so as to mitigate the impacts of supply chain on the environment, and practice the concept of green supply chain, for enhancing the overall environmental protection capability of the supply chain.

Supplier Communication

In order to enable our suppliers to grow with the Group, we have strengthened our effective communication with our suppliers through technical cooperation and exchanges, and conducted focused training and guidance to solidify the production and operational standards and supply capabilities of our suppliers, thereby effectively controlling their supply chain risks to the Group.

Quality Control



- Screen out technical issues in advance when procuring technologies from suppliers
- Prepare equipment standard drawings for suppliers' workers and provide them with guidance on points prone to quality problems and inspection points to improve quality control during the equipment manufacturing process

Cooperation Support



- Actively recommend Chinese suppliers to be included in the supplier list of overseas project owners, and improve the capabilities in overseas project execution

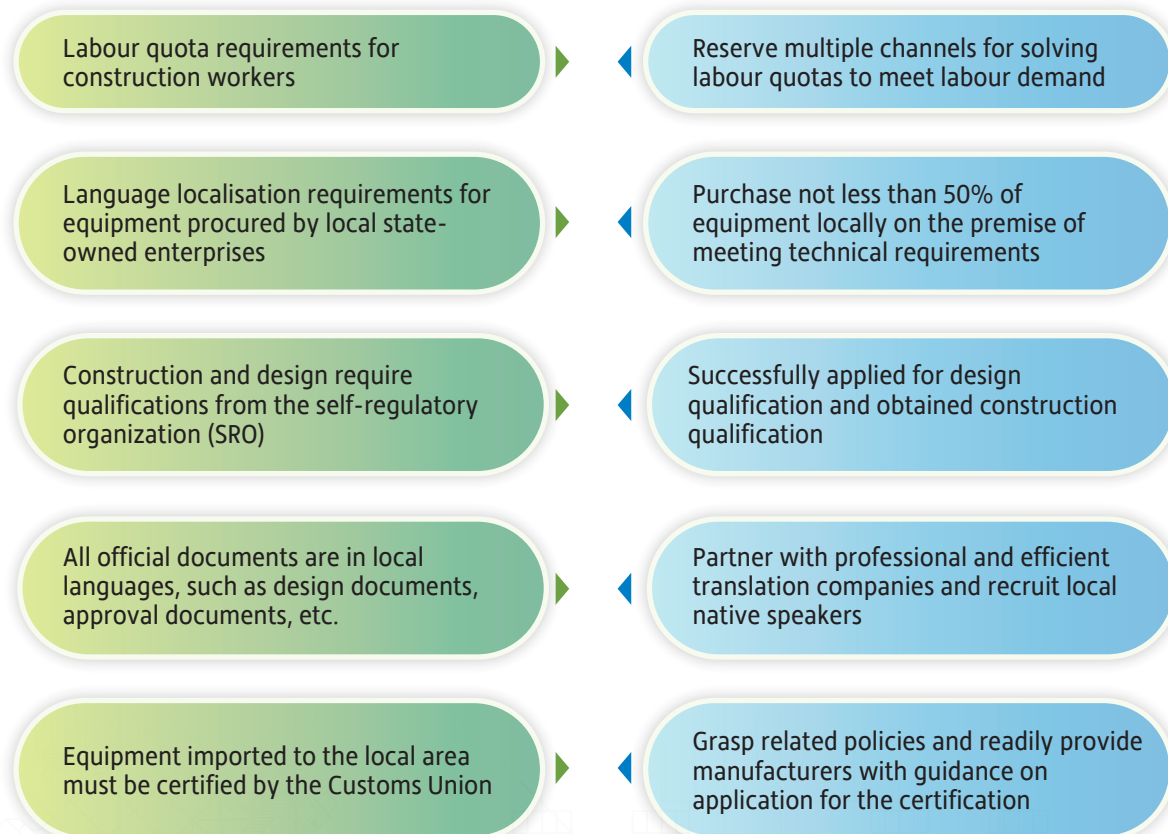
4. ACHIEVING WIN-WIN RESULTS THROUGH MUTUAL HELP

4.2 CUSTOMER RELATIONSHIP

In addition to ensuring product quality, Wison Engineering also attaches significance to our customer service. The Group's Product Technology Centre has accurately positioned its products in the market, integrates the technologies of various parties, and meanwhile works closely with each of its customers, conducting regular customer satisfaction surveys and customer visits from time to time, drawing on a wide range of customer views and needs and taking them into account immediately, so as to provide customers with safe, high-quality and comprehensive technical solutions.

Improving Customer Communication

The Group provides an unobstructed customer service complaint channel, effectively controls over and clearly defines customer services, and handles customer complaints in a timely manner. Opinions and suggestions from customers are the drivers for us to continuously improve service quality. We do our best to meet the needs of our customers and to ensure that each and every customer feels valued. Furthermore, we also respond to the special needs of overseas customers in various ways .

