



中國核能科技集團有限公司
China Nuclear Energy Technology Corporation Limited

Stock Code : 611



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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About the Group

China Nuclear Energy Technology Corporation Limited (the “Company” or “CNETCL”, together with its subsidiaries, the “Group”) is principally engaged in the following businesses:

- design and consulting services, engineering, procurement and construction operations (“EPC”) relating to photovoltaic power plant;
- solar power generation operations;
- financing operations; and
- manufacturing and trading of solar power related products.

CNETCL focuses on new energy businesses with an effort to develop our financial services putting emphasis on financial leasing for nuclear energy, clean energy, energy saving and environmental protection segments. By paying continuous endeavour to invest and operate clean energy power generation and photovoltaic projects, the Group has successfully become one of the top-tier contractors for photovoltaic engineering and construction, and has realised the objective of integrating photovoltaic power station investment – EPC – operation.

Low carbon operation, energy saving and renewable energy are gaining public awareness in face of the climate change. Given strong growth in the renewable energy industry in China, the Group has put the focus on designing, installation and construction of solar photovoltaic power system in recent years. With technology advancement and installation cost reduction, it is anticipated that residential renewable energy will become more popular which helps boosting the domestic demand in China. In addition to the domestic renewable energy market in China, the Group will seek for opportunities in other countries for the joint development of renewable energy under the Belt and Road Initiatives.



About the Report

This is the second Environmental, Social and Governance Report (the “Report”) issued by the Group, which contains the policies, measures and performance in respect of the Group’s environment, social and governance from 1 January 2017 to 31 December 2017 (the “Year”) to provide stakeholders with better understanding on the sustainability and development direction of the Group. This report has been prepared in both English and Chinese and has been uploaded to the websites of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (www.hkexnews.hk) and the Company (www.cnetcl.com).

SCOPE OF REPORT

This report focuses on CNETCL’s two major photovoltaic projects, namely “CECEP Changxing 20MW Dapeng agricultural photovoltaic power station” (“CECEP Changxing”) and “Taizhou Herun 40MW photovoltaic power generation project”¹ (“Taizhou Herun”), which represent two key areas of the new energy business of the Group: EPC photovoltaic projects and self-invested and self-operated photovoltaic stations. In order to enable the readers to compare our performance this year, the structure of this Report is similar to the first report. This Report does not cover all current operations of the Group, but the Group will eventually expand the scope of disclosure by continuously optimising the internal information collection procedures.

REPORTING STANDARD

This report is prepared pursuant to the “comply or explain” provisions under the Environmental, Social and Governance Reporting Guide (the “Guide”) as set out in the Appendix 27 to the rules governing the listing of securities on the Stock Exchange (the “Listing Rules”) and is prepared based on four reporting principles as contained therein, namely materiality, quantitative, balance and consistency. To ensure the accuracy of environment-related key performance indicators (“KPIs”), the Group has entrusted a consultant, Carbon Care Asia Limited (“Carbon Care Asia”) to conduct carbon assessment. Besides, individual KPI specified in the “recommended disclosures” under the Guide are included in this Report to enhance the reporting.

The last chapter of this Report provides complete indexing to allow easy comprehension of this Report in accordance with the Guide.

CONFIRMATION AND APPROVAL

All information contained herein is collected from the Group’s official documents, statistics, and the management and operation data collected through the Group’s system. This report was approved by the board of directors on 5 July 2018.

FEEDBACKS

The Group highly values the opinions of stakeholders. Should you have any enquiries or comments regarding the content or form of this Report, please contact us through the following means:

Address: Room 2801, 28/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong

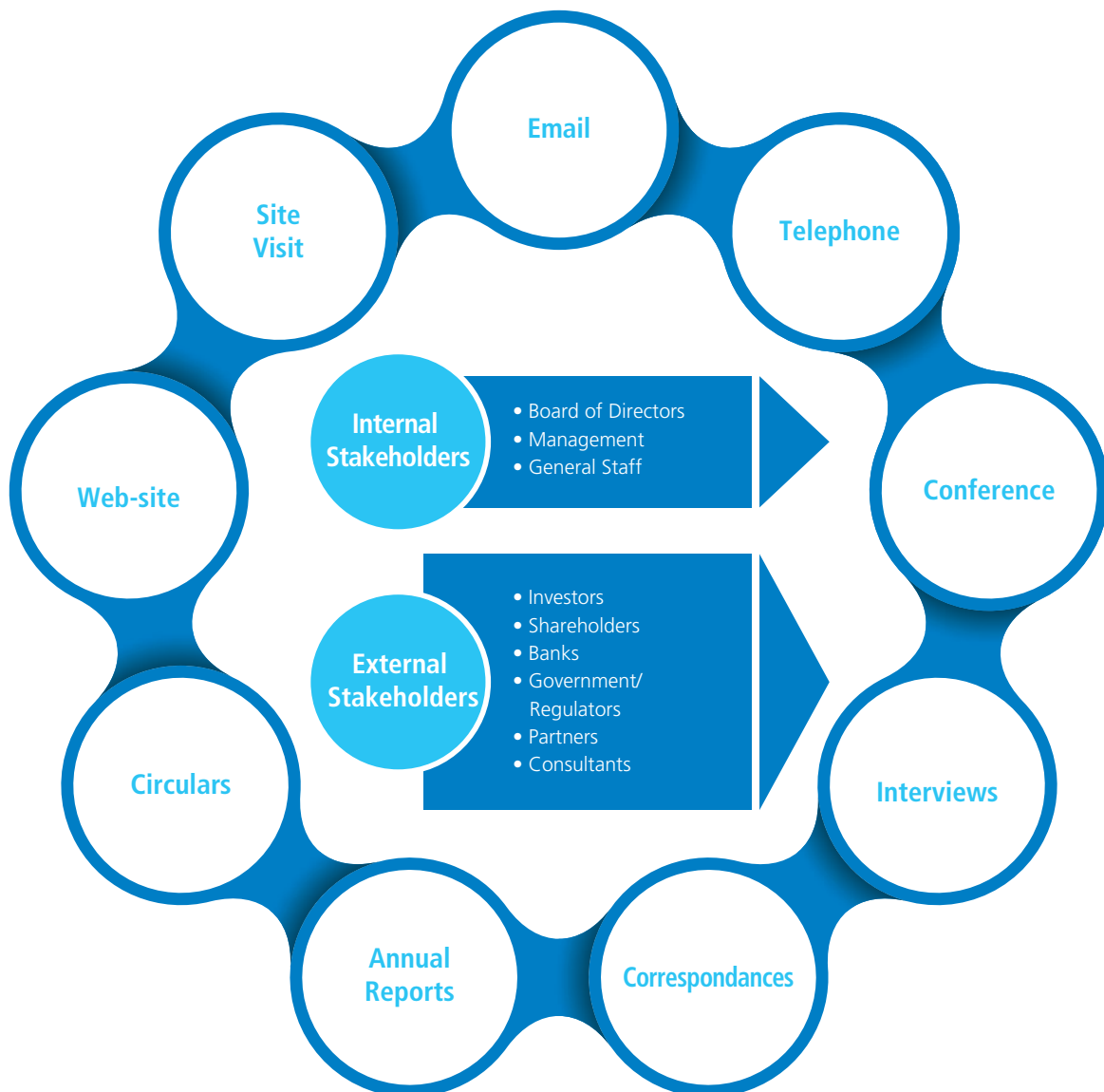
Email: info@cnetcl.com

¹ Operated by 泰州核潤新能源有限公司 (transliterated as Taizhou Herun New Energy Company Limited), a subsidiary of the Group.

Stakeholders Engagement

In the course of managing the Group's business, stakeholders² play an important role and help the Group scrutinising potential risks and business opportunities. By communicating with stakeholders and understanding their insights, the Group enables our businesses and practices to keep closer tabs on stakeholders' needs and anticipations and properly manages different stakeholders' opinions. The Group communicates with our key stakeholders constantly via various channels so that stakeholders have the opportunity to understand the Group's development and operation strategy. At the same time, it provides an opportunity for the Group to listen to the views of the stakeholders so that the Group can identify and prioritise different issues and develop corresponding strategy.

MEANS OF COMMUNICATIONS WITH STAKEHOLDERS FOR THE CURRENT YEAR



² Stakeholders, (also known as "related parties", "equity holders" or "interested parties") refer to groups and individuals who have material impact on, or are impacted by, the Group's business, including internal directors, management, general staff, and external investors, shareholders, banks, government/regulators, partners, consultants, etc..