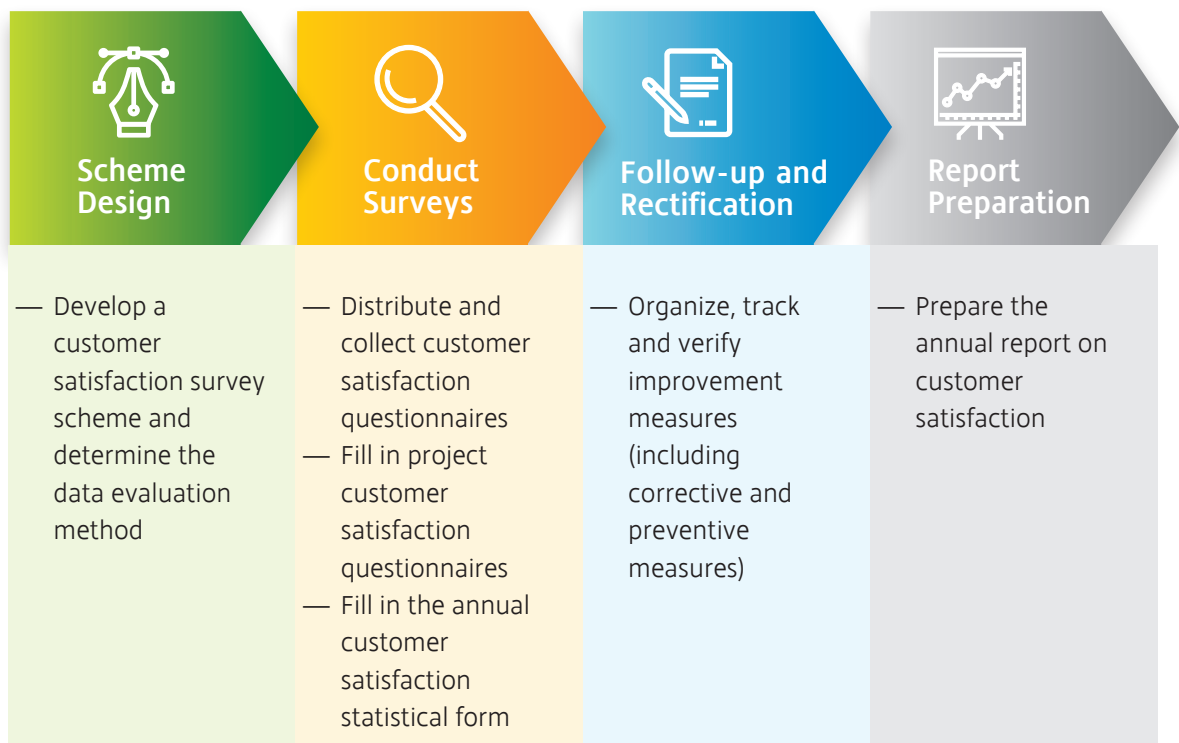


Meeting the special requirements of overseas customers

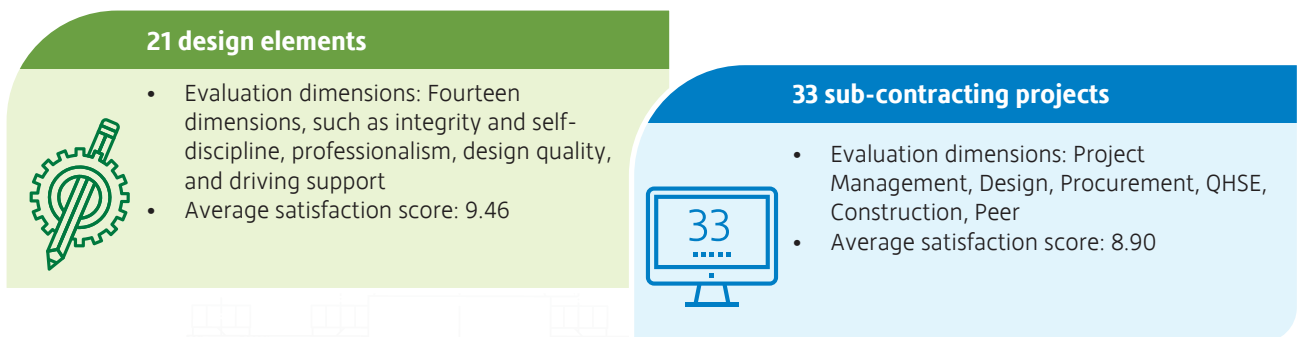
4. ACHIEVING WIN-WIN RESULTS THROUGH MUTUAL HELP

Customer Satisfaction

The Group attaches great importance to customer satisfaction and conducts regular customer satisfaction surveys in accordance with the Company's Procedures for External Customer Satisfaction Assessment in hope of maintaining continuous customer satisfaction with the Group. During the Reporting Period, we conducted satisfaction surveys for customers and supervisors of domestic and overseas design and general contracting projects based on the concerns regarding different types of projects, and the survey results showed that the overall satisfaction was ideal.



Customer Satisfaction Survey Process



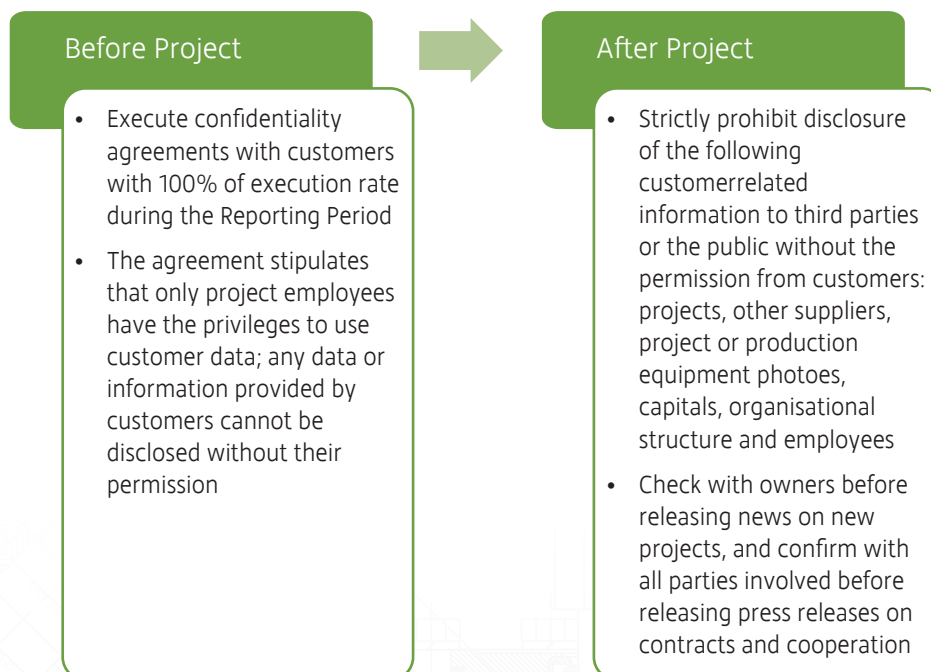
2021 Customer Satisfaction Survey Results

4. ACHIEVING WIN-WIN RESULTS THROUGH MUTUAL HELP

For each project, Wison Engineering takes a proactive approach in communicating with customers to solve problems together and move the project forward. For each project, we have a resident project manager who is standby to resolve any problems that the customer may have. We also hold weekly project meetings to follow up on the progress of the project. During the Reporting Period, we received no complaints about our products and services.

Customer Information Security

The Group attaches great importance to the security and privacy protection of customers' information and strictly complies with the Law of the Consumer Protection Law of the People's Republic of China, the E-Commerce Law of the People's Republic of China and other relevant laws and regulations and we have formulated the Information Identifier Processing Procedures to protect customers' privacy in all aspects and strictly keep the personal information of each customer confidential. We also provide training to our employees on customer privacy protection, raise their awareness of privacy security, and require them to refrain from taking screenshots arbitrarily for forwarding and sharing and leaking personal privacy arbitrarily, and arrange for dedicated employees to be responsible for customer information filing and storage to ensure the safety of customer privacy, and consciously practice the responsibility of protecting customer privacy in daily operations, with a view to creating a harmonious and highly reputed marketing team. The Group is determined to prevent the leakage of information and data from suppliers, partners and customers, and will deal seriously with any personnel found to violate national laws and regulations, Group rules and regulations and Company management rules.



Customer information security protection methods

4. ACHIEVING WIN-WIN RESULTS THROUGH MUTUAL HELP

4.3 WORKING TOGETHER

Wison Engineering actively cooperates with the upstream and downstream of the industry to establish a strategic partnership featuring expert pool, complementary advantages, pragmatic cooperation and joint development, forming a mutually beneficial and win-win development pattern. During the Reporting Period, the breakthrough technology developed in collaboration with the Dalian Institute of Chemical Technology of the Chinese Academy of Sciences (CAS) was assessed to be of leading international standard, contributing to the green, high quality and sustainable development of the industry.

Standard Development

The development of standards can promote the continuous progress of the industry and value chain, while effectively avoiding unreasonable competition and enhancing the competitiveness of products. Wison Engineering actively participates in industry standard development and industry exchange meetings to help the industry develop in an orderly and standardised manner. During the Reporting Period, Wison Engineering participated in the preparation of 6 sets of standards which had been implemented or issued by us.

Technical Exchanges

Building an extensive and high-quality “friend circle” for global R&D cooperation is an important measure under the Company’s technology R&D strategy. During the Reporting Period, in an active effort to participate in industry exchanges, the Group attended over 30 online and offline industry and technology conferences organized by domestic and foreign organizations, including the CPCIF, the Chemical Industry and Engineering Society of China, Wood Mackenzie, ICIS, China National Petroleum & Chemical Planning Institute and IHS. We also held nearly ten video conferences for technical exchange with partners in the United States, the United Kingdom, and Germany among others.

Collaboration on Integrated Green Hydrogen Utilisation Research — in Response to the ‘Carbon Peak, Carbon Neutrality’ Goal



During the Reporting Period, the Group started cooperation with advanced technology patent vendors such as Japan HighChem Co., Ltd. and Southwest Chemical Research Institute to share resources and complement each other with own strengths in the field of organic liquid hydrogen storage and hydrogen production technologies for creating a complete value chain from green power to green hydrogen, and then to green chemicals and carbon emission reduction. In the future, we will continue to explore domestic and international markets and accelerate the application of new energy sources such as hydrogen, wind and photovoltaic power, which are in line with the goal of “Carbon Peak, Carbon Neutrality”. In addition, the Company and Southwest Chemical Research and Design Institute signed a cooperation agreement, under which the two parties rely on their respective advantages and resources in the field of hydrogen production and carbon emission reduction to promote close cooperation in pressure swing adsorption and separation, carbon dioxide capture, ammonia cracking hydrogen production and other technical fields.