Stakeholders Engagement

Same as last year, the Group has entrusted Carbon Care Asia, an independent consultant to conduct interviews with the management in order to lay down the Group's strategies and direction for sustainable development and identify the most important environmental and social issues for the Group and our stakeholders. Taking into account the data collected during the interviews and the consultant's opinion, the Group selected three out of eleven environmental and social aspects from the Guide as the key issues for discussion in this report.



To ensure effective communication with stakeholders, the Group is committed to observe communications with transparency, integrity and accuracy and provide timely response. In future, the Group plans to explore diversified communication channels in order to enhance our communication with stakeholders and to bring about mutual benefits.

Message from the Chairman

In face of global energy resources shortage and rising demand, development of clean energy and technology is one of the key elements to achieve sustainability and enhance the life quality of mankind. In order to fulfill our corporate responsibilities, protect the earth and facilitate social development, CNETCL strives to provide the general public with cleaner and greener electricity supply and improve our performance in environment, social and governance in every of our business segments. In 2017, Taizhou Herun has generated electricity of 52.54 million kwh through its photovoltaic power generation system and has provided green and low cost energy to the local community.

An external consultant has been engaged by the Group during the reporting period to conduct carbon assessment for better control of carbon emission. The Group is committed to reduce resource consumption by implementing different measures in offices and work sites in order to save water and electricity in our operations.

Apart from the Group's internal operation, we are aware of the potential exposure to local community and environment arising from our supply chain. To optimise our supply chain management, the Group maintains a set of standards for supplier selection and assessment. In respect of the suppliers, we are considering to adopt green purchasing policies in future under which environmental and social factors will be taken into account in all business decisions.

In line with the development of EPC business, the Group assumes our duty to assure quality control for our project design and construction. We inspect and monitor regularly every EPC procedure and execute timely correction and modification when defects arise. A comprehensive reporting and analysis system also enables the Group to flexibly resolve and prevent problems.

Although there is still room for improvement on our road to sustainability, the Group strives to expand through developing our new energy business segment. At the same time, we aim at providing clean and renewable energy as our long-term target so as to create value for the community and the environment. We will also strengthen our communication with our employees, partners, shareholders, suppliers, the government and the community for better formulation of business strategies to meet the needs and anticipations of our stakeholders in terms of social and environmental performance.

Ai Yilun
Chairman

Hong Kong, 5 July 2018

Protection to Environment

EMISSIONS

Through active response to the global development of low carbon economy, the Group strives to reduce the impact of its business to the environment and simultaneously enhance operation efficiency in order to facilitate our sustainable growth. The “Environmental and Safety Operation Procedures” had been laid down to stipulate management and control requirements on major aspects such as recycling, disposal and transportation of solid wastes generated from our operation, noise and dust control and sewage discharge. The Group has standardised to use commercial concrete to reduce dust, noise and sewage pollution caused by concrete mixing at work sites.

The Group emphasises on proper disposal of waste and enhance employees’ awareness of environmental protection. Solid wastes generated by the Group are mainly general industrial solid waste and hazardous solid waste. General solid wastes such as packaging materials, steel leftover and retired equipment are recycled and properly disposed. The planning and management of the solid waste dumps of the property management company at the area where our office is located has been under supervision of our internal control department and general manager office to ensure effective clean-up of waste. Special recycling measures for ink cartridges have been implemented for centralised treatment by suppliers to avoid pollution. Other hazardous solid waste like abandoned batteries and fluorescent tubes are categorised and specially treated to ensure they are stored in a rainproof, leak-proof and dustproof location in order to alleviate environmental pollution.

The air pollutants of CECEP Changxing and Taizhou Herun are primarily arising from fossil fuels combustion. In order to strengthen pollutants management, the Group has established policies for work sites dust control. Regular work sites inspections are conducted to ensure frequent watering of sites for the suppressing and controlling of dust generated.

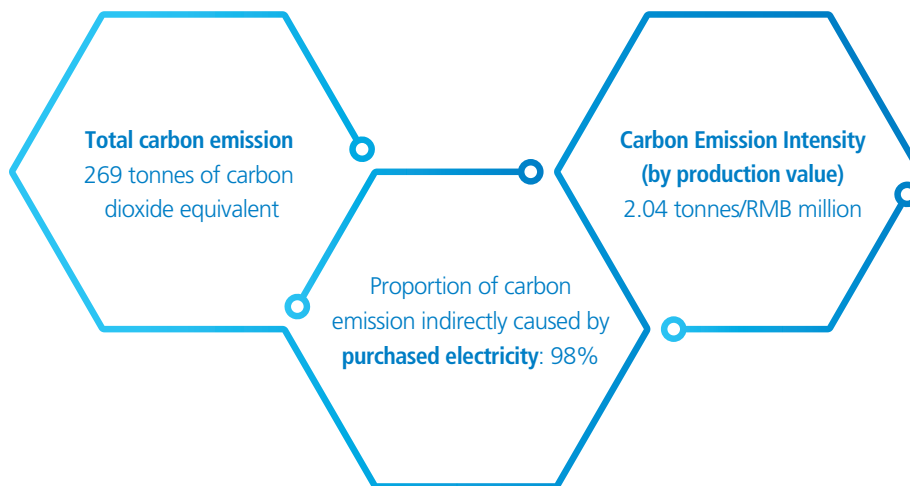
Air Pollutants	
Types	Emission (kg)
Nitrogen oxides	0.46
Sulfur oxides	0.13
Suspended particulates	0.12

Noise generated during construction are categorised as fixed noise sources (associated with air conditioners, air feeders, suction fans and construction machinery) and mobile noise sources (associated with vehicles, construction machinery and production activities). To control fixed noise sources, the Group requires all departments concerned to maintain noise generated machinery lubricated and ensure lubricant is adequately supplied. In addition, the Group exercises strict control on key machines like electric motors, suction fans, air conditioners, etc. and adopts measures for sound insulation, mute and absorption. Noise generated from piling and excavation at work sites is under stringent control and night time operation of piling rigs is prohibited. Opinion from neighborhood residents or internal staff on noise will be recorded and addressed. For mobile noise sources, through publicity efforts, the Group enhances employees’ awareness on environment protection in our daily operating activities so that good working practices can be built and vehicles are properly repaired and maintained to reduce noise.

Improper sewage discharge and leakage are prohibited by the Group. Waste water and sewage generated by the Group must be discharged to the municipal sewerage as well as the landlord’s sewerage at work sites for centralised treatment in accordance with the relevant regulations.

Protection to Environment

Greenhouse gas emission is closely related to climate change and global warming, for which enterprises around the world commence to establish measures and targets for carbon reduction. During the year, the Group has entrusted a consultant, Carbon Care Asia for carbon assessment by reference to the national standards of the People's Republic of China (the "PRC")³ and the international standards including the Corporate Accounting and Reporting Standard under Greenhouse Gas Protocol. The Group is aware of our emissions during the process of carbon assessment. To allow comparison of statistics for current and subsequent years, the Group carries out regular assessment, record and annual disclosure of the greenhouse gas emission data. For details about greenhouse gas emission for the current year, please refer to Summary of Key Performance Indicators as set out in pages 16 to 19.



USE OF RESOURCES

The Group has long adopted the principles of resources saving and consumption efficiency enhancement. During the Group's daily operations, the most consumed resources are electricity, water and office paper. The Group is committed to make optimal use of renewable energy and focus on designing and developing solar photovoltaic power system for continued energy conservation.

Use of Energy	Taizhou Herun	CECEP Changxing
Direct energy		
Gasoline (GJ)	57.3	N/A
Liquefied Natural Gas (GJ)	22.7	N/A
Liquefied Petroleum Gas (GJ)	N/A	18.1
Indirect energy		
Purchased Electricity (MWh)	360.9	13.0
Use of Water Resources		
Total Water Consumption (m ³)		2,400

³ GB/T 32151.1-2015 Requirements of Greenhouse Gas Emission Accounting and Reporting Standard – the first section: power generation enterprises.

Protection to Environment

For water consumption, the Group continuously improves its administrative measures by phasing out high water consumption equipment and replacing with products of energy conservation technology. Water meters are installed at work sites. Water pipes are inspected and maintained by designated personnel and auto water taps are used to prevent leakage.

The Group has implemented green office policy and advocated the use of recycled paper and two-side printing. Employees are encouraged to switch off idled energy consumption equipment. To optimise paper consumption, the Group has formulated "Administrative Measures for Office Supplies" to regulate the standard management procedures for procurement, allocation and distribution of office supplies.