5. STRENGTHENING EMPLOYMENT SYSTEM

Wison Engineering firmly believes that employees are the cornerstone of corporate success, thus setting the direction of development in talent management. The Company strictly abides by the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China and the relevant systems, laws and regulations of the countries in which it operates, and upholds the concept of objectivity and fairness in the recruitment process. We aim to provide our employees with a comprehensive vocational training and development system, to pragmatically protect the rights and interests of employees and enable all good performers and Wison Engineering to fully enjoy the fruits of the Company's development and help them realise their values.

5.1 PUTTING PEOPLE FIRST

Wison Engineering continues to strengthen and improve its resource management efforts, improve the integrity of its employment system and ensure its compliance, and enhance its human resource management capabilities in order to achieve the mutual development of employees and the Company.

During the Reporting Period, the Company released a new corporate vision and development strategy, clarified the vision of "creating a world-class energy and chemical engineering company", formulated a development strategy of "driven by innovations, focused on principal operations and establishing global presence", and determined "vitality, efficiency, perfection, compliance and mutual benefits" corporate culture as the core concept.

Focusing on the new company strategy and corporate culture, Wison Engineering has continuously improved the management system and rules and regulations, established three management systems (i.e. project management, technical management, and operation management) and the corresponding three talent teams to improve the cadre management mechanism, and carried out the market-oriented compensation system and incentive policy reform, and established a dynamic talent management system. In addition, Wison Engineering explored and optimised the work of HRBP (Human Resource Business Partner), complementing and improving the systems, processes and business linkages in order to strive for the empowerment and long-term development of the Company's employees.

Compliant Employment

Our employees are the foundation of our business operations and development, so we provide a fair, equitable and open talent selection system and continue to improve it to recruit right people for our Group. In order to optimise the human resource configuration and regulate the recruitment process, the Group has formulated the Management Measures for Employee Recruitment in accordance with its own operation and employment criteria, and entered into labour contracts with its employees as per the principles of "compliance, fairness, equality, voluntariness, consensus, and integrity".

5. STRENGTHENING EMPLOYMENT SYSTEM

We determine salaries for our employees through a continuously improved management system, based on their qualifications, positions and years of experience, and with reference to the remuneration standards set by the Group, in order to protect the rights and benefits of our employees, including vacation and leave, and to strictly eliminate child labour and forced labour. We strictly check and review the identity documents of applicants, their relevant certificates and work experience to verify their ages during the recruitment process. If any non-compliance is spotted, we will take appropriate measures, such as immediate termination of work and investigation, depending on the extent of the non-compliance, to identify breaches and implement remedial measures for avoidance of recurrence. We maintain normal operations while meeting compliance requirements and believe that these arrangements help maintain good relationships with our employees.

Employee Diversity

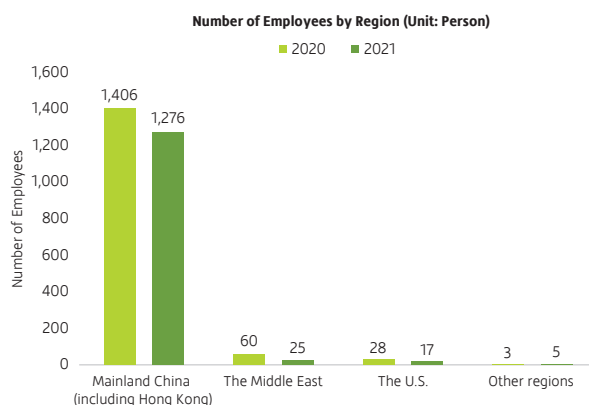
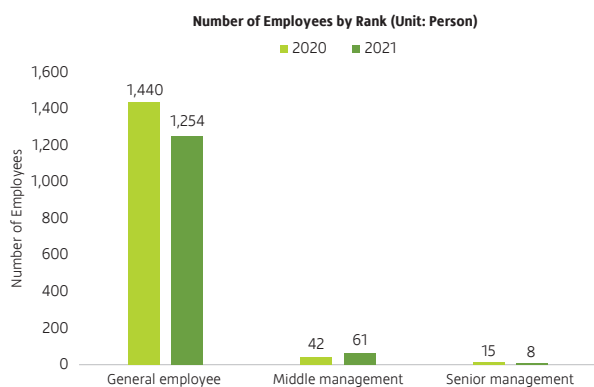
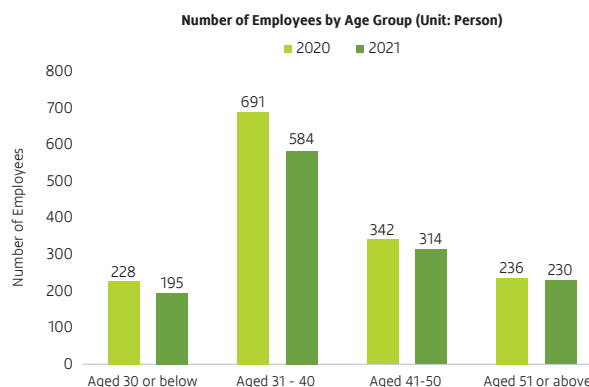
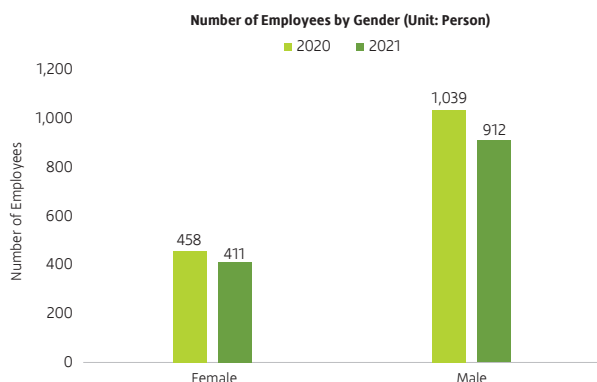
With internationalisation as its strategic objective, Wison Engineering's overseas markets have been growing year on year, with service areas extending from Chinese waters to those of Southeast Asia, the Middle East, North America among others. The localisation and diversification of employees, which the Company actively promotes, are conducive to the integration of the Company into the local culture in places where it operates, which play a vital role in local economic development and job creation as well as the Company's culture and business development. In order to enhance the competitiveness of our labour force, we focus on developing our backbone employees to ensure the team stability. We also adjust the payment process of employee compensation and benefits as appropriate to ensure that the employee compensation is not affected by factors such as currency depreciation and fluctuations.

The Group always believes that diversity in the management of human resources provides fair opportunities for employees, thereby enhancing our corporate competitiveness. In developing the business in each operating region, Wison Engineering respects the local culture and religious beliefs, and promotes respects for each other's religious beliefs, customs and personal preferences among employees from different cultural backgrounds through cultural integration, while achieving a mutually beneficial and healthy relationship in business development. For example, with respect to projects in the Islamic region, we show respect for the local Islamic culture by setting up prayer rooms for local employees in the office and on site. Apart from supporting the diversification of our employees, Wison Engineering also adopts an equal and non-discriminatory employment policy, treating candidates and employees of different genders, ages, cultural backgrounds and religious beliefs in a fair and equitable manner. In order to integrate the concept of equality and diversity into the daily management and operation of the Group, we organise training and promotional activities every year to create an inclusive, accepting and diverse working atmosphere and to eliminate any incidents of discrimination or harassment.