ENVIRONMENT AND NATURAL RESOURCES

The Group has strictly complied with laws and regulations in its daily operation, including but not limited to "Article 26 of the Constitution of the PRC", the "Environmental Protection Law of the PRC", the "Atmospheric Pollution Prevention and Control Law of the PRC", the "Water Pollution Prevention and Control Law of the PRC", the "Environmental Noise Pollution Prevention and Control Law of the PRC", the "Solid Waste Pollution Prevention Law of the PRC", the "Environmental Impact Assessment Law of the PRC", the "Cleaner Production Promotion Law of the PRC", the "Energy Conservation Law of the PRC" and the "Pollution Prevention and Control Implementation Rules of the PRC". The Group ensures strict compliance with the statutory emission restrictions and requirements through regular environment monitoring. Although our daily operations have no direct and significant impact on the environment and natural resources, CNETCL recognises that any activities will have impact on the surrounding environment. The Group is committed to protect the environment and ecosystem at work sites and the surrounding areas from our operating activities, especially in our project works. The Group has obtained ISO14001: 2004 Environmental Management System Certification. The "Control Procedure for Environment Factors Identification and Evaluation" for construction projects requires identification of environment factors which are controllable or can be influenced, assessment on the severity to the environment and establishment of problem solving procedures. As to the construction projects, the Group has identified relevant environment factors such as dust, solid waste, and noise generated at work sites, as well as water and electricity consumption and discharge of liquid waste. Key environment factors identified are solid waste including building refuse, equipment and material packaging materials (wood, steel, etc.). Measures addressed to manage key environment factors are:

- building refuses are delivered to landlord's designated garbage pool for the handing of external agencies entrusted by the landlord;
- levelling and filling of the work sites;
- strengthen routine civil construction inspections at the construction sites; and
- request the construction agent to fully utilise recycled equipment and material packaging materials.

During the year, CECEP Changxing and Taizhou Herun did not aware of any irregularity relating to emissions.

The Group's sustainability mission is to develop clean energy through industrialisation of the investment and financing platform by leveraging the advanced technology of energy. In future, apart from focusing on the renewable energy market in the Mainland China, the Group will seek for opportunities to develop renewable energy in other countries through the Belt and Road Initiatives so as to contribute to environment and natural resources protection.

Care for Employees

EMPLOYMENT SYSTEM

The Group strives to create a working environment which allows employees to excel their strengths, generate values, enhance self-quality and achieve comprehensive career development. Employees' benefits are safeguarded and employees are able to understand their rights and responsibilities through "Employee Handbook", laying down work hours, remunerations, allowances, extra bonus, holidays, benefits and dismissal arrangement and etc. To motivate employees for their outstanding performance and to stimulate their potentials, the Group has set up a system to identify outstanding performers, management executives and employees who have outstanding performance in technology expertise are named as "Corporate Experts", aiming at enhancing work quality and productivity.

In addition to social insurance and housing provident fund, the Group also provides various benefits to employees including breastfeeding leave, birthday coupon and gift, wedding gift, maternity gift, funeral consolation for directly related family members, festival bonus, high temperature subsidy and other allowances. Other benefits like lunches are provided on work days and commercial insurances are secured for employees.

Adhering to the recruitment principles of needs and merits, the Group also advocates diversification recruitment policy. The Group encourages diversified employees portfolio which brings the Group with different skills, experience and mindset. The Group prohibits discrimination on gender, age or race at recruitment or promotion.

During the year, CECEP Changxing and Taizhou Herun did not identify any irregularity relating to employment.

SAFETY AND HEALTH

The Group emphasises on employees' safety and health and has secured social health insurance for all employees. Annual occupational medical checkups are also provided for employees. We strive to maintain a healthy and safe working environment to avoid work-related injury and incident. The Group has obtained OHSAS18001: 2007 Occupational Health and Safety Management Certificate. The Group adopted the "Environmental and Safety Operation Control Procedures", emphasising on construction safety management. For high risk tasks, the Group requests all construction projects to measure and monitor performance, together with safety inspection, safety assessment, risk source identification and other special safety checks so as to formulate comprehensive corrective measures to address issues.

The Group exercises comprehensive management during the course of construction including safe production at product commissioning, occupational health and compliance with laws and regulations, and regular supervision and inspection on the works carried out by contractors. The Group also requests project management centre to conduct recurrent random check in respect of environmental protection, systematic construction, safe production, occupational health and law compliance.

For high risk tasks, the Group requires the site workers to wear appropriate personal protective devices including helmets, safety boots and work suits. Standardised operation of safety facilities is implemented at work sites including the setting up of safety signs and security warning lines. Different types of fire safety devices and equipment are available at work sites which are managed by designated staff. Project management centre obtains in-depth understanding of the work sites situation and organise fire safety inspection. In case there is any potential fire, the responsible staff will urge the concerned unit to correct or adopt effective measures.