5. STRENGTHENING EMPLOYMENT SYSTEM

Talent Recruitment

The Group continues to improve its human resources management and grows its labour force. As of 31 December 2021, we had a total of 1,323 employees (all being full-time employees). The breakdowns of employees by gender, age group, rank and region are set out below:



In addition, we have also fulfilled our corporate social responsibility by expanding our target institutions for new graduates. In addition to the top institutions in petrochemicals, we have also searched for suitable candidates in the institutions from second and third tier cities. We have implemented various recruitment measures, which all achieved good results, and the Group has been selected as an internship base for international students in Shanghai.

5. STRENGTHENING EMPLOYMENT SYSTEM

During the Reporting Period, the total employee turnover rate⁴ of the Group was 19.13%. The employee turnover rates by gender, age group and region are set out below:

Employee Turnover Rate	Turnover in 2020	Turnover in 2021 ⁴
Total employee	18.66%	19.13%
Turnover Rate by Gender		
Male	18.05%	18.80%
Female	20.02%	19.86%
Turnover Rate by Age Group		
30 or below	28.97%	22.75%
31-40	16.99%	23.25%
41-50	16.60%	16.33%
51 or above	16.57%	10.04%
Turnover Rate by Region		
Mainland China and Hong Kong	18.31%	18.78%
Other regions	38.60%	19.15%

⁴ Total employee turnover rate = Number of employees leaving during the Reporting Period deducting the headcount dismissed on the Company's own initiative/average monthly total number of employees during the Reporting Period x 100%.

5. STRENGTHENING EMPLOYMENT SYSTEM

5.2 TRAINING AND DEVELOPMENT

In 2021, the Group continued to regard talent development as an important part of its business operations and provide its employees with a series of training opportunities and promotion paths as well as career planning routes, with the aim of enhancing their work enthusiasm and performance and achieving complimentary relations between employee growth and corporate development.

Training System

The Group has formulated the Employee Training Management Regulations in order to regulate the management of training for employees, improve their service level and vocational skills, promote their career development, cultivate their good vocational qualities and establish a talent cultivation mechanism. The guidelines promote corporate development strategies and talent development concepts, and provide training programmes for employees in key areas such as induction, cultural integration, knowledge and skills learning, and business development. The subject of the training assessment changed from lecturers to trainees, with trainee participation, learning quality and key measures as the assessment indicators to further accurately quantify the effectiveness of trainings.

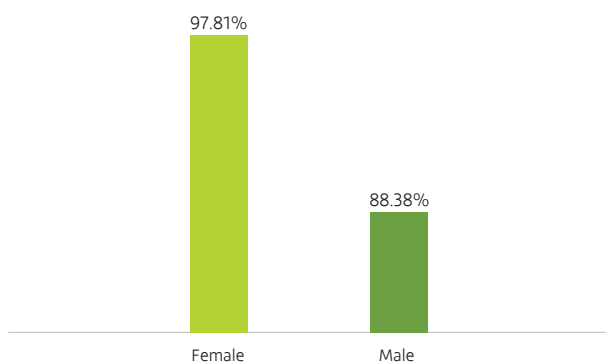


In order to nurture talents in project management and marketing in and outside China, promote corporate culture and optimise employee communication, we have established the Wison Academy and upgraded it to Wison School 2.0. The Wison School 2.0 aims to enhance the professional skills of our employees by providing practical thematic trainings, inviting experts to share case studies, and emphasising the effectiveness and outcome of training. Wison School 2.0 added the roles of cultural communication, knowledge accumulation and vitality stimulation to the original systematic personnel training program, in an effort to build a platform for talent training and corporate culture communication, a vitality stage and an important communication platform of the Company. By doing so, we aim to meet the needs for joint development of business and employees, and improve the comprehensive capabilities of employees and promote their sense of belonging.

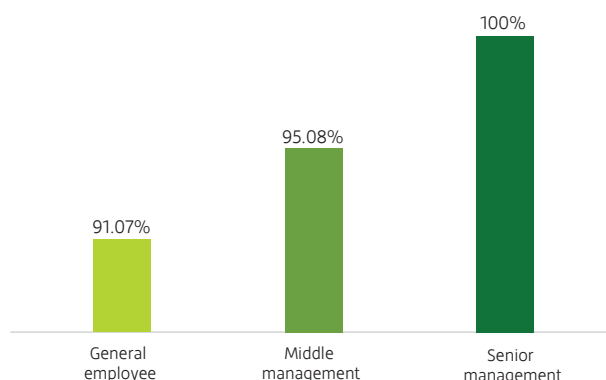
5. STRENGTHENING EMPLOYMENT SYSTEM

During the Reporting Period, the total training hours of our employees⁵ were 28,734 hours, representing an average of 23.5 training hours per employee. The scope of training included series of orientation trainings for new employees, personal qualification training, external training, management leadership training, and training for key positions and projects such as project managers organised at the Company level. The Group's breakdown of employees' training hours and percentage by gender and rank are set out below:

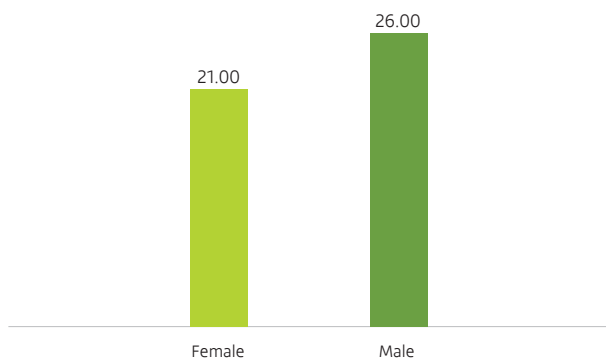
Percentage of Trained Employees by Gender⁶



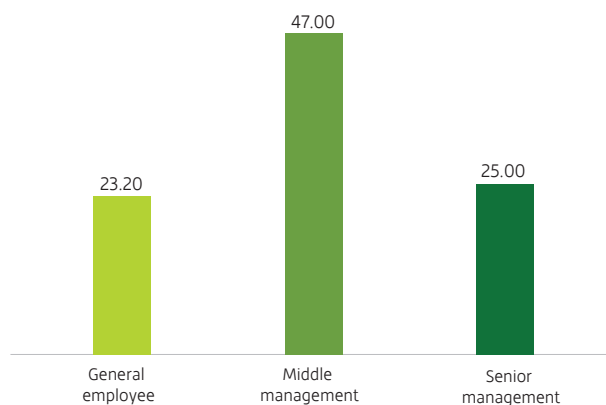
Percentage of Trained Employees by Rank⁶



Average Number of Training Hours of Employees by Gender⁷ (Hour/Person)



Average Number of Training Hours of Employees by Rank⁷ (Hour/Person)



⁵ The training data cover employees in Mainland China and Hong Kong, China.

⁶ Percentage of Employees Trained = Employees trained in the category ÷ Number of employees in the category × 100%.

⁷ Average Training Hours of Employees = Training hours of employees trained in the category ÷ Number of employees in the category × 100%.

5. STRENGTHENING EMPLOYMENT SYSTEM

Promotion Paths

Clear talent pools and incentives and well-planned, practical and attractive career development can help employees plan their careers, strengthen their personal and professional skills and release their potential.

In terms of career development, in order to support the strategic development of the Company and to enhance its organisational capability, we provide two different career development paths for our employees, namely, professional skills and general management, and set clear requirements for their job skills and experience at different levels, and have an objective and transparent attitude towards the evaluation of career ranks for all employees. The aim is to enable employees to make the most appropriate career development choices according to their own circumstances and preferences.