Care for Employees

The Group properly monitors the safety and health of employees. Every staff must meet the recruitment requirements, attend and pass safety seminars and trainings. Regular trainings and examinations for safety technicalities will also be provided to all employees.

During the year, CECEP Changxing and Taizhou Herun did not identify any irregularity relating to safety and health.

DEVELOPMENT AND TRAINING

The Group believes that nurturing and retaining talents are the key for corporate growth and competitiveness enhancement. Our training system, staff trainings arrangements, performance assessment and career path of employees are set out in the "Employee Handbook". In order to broaden our employees' promotion path and optimise their career development, team of experts are chosen from three categories of position, namely, "professional management", "design, research and development" and "engineering expertise". To ensure a consistent objective among all departments, employees and the Group and to increase working efficiency, department heads will communicate with the team members for annual objectives and action plans so as to reach consensus. The Group also conducts monthly and annual performance appraisals depending on departments and positions.

New recruits are required to attend induction training, safe production training and on-the-job training. The Group's training mode primarily includes inhouse professional trainings and trainings organised by external institutions, further studies and seminars, etc.. Besides, to help employees diversified their skills, subsidies are provided to encourage employees to attend examinations organised by the government authorities in order to obtain professional qualifications. Position re-designation and secondment trainings are also available.

2017 TRAININGS FOR LEGAL COMPLIANCE AND MANAGEMENT

To enhance the overall compliance standard of CNETCL and to enable subsidiaries to have a better understanding of the Hong Kong Listing Rules, the Group has organised compliance training, focused on three aspects namely connected transactions, disclosable transactions and disclosure of company information under the Listing Rules.

LABOUR STANDARDS

In compliance with the "Labour Law of the PRC", the Group is committed to safeguarding the rights of our staff. The Group strictly prohibits child labour and conducts actual age verification at recruitment by checking the original identification documents and keep detailed records. The Group executes strictly the requirements under standard labour contract and the employment relationship will be treated fairly. Any forms of forced labour are also strictly prohibited. The "Employee Handbook" stipulates that staff are encouraged to complete their tasks within 8 hours each day and no overtime work is required in principle. In case of special situation where overtime work is required, the accumulated overtime work hours for each staff shall be less than 36 hours per month.

During the year, CECEP Changxing and Taizhou Herun did not identify any irregularity relating to child labour and forced labour.

Operating Practices

SUPPLY CHAIN MANAGEMENT

The Group values its cooperation with suppliers. The major suppliers of the Group are classified as sub-contractors and equipment and material suppliers. In order to strengthen the contract management and establish scientifically-based and systemised management procedures for execution and storage of contracts, the Group has formulated a "Contract Management Policy" to assess, predict and control the risks of various types of contract.

The Group has established "Supplier Management Measures" to stipulate the requirements and criteria in suppliers selection. In addition to quality, price, lead time and technical supports of the suppliers, the Group also concerns the impacts of suppliers on the environment and the society. Meanwhile, the Group is considering to adopt green procurement policy in future. The Group evaluates the sub-contractors based on their expertise and management standards as well as on-site coordination and cooperation performance. In terms of expertise and management standard evaluations, the Group evaluates work sites security management and environment protection. For instance, whether the security personnel obtains the work licenses and whether sufficient work and environment protection measures are in place. In the occurrence of material incident involving sub-contractors during the work progress, such sub-contractor will be punished by prohibiting from making a tender for three times. Assessment on suppliers by the Group includes the following factors:

Professional standards	Standards of professional and technical personnel
	Operational Standard of workers
	Reasonableness and practicability of proposals
	Standard of project and workmanship
	Equipment and tools allocation
Work site management standards	Project personnel management
	Progress management
	Quality control
	Technical administration
	Safe and civilised project management
Sub-contractors' work site coordination and cooperation	Coordination and cooperation with main contractor
	Coordination and cooperation with sub-contractors
	Coordination and cooperation with directives equipment manufacturers
Response of sub-contractors	Response to management direction of main contractor
	Response to maintenance services during warranty period