With respect to employee performance appraisal, in order for performance targets to provide more detailed career guidance and advice to employees, the Group has optimised the appraisal system to make its dimensions more comprehensive and scientifically sound, so that good performers can be more effectively identified and motivated accordingly, and appropriate improvement plans can be proposed to poor performers. We have also updated our equity incentive scheme to better match our organisational structure, making it more transparent, fairer and skewed towards good performers, further enhancing employee motivation and initiative and stimulating their personal development.

5.3 EMPLOYEE CARE

Wison Engineering values its employees as an important asset and a driving force in the development of the Company. It fully recognises the contribution of its employees and cares for their needs in work and daily life, in order to realise Wison Engineering's operational philosophy of putting people first. We provide a range of welfare policies for our employees, organise regular cultural and sports activities, take practical actions to help those and their families in need, and establish a smooth and effective communication channel to listen to their views and requests and actively make corresponding improvements, thereby creating a warm and harmonious working environment.

5. STRENGTHENING EMPLOYMENT SYSTEM

Employee Communication

Top-down Communication	Bottom-up Communication
<p>In order to allow the general employees to understand our development philosophy and strategic decisions more effectively, we continued to hold regular department meetings, in which heads of various departments received the opinions of the senior management and then communicated such opinions within their respective departments. Meanwhile, we interpreted the management’s decisions on Wison’s WeChat Official Account from time to time to convey the voice of senior executives to general employees, thus strengthening the internal communication of the Company.</p>	<p>In order to strengthen the communication between senior executives and general employees, we launched the activity of “Issues Concerned by Wison’s Employees” on our mobile platform to collect issues concerned and demanded by grass-roots employees. We also held a Spring Festival seminar for the face-to-face dialogues between the senior executives and the general employees and respond to the issues concerned by our employees, thus enabling employees to feel that their opinions are taken seriously and enhancing their sense of belonging to and trust in the Group.</p>
Two-way Communication	
<p>The minutes of the weekly management meetings are also uploaded to the website to ensure that every employee is kept informed of the Company’s strategy and progress of various projects, and can show their personal views to their superiors.</p>	

In addition, Wison Engineering introduces diverse communication methods, and combines online and offline communication channels to enable team and business communication anytime and anywhere, uses various communication channels to ensure the efficiency, accuracy and timeliness of different types of communication.

Employee Communication Channel

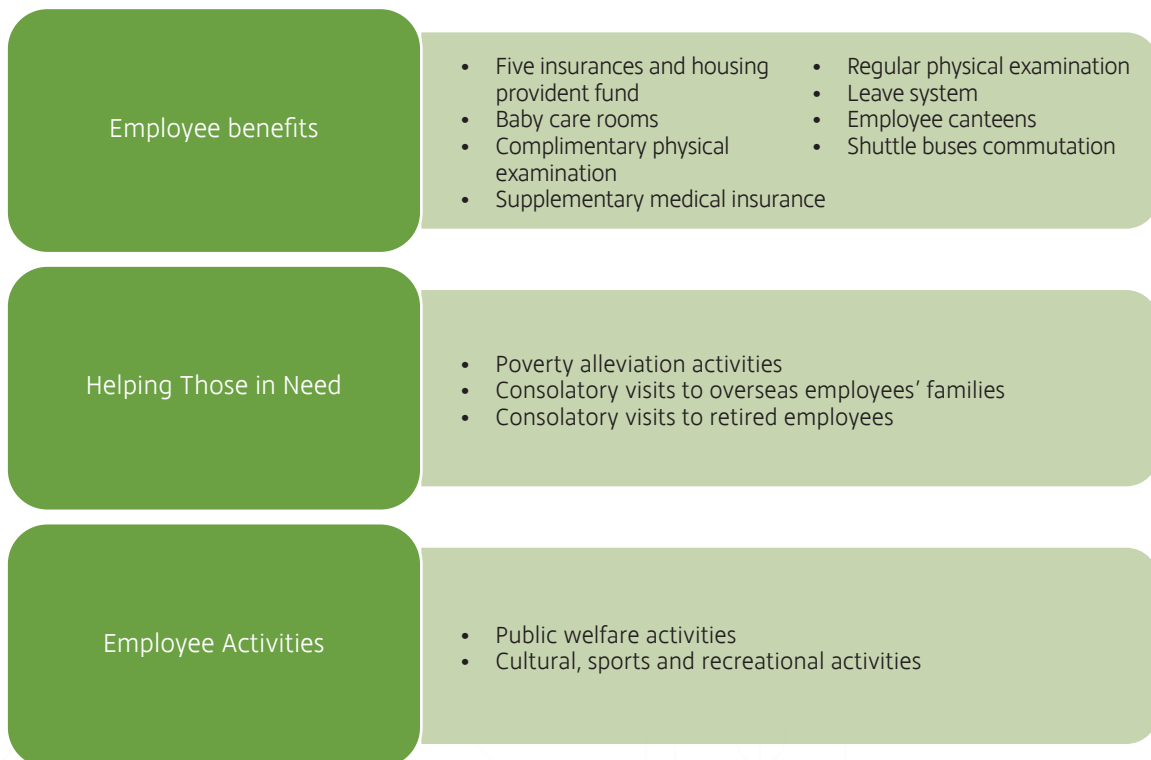
Online Communication	Off-line Communication
<ul style="list-style-type: none"> • WeChat “Wison Care” • Online Voting • Employee Survey • Internal Forum • President’s Mailbox • Notice and Bulletin 	<ul style="list-style-type: none"> • Employee Interviews and Workshop • Employee Conference • Regular Group and Departmental Meetings • President’s Workshop

5. STRENGTHENING EMPLOYMENT SYSTEM

Caring for Employees

Wison Engineering values its employees and provides them with a wide range of benefits. The Company continues to care for its employees, understand their needs and provide them with appropriate aids, including accommodation subsidies, hardship aids and comforts for their families. The Company has been making solid efforts to help employees in difficulty and address their work and living hardships, so that they can feel the care and concern of a big family. We also provide humanistic care and welfare benefits for new recruits, female employees and employees in difficulty, and actively create a happy and warm workplace.

In terms of accommodation, we provide new employees with free accommodation for three months and sign preferential cooperation agreements with local talent apartments to solve their housing problems; in terms of transportation, we provide employees with free shuttle buses to home from work to ease their commuting pressure; in terms of dining, we conduct satisfaction surveys on employee canteens from time to time, and encourage everyone to voice their opinions by handing out small gifts; in terms of healthcare, we carry out health diagnosis and treatment activities from time to time to help employees and their families in need solve health problems.



5. STRENGTHENING EMPLOYMENT SYSTEM

- Annual analysis and adjustment of employee remuneration will be conducted, emphasizing the linkage between employee performance and reward, in order to enhance their motivation and enthusiasm for work, while coping with inflation and relieving the pressure of life
- In addition to basic social security, the Company will purchase additional commercial insurance for its employees to cover their personal safety at work
- As a token of our appreciation to our employees for working in foreign countries over the turn of the year, we sent New Year's greetings to employees who had been working overseas for a long time and their families last year
- During the Reporting Period, 23 employees were recommended to apply for subsidies from major critical illness aid and livelihood aid
- We helped employees in need and their families to apply for government subsidies. This year, we helped 14 employees to get material support from governments, including duvets and diagnosis and treatment devices



*2021 Wison Chinese New Year Session
sent thanks to our colleagues who are still
on duty during the Chinese New Year*



*Help families in need to apply
for material support*

5. STRENGTHENING EMPLOYMENT SYSTEM

In addition to providing our employees with welfare benefits, Wison Engineering advocates work-life balance for its employees, organising a wide range of activities to safeguard their physical and mental health, enrich their leisure time, enhance their sense of belonging and cohesion, create a harmonious workplace atmosphere and build a harmonious and happy corporate culture.