Operating Practices

PRODUCT RESPONSIBILITY

The vision of the Group is to become an international leading new energy investor and service provider. With the expansion of the photovoltaic EPC business, the Group has placed project design and quality management as our priority focus on product liability. The Group has obtained ISO9001: 2008 Quality Management System Certificate. The Group monitors the design quality by implementing the "Design Consultation Process Control Procedures". We also adopts the "Monitoring and Measurement Control Procedures for Process, Products and Performance" to timely monitor and measure each step of its management system, including activities management, resources management and product realisation. The monitoring and measurement of the construction and products debugging shall be stipulated in the project quality inspection plan and proper arrangements shall be made. Monitoring and measuring product attributes shall be conducted by qualified inspectors using appropriate inspection equipment based on corresponding inspections and delivery procedures, inspection items, inspection frequency, sampling plans, inspection methods.

The Group has also developed the "Non-compliance Control Procedures" to control any non-compliance with quality, environment and occupational health and safety arising from operating activities and products and services. In accordance with the degree of conformity, the Group has classified the situations into "significant non-compliance", "generally non-compliance" and "minor non-compliance (under observation)", aiming at identifying and controlling situations of non-conformity arising from the process of project design, procurement, construction and in the environmental management system and occupational health and safety management. Employees are required to report any non-conformity to the management and quality analysis meetings will then be held to formulate corrective and precaution measures in accordance with the "Procedures for Corrective and Precaution Measures" to prevent reoccurrence. During the year, CECEP Changxing and Taizhou Herun did not involve in any products or service recovery.

Customer data protection is the cornerstone for the Group to maintain good corporation governance and develop long-term relationship and mutual trust with our customers. The Group has complied with regulations concerning the privacy protection and has entered into confidentiality agreements with its employees who are required to safeguard customers information and protect the rights and commercial achievements of the Group including copyright, patent, trademark, technological developments, marks and names, commercial secret, improper competition, etc.

The Group concerns customers' satisfaction and has formulated a "Procedure for Customers' Satisfaction Assessment", specialising the measurement of customers' satisfaction, information analysis and data disposal. Customers satisfaction evaluation survey examines areas of engineering design quality, project construction quality, delivery capability, performance-cost ratio, service quality, customers communications, customers opinions and recommended data disposal. After investigation, the Group rates the satisfaction of customers, and summarises customers opinions for the use of performance evaluation, issues identification and improvements seeking.

Currently, the Group did not make use of advertisement and labelling for promoting and labelling its products and services and accordingly, the Group does not adopt related policy.

During the year, CECEP Changxing and Taizhou Herun did not aware of any irregularity relating to product and service, health and safety, advertising, labelling and privacy related matters.

Operating Practices

ANTI-CORRUPTION

Anti-corruption has been positioned by the international society as one of the basic principles of corporate social responsibility. In recent years, the Chinese Government has also been actively implementing anti-corruption works. The Group adopts a zero-tolerance policy on corruption in any kinds, such as bribery, extortion, fraud and money laundering. The Group has formulated code of conducts, including prescribed standards of conducts for our employees in "Employee Handbook" and standardised the procedures of reporting, investigation and handling of fraud in the "Whistle-blowing Policy".

The Group has stipulated in the "Employee Handbook" that employees are not allowed to abuse their positions to commit corruption. To foster employees' compliance with the Company's standards and requirements and to encourage all employees to report any undue conducts and unethical behaviours that may impair the reputation of the Group, the Group has formulated a "Whistle-blowing Policy" and provided whistle-blowing channels. Employees may by writing report to the chief executive and the Group will conduct internal investigation and handle on circumstances of individual cases.

During the year, CECEP Changxing and Taizhou Herun did not recognise any cases of corruption relating to our employees.

Contribution to Community

Corporate social responsibility has been gaining concerns from the general public which leads to an emerging concept of “Social Operation Permit”. It strongly advocates enterprises to incorporate long-term interests of the overall society into their development, rather than pursuing short-term financial results and returns of shareholders. As an entity committed to social responsibility, the Group creates job opportunities and boosts the economy by constructing and operating photovoltaic power stations for local community. Since 2017, the Group has embarked plans to develop rural household photovoltaic power generation projects. Under the projects, the Group acts as guarantor for farmers to enable them to obtain bank loans for the installation of photovoltaic power generation system at their rooftops which in turn improve their quality of life. Looking ahead, the Group will formulate community contribution policy to incorporate the social responsibility into its development position.