Wison Engineering Sports Activities

- Wison Engineering provides recreational facilities, such as gymnasium, for its employees, and organises sports activities, such as badminton and football games, from time to time to help employees relax and strengthen the level of understanding and cooperation with their colleagues, allowing them to maintain good physical and mental health.
- A total of 134 participants took part in the badminton league held this year.

"The Wison" Yachting Event

- Wison Engineering organises the yachting event to help employees relax and promote bonding among colleagues.
- A total of 30 people attended the yachting event held during the Year.

Wison Engineering's Month of Goddess

- Wison Engineering values its female employees and organises Month of Goddess with a range of activities for women, including Extraordinary Painting, Photography Master, floral arts and moon-shaped fans and essential oil and lipsticks.
- A total of 150 people attended the Month of Goddess events held this year.



Badminton League



Month of Goddess Events

6. DEDICATION TO COMMUNITY

Contribution to the community is one of the sustainable development strategies at Wison Engineering. We have been upholding the corporate mission of “Better Technology, Better Life”, driving corporate development through innovation and striving to achieve win-win situations for all. Wison Engineering also sticks to giving back to the community by taking up social responsibilities and promoting the development of public welfare in various forms, reflecting Wison’s social responsibilities and values.

ENTHUSIASTIC ABOUT PROMOTING PUBLIC GOOD AND CHARITY

As a leading technology and engineering service company in Chinese energy and chemical industry, Wison Engineering has always fulfilled its social corporate responsibility of “Benefit from the Community and Pay back the Community”. While developing new technologies and shining brightly in the energy and chemical industry, we do not forget to give back to the community and actively participate in public welfare activities.

In addition, Wison Engineering has been developing a variety of green chemical processes and technologies through technology innovation, both independently and in partnership, which have helped our customers achieve carbon and emission reduction targets while enhancing economic efficiency, thus making a significant contribution to the sustainable development of the industry and community.

This year, Wison Engineering was rated as a “Socially Responsible Business of Pudong New District” in recognition of Wison Engineering’s excellent performance in fulfilling its social responsibility.



Certificate of “Socially Responsible Business of Pudong New District”

6. DEDICATION TO COMMUNITY

ACTIVE PARTICIPATION IN BLOOD DONATION

As a result of the decrease in outdoor activities due to the epidemic, the amount of donated blood dropped drastically and the national blood bank was seriously understocked. Therefore, Wison Engineering organised its annual blood donation campaign in May 2021 to encourage its employees to participate in voluntary blood donation. In view of the Company's anti-epidemic policy, many employees were unable to attend the Campaign. At the end, 36 employees participated in the blood donation session in Pudong, contributing to the community in the midst of the epidemic.



APPENDIX I LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS

List of Laws and Regulations
Enterprise Risk Management Integration Framework (《企業風險管理整合框架》)
Foreign Corrupt Practices Act 1977 of the United States (《美國1977年反海外腐敗法》)
Bribery Act 2010 of the United Kingdom (《英國2010年反賄賂法》)
Prevention of Bribery Ordinance of the Hong Kong Special Administrative Region (《香港特別行政區防止賄賂條例》)
Company Law of the People's Republic of China (《中華人民共和國公司法》)
Criminal Law of the People's Republic of China (《中華人民共和國刑法》)
Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》)
Interim Provisions on Prohibiting Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》)
Law of the People's Republic of China on Consumer Rights Protection (《中華人民共和國消費者權益保護法》)
Electronic Commerce Law of the People's Republic of China (《中華人民共和國電子商務法》)
Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》)
Law of the People's Republic of China on Emergency Response (《中華人民共和國突發事件應對法》)
Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》)
Regulations on Safety Production Management of Construction Projects (《建設工程安全生產管理條例》)
Regulations on Safety Management of Dangerous Chemicals (《危險化學品安全管理條例》)
Law of the People's Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》)
Regulations on Work-Related Injury Insurance (《工傷保險條例》)
Regulations on the Administration of Overseas Public Safety (《境外公共安全管理規定》)
Regulations on Reporting, Investigation and Handling of Production Safety Accidents (《生產安全事故報告和調查處理條例》)
Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》)
Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution (《中華人民共和國環境噪聲污染防治法》)
Water Pollution Prevention Law of the People's Republic of China (《中華人民共和國水污染防治法》)
Law of the People's Republic of China on Prevention and Control of Air Pollution (《中華人民共和國大氣污染防治法》)
Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》)

APPENDIX I LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS

List of Laws and Regulations

Law of the People's Republic of China on Assessment of Environmental Impact
(《中華人民共和國環境影響評價法》)

Management Regulations on the Environmental Protection of Construction Projects
(《建設項目環境保護管理條例》)

Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》)

Labour Law of the People's Republic of China (《中華人民共和國勞動法》)

Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》)

Special Provisions on Labour Protection of Female Employees (《女職工勞動保護特別規定》)

APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		2021 Environmental, Social and Governance Report
A. Environmental		
Aspect A1	Emissions	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on us relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	3.4 GREEN DEVELOPMENT
KPI A1.1	Types of emissions and respective emissions data.	3.4 GREEN DEVELOPMENT
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4 GREEN DEVELOPMENT
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4 GREEN DEVELOPMENT
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4 GREEN DEVELOPMENT
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	3.4 GREEN DEVELOPMENT
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	3.4 GREEN DEVELOPMENT
Aspect A2	Use of Resources	
General Disclosure	Policies on the efficient use of resources including energy, water and other raw materials.	3.4 GREEN DEVELOPMENT
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	3.4 GREEN DEVELOPMENT
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	3.4 GREEN DEVELOPMENT

APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		2021 Environmental, Social and Governance Report
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	3.4 GREEN DEVELOPMENT
KPI A2.4	Description of issue in sourcing water, water efficiency target(s) and steps taken to achieve them.	3.4 GREEN DEVELOPMENT
KPI A2.5	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	The Group does not involve packaging materials due to the nature of the business
Aspect A3	Environment and Natural Resources	
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	3.4 GREEN DEVELOPMENT
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.4 GREEN DEVELOPMENT
Aspect A4	Climate Change	
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	3.4 GREEN DEVELOPMENT
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	3.4 GREEN DEVELOPMENT
B. Social		
Aspect B1	Employment	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on us relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	5. STRENGTHENING EMPLOYMENT SYSTEM 5.1 PUTTING PEOPLE FIRST 5.3 EMPLOYEE CARE
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	5.1 PUTTING PEOPLE FIRST
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	5.1 PUTTING PEOPLE FIRST

APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		2021 Environmental, Social and Governance Report
Aspect B2	Health and Safety	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on us relating to providing a safe working environment and protecting employees from occupational hazards.	3.3 SAFETY FIRST
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.3 SAFETY FIRST
KPI B2.2	Lost days due to work injury.	3.3 SAFETY FIRST
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	3.3 SAFETY FIRST
Aspect B3	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Training refers to vocational training. It may include internal and external courses paid by the employer.	5.2 TRAINING AND DEVELOPMENT
KPI B3.1	Percentage of employees trained, by gender and employee category (e.g. senior management, middle management).	5.2 TRAINING AND DEVELOPMENT
KPI B3.2	Average training hours completed per employee, by gender and employee category.	5.2 TRAINING AND DEVELOPMENT
Aspect B4	Labour Standards	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on us relating to preventing child and forced labour.	5.1 PUTTING PEOPLE FIRST
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.1 PUTTING PEOPLE FIRST
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 PUTTING PEOPLE FIRST

APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		2021 Environmental, Social and Governance Report
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	4.1 SUSTAINABLE PROCUREMENT
KPI B5.1	Number of suppliers by geographical region.	4.1 SUSTAINABLE PROCUREMENT
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.	4.1 SUSTAINABLE PROCUREMENT
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	4.1 SUSTAINABLE PROCUREMENT
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	4.1 SUSTAINABLE PROCUREMENT
Aspect B6	Product Responsibility	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on us relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	3.3 SAFETY FIRST 4.2 CUSTOMER RELATIONSHIP Due to the nature of the business, the advertising and labelling of the Group's products and services is not applicable.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	3.2 EXCELLENT QUALITY
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	4.2 CUSTOMER RELATIONSHIP
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	2. LEADING IN THE FUTURE OF INNOVATION
KPI B6.4	Description of quality assurance process and recall procedures.	3.2 EXCELLENT QUALITY
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	4.2 CUSTOMER RELATIONSHIP

APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		2021 Environmental, Social and Governance Report
Aspect B7	Anti-corruption	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on us relating to bribery, extortion, fraud and money laundering.	1.2 CORPORATE GOVERNANCE
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against us or its employees during the Reporting Period and the outcomes of the cases.	1.2 CORPORATE GOVERNANCE
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	1.2 CORPORATE GOVERNANCE
KPI B7.3	Description of anti-corruption training provided to directors and employees.	1.2 CORPORATE GOVERNANCE
Aspect B8	Community Investment	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its business activities take into consideration the communities' interests.	6. DEDICATION TO COMMUNITY
KPI B8.1	Focus areas of contribution (e.g. education, environment, labour needs, health, culture, sports).	6. DEDICATION TO COMMUNITY
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	6. DEDICATION TO COMMUNITY

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Disclosure	Description	Chapter(s)
GRI102: General Disclosure 2016		
Organizational Profile		
102-1	Name of the organization	1.1 A CLOSER LOOK AT WISON ENGINEERING
102-2	Activities, brands, products, and services	1.1 A CLOSER LOOK AT WISON ENGINEERING
102-3	Location of headquarters	1.1 A CLOSER LOOK AT WISON ENGINEERING
102-4	Location of operations	1.1 A CLOSER LOOK AT WISON ENGINEERING
102-5	Ownership and legal form	1.1 A CLOSER LOOK AT WISON ENGINEERING
102-6	Markets served	1.1 A CLOSER LOOK AT WISON ENGINEERING
102-7	Scale of the organization	1.1 A CLOSER LOOK AT WISON ENGINEERING 5.1 PUTTING PEOPLE FIRST
102-8	Information on employees and other workers	5.1 PUTTING PEOPLE FIRST
102-9	Supply chain	4.1 SUSTAINABLE PROCUREMENT
102-10	Significant changes to the organization and its supply chain	4.1 SUSTAINABLE PROCUREMENT
102-11	Precautionary Principle or approach	1.2 CORPORATE GOVERNANCE
102-12	External initiatives	Nil
102-13	Membership of associations	4.3 WORKING TOGETHER
Strategy		
102-14	Statement from senior decision-maker	MANAGEMENT/CHAIRMAN'S MESSAGE
102-15	Key impacts, risks, and opportunities	1.3 SUSTAINABILITY STRATEGY
102-16	Values, principles, standards, and norms of behaviour	1.1 A CLOSER LOOK AT WISON ENGINEERING 1.3 SUSTAINABILITY STRATEGY

APPENDIX III GRI STANDARDS CONTENT INDEX

Disclosure	Description	Chapter(s)
102-17	Mechanisms for advice and concerns about ethics	1.2 CORPORATE GOVERNANCE
Governance		
102-18	Governance structure	1.2 CORPORATE GOVERNANCE 1.3 SUSTAINABILITY STRATEGY
102-19	Delegating authority	1.3 SUSTAINABILITY STRATEGY
102-20	Executive-management’s responsibility for economic, environmental and social topics	1.3 SUSTAINABILITY STRATEGY
102-21	Consulting stakeholders on economic, environmental, and social topics	1.3 SUSTAINABILITY STRATEGY
102-22	Composition of the highest governance body and its committees	1.2 CORPORATE GOVERNANCE
102-23	Chairman of the highest governance body	1.2 CORPORATE GOVERNANCE
102-24	Nomination and selection of the highest governance body	1.2 CORPORATE GOVERNANCE
102-25	Conflicts of interests	1.2 CORPORATE GOVERNANCE
102-26	Functions of the highest governance body in formulating the principle, values and strategy	1.2 CORPORATE GOVERNANCE
102-27	Collective knowledge of highest governance body	1.2 CORPORATE GOVERNANCE
102-28	Evaluating the highest governance body’s performance	1.2 CORPORATE GOVERNANCE
102-29	Identifying and managing economic, environmental and social impacts	1.3 SUSTAINABILITY STRATEGY
102-30	Effectiveness of risk management processes	1.2 CORPORATE GOVERNANCE
102-31	Review of economic, environmental, and social topics	1.3 SUSTAINABILITY STRATEGY
102-32	Highest governance body’s role in sustainability reporting	1.3 SUSTAINABILITY STRATEGY
102-33	Communicating critical concerns	1.3 SUSTAINABILITY STRATEGY
102-34	Nature and total number of critical concerns	1.3 SUSTAINABILITY STRATEGY
102-37	Stakeholders’ involvement in decision of fixing remuneration	1.3 SUSTAINABILITY STRATEGY

APPENDIX III GRI STANDARDS CONTENT INDEX

Disclosure	Description	Chapter(s)
Stakeholder Engagement		
102-40	List of stakeholder groups	1.3 SUSTAINABILITY STRATEGY
102-42	Identifying and selecting stakeholders	1.3 SUSTAINABILITY STRATEGY
102-43	Approach to stakeholder engagement	1.3 SUSTAINABILITY STRATEGY
102-44	Key topics and concerns raised	1.3 SUSTAINABILITY STRATEGY
Reporting Practice		
102-45	Entities included in the consolidated financial statements	ABOUT THIS REPORT
102-46	Defining report content and topic boundaries	ABOUT THIS REPORT
102-47	List of material topics	1.3 SUSTAINABILITY STRATEGY
102-48	Restatements of information	Nil
102-49	Changes in reporting	1.3 SUSTAINABILITY STRATEGY
102-50	Reporting Period	ABOUT THIS REPORT
102-51	Date of most recent report	ABOUT THIS REPORT
102-52	Reporting cycle	ABOUT THIS REPORT
102-53	Contact point for questions regarding the report	ABOUT THIS REPORT
102-54	Claims of reporting in accordance with the GRI Standards	ABOUT THIS REPORT
102-55	GRI content index	APPENDIX III GRI STANDARDS Content index
GRI103: Management Approach 2016		
General requirements for reporting management approach		
103-1	Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
103-2	The management approach and its components	1.1 A CLOSER LOOK AT WISON ENGINEERING
103-3	Evaluation of the management approach	1.1 A CLOSER LOOK AT WISON ENGINEERING

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Disclosure	Description	Chapter(s)
Specific Disclosures		
Economic		
GRI201: Economic Performance 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	1.2 CORPORATE GOVERNANCE
	103-3 Evaluation of the management approach	1.2 CORPORATE GOVERNANCE
201-1	Direct economic value generated and distributed	1.1 A CLOSER LOOK AT WISON ENGINEERING
GRI205: Anti-corruption 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	1.2 CORPORATE GOVERNANCE
	103-3 Evaluation of the management approach	1.2 CORPORATE GOVERNANCE
205-1	Operations assessed for risks related to corruption	1.2 CORPORATE GOVERNANCE
205-2	Communication and training about anticorruption policies and procedures	1.2 CORPORATE GOVERNANCE
205-3	Confirmed incidents of corruption and actions taken	1.2 CORPORATE GOVERNANCE
GRI206: Anti-competitive Behaviour 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	1.2 CORPORATE GOVERNANCE
	103-3 Evaluation of the management approach	1.2 CORPORATE GOVERNANCE
206-1	Legal actions for anti-competitive behaviour, anti- trust, and monopoly practices	1.2 CORPORATE GOVERNANCE

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Disclosure	Description	Chapter(s)
Environmental		
GRI301: Materials 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.4 GREEN DEVELOPMENT
	103-3 Evaluation of the management approach	3.4 GREEN DEVELOPMENT
301-1	Materials used by weight or volume	3.4 GREEN DEVELOPMENT
301-2	Recycled input materials used	3.4 GREEN DEVELOPMENT
301-3	Reclaimed products and their packaging materials	The Group does not involve recycled products and packaging materials due to the nature of the business
GRI302: Energy 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.4 GREEN DEVELOPMENT
	103-3 Evaluation of the management approach	3.4 GREEN DEVELOPMENT
302-1	Energy consumption within the organization	3.4 GREEN DEVELOPMENT
302-2	Energy consumption outside the organization	3.4 GREEN DEVELOPMENT
302-3	Energy intensity	3.4 GREEN DEVELOPMENT
302-4	Reduction of energy consumption	3.4 GREEN DEVELOPMENT
302-5	Reduction in energy requirements of products and services	3.4 GREEN DEVELOPMENT

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Disclosure	Description	Chapter(s)
GRI303: Water 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.4 GREEN DEVELOPMENT
	103-3 Evaluation of the management approach	3.4 GREEN DEVELOPMENT
303-1	Water withdrawal by source	3.4 GREEN DEVELOPMENT
303-2	Water sources significantly affected by withdrawal of water	3.4 GREEN DEVELOPMENT
303-3	Water recycled and reused	3.4 GREEN DEVELOPMENT
GRI305: Emissions 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.4 GREEN DEVELOPMENT
	103-3 Evaluation of the management approach	3.4 GREEN DEVELOPMENT
305-1	Direct (Scope 1) GHG emissions	3.4 GREEN DEVELOPMENT
305-2	Energy indirect (Scope 2) GHG emissions	3.4 GREEN DEVELOPMENT
305-3	Other indirect (Scope 3) GHG emissions	3.4 GREEN DEVELOPMENT
305-4	Intensity of GHG emissions	3.4 GREEN DEVELOPMENT
305-5	Reduction of GHG emissions	3.4 GREEN DEVELOPMENT
305-6	Emissions of ozone-depleting substances (ODS)	3.4 GREEN DEVELOPMENT
305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	3.4 GREEN DEVELOPMENT

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Disclosure	Description	Chapter(s)
GRI306: Effluents and Waste 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.4 GREEN DEVELOPMENT
	103-3 Evaluation of the management approach	3.4 GREEN DEVELOPMENT
306-1	Total water discharge by quality and destination	3.4 GREEN DEVELOPMENT
306-2	Total waste by type and disposal method	3.4 GREEN DEVELOPMENT
306-3	Significant spills	3.4 GREEN DEVELOPMENT
306-4	Transport of hazardous waste	3.4 GREEN DEVELOPMENT
306-5	Water bodies affected by water discharges and/or runoff	3.4 GREEN DEVELOPMENT
GRI307: Environmental Compliance 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.4 GREEN DEVELOPMENT
	103-3 Evaluation of the management approach	3.4 GREEN DEVELOPMENT
307-1	Non-compliance with environmental laws and regulations	3.4 GREEN DEVELOPMENT
GRI308: Supplier Environmental Assessment 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	4.1 SUSTAINABLE PROCUREMENT
	103-3 Evaluation of the management approach	4.1 SUSTAINABLE PROCUREMENT
308-1	New suppliers that were screened using environmental criteria	4.1 SUSTAINABLE PROCUREMENT
308-2	Negative environmental impacts in the supply chain and actions taken	4.1 SUSTAINABLE PROCUREMENT

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Disclosure	Description	Chapter(s)
Social		
GRI401: Employment 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	5.1 PUTTING PEOPLE FIRST
	103-3 Evaluation of the management approach	5.1 PUTTING PEOPLE FIRST
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1 PUTTING PEOPLE FIRST 5.3 EMPLOYEE CARE
401-3	Parental leave	5.1 PUTTING PEOPLE FIRST 5.3 EMPLOYEE CARE
GRI402: Employer-Employee Relationship 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	5.1 PUTTING PEOPLE FIRST
	103-3 Evaluation of the management approach	5.1 PUTTING PEOPLE FIRST
402-1	Minimum notice periods regarding operational changes	5.1 PUTTING PEOPLE FIRST
GRI403: Occupational Health and Safety 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.3 SAFETY FIRST
	103-3 Evaluation of the management approach	3.3 SAFETY FIRST
403-1	Workers representation in formal joint management — worker health and safety committees	3.3 SAFETY FIRST
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism	3.3 SAFETY FIRST
403-3	Workers with high incidence or high risk of diseases related to their occupation	3.3 SAFETY FIRST
403-4	Health and safety topics covered in formal agreements with trade unions	3.3 SAFETY FIRST

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Disclosure	Description	Chapter(s)
GRI404: Training and Education 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	5.2 TRAINING AND DEVELOPMENT
	103-3 Evaluation of the management approach	5.2 TRAINING AND DEVELOPMENT
404-1	Average hours of training per year per employee	5.2 TRAINING AND DEVELOPMENT
404-2	Programs for upgrading employee skills and transition assistance	5.2 TRAINING AND DEVELOPMENT
404-3	Percentage of employees receiving regular performance and career development reviews	5.2 TRAINING AND DEVELOPMENT
GRI405: Diversity and Equal Opportunity 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	5.1 PUTTING PEOPLE FIRST
	103-3 Evaluation of the management approach	5.1 PUTTING PEOPLE FIRST
405-1	Diversity of governance bodies and employees	5.1 PUTTING PEOPLE FIRST
GRI408: Child Labour 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	5.1 PUTTING PEOPLE FIRST
	103-3 Evaluation of the management approach	5.1 PUTTING PEOPLE FIRST
408-1	Operations and suppliers at significant risk for incidents of child labour	5.1 PUTTING PEOPLE FIRST
GRI409: Forced or Compulsory Labour 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	5.1 PUTTING PEOPLE FIRST
	103-3 Evaluation of the management approach	5.1 PUTTING PEOPLE FIRST
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	5.1 PUTTING PEOPLE FIRST

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Disclosure	Description	Chapter(s)
GRI413: Local Communities 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	6. DEDICATION TO COMMUNITY
	103-3 Evaluation of the management approach	6. DEDICATION TO COMMUNITY
413-1	Operations with local community engagement, impact assessments, and development programs	6. DEDICATION TO COMMUNITY
413-2	Operations with significant actual or potential negative impacts on local communities	6. DEDICATION TO COMMUNITY
GRI414: Supplier Social Assessment 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	4.1 SUSTAINABLE PROCUREMENT
	103-3 Evaluation of the management approach	4.1 SUSTAINABLE PROCUREMENT
414-1	New suppliers that were screened using social criteria	4.1 SUSTAINABLE PROCUREMENT
GRI416: Client Health and Safety 2016		
GRI103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	1.3 SUSTAINABILITY STRATEGY
	103-2 The management approach and its components	3.3 SAFETY FIRST 4.2 CUSTOMER RELATIONSHIP
	103-3 Evaluation of the management approach	3.3 SAFETY FIRST 4.2 CUSTOMER RELATIONSHIP
416-1	Assessment of the health and safety impacts of product and service categories	3.3 SAFETY FIRST 4.2 CUSTOMER RELATIONSHIP
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.3 SAFETY FIRST 4.2 CUSTOMER RELATIONSHIP



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