Summary of Key Performance Indicators

ENVIRONMENTAL PERFORMANCE

Types		Emission (kg)
Air Pollutants	Nitrogen Oxides (NOx)	0.46
	Sulphur Oxides (SOx)	0.13
	Suspended Particles	0.12

Scope		Emission (tonnes CO ₂ e of GHG emission)
Greenhouse gases (GHG)	Scope 1: Energy direct greenhouse gases	6.2
	Scope 2: Energy indirect greenhouse gases	263.1
	Total GHG emissions	269.3
	Intensity of GHG (tonnes CO ₂ e of GHG emission/ employee)	22.4
	Intensity of GHG (tonnes CO ₂ e of GHG emission/ RMB millions)	2.04

Category		Volume
Non-hazardous wastes	Household wastes (tonnes)	19.2
	Intensity of non-hazardous wastes (tonnes/employee)	1.6

Note: No hazardous waste was generated by CECEP Changxing and Taizhou Herun during the year.

Category		Consumption
Usage of energy	Direct energy (GJ)	98.0
	Indirect energy (MWh)	373.9
	Intensity of energy (GJ/RMB millions)	10.9

Category		Volume
Water consumption	Total water consumption (m ³)	2,400
	Intensity of water consumption (m ³ /RMB millions)	18.2

Category		Volume
Packaging material	Total weight of packaging material (tonnes)	23
	Intensity of packing material (tonnes/RMB millions)	0.26

Summary of Key Performance Indicators

SOCIAL PERFORMANCE⁴

Project	Gender	Number of employees				Total number	Ratio of Remuneration Male:Female
		Below aged 30	Aged 30-40	Aged 41-50	Above aged 50		
Taizhou Herun	Male	11	3	0	0	17	1.12:1
	Female	2	1	0	0		
	Gender	Level C senior management	Senior management	Middle management	General staff		
	Male	0	2	3	9		
	Female	0	0	0	3		
Project	Gender	Below aged 30	Aged 30-40	Aged 41-50	Above aged 50	Total number	Ratio of Remuneration Male:Female
CECEP Changxing	Male	3	1	0	0	4	N/A
	Female	0	0	0	0		
	Gender	Level C senior management	Senior management	Middle management	General staff		
	Male	0	0	1	3		
	Female	0	0	0	0		

Project	Gender	Number of new employee				Total number of new employees	Percentage of new employees
		Below aged 30	Aged 30-40	Aged 41-50	Above aged 50		
Taizhou Herun	Male	5	1	0	0	6	35%
	Female	0	0	0	0		
CECEP Changxing	Male	0	0	0	0	0	0%
	Female	0	0	0	0		

⁴ Only includes data from Taizhou Herun. Data from CECEP Changxing is not available for the year.

Summary of Key Performance Indicators

Project	Level of the position	Number of staff attending training			
		Male		Female	
		Number of staff attended training	Number of employees under this category	Number of staff attended training	Number of employees under this category
Taizhou Herun	Level C senior management	0	0	0	0
	Senior management	2	2	0	0
	Middle management	3	3	0	0
	General staff	9	9	3	3
	Total number of staff	14	14	3	3
	Percentage of staff attended training	100%			
CECEP Changxing	Level C senior management	0	0	0	0
	Senior management	0	0	0	0
	Middle management	1	1	0	0
	General staff	3	3	0	0
	Total number of staff	4	4	0	0
	Percentage of staff attended training	100%			

Project	Level of the position	Number of training hours	
		Male	Female
		Training hours	Training hours
Taizhou Herun	Level C senior management	0	0
	Senior management	40	0
	Middle management	50	0
	General staff	100	36
	Total training hours	190	36
	Average training hours	13.3	
CECEP Changxing	Level C senior management	0	0
	Senior management	0	0
	Middle management	8	0
	General staff	34	0
	Total training hours	42	0
	Average training hours	10.5	

Summary of Key Performance Indicators

Summary of Key Performance Indicator in relation to Employee Health and Safe			
Number and rate of work-related fatalities	Accident rate per thousand employees	Number of lost days due to work-related injuries	Percentage of lost days due to work-related injuries
0%	0%	0	0%

Project	Level of the position	Number of employees receiving regular performance and career development review			
		Male		Female	
		Number of employees receiving regular performance and career development review	Number of employees under this category	Number of employees receiving regular performance and career development review	Number of employees under this category
Taizhou Herun	Level C senior management	0	0	0	0
	Senior management	2	2	0	0
	Middle management	3	3	0	0
	General staff	2	9	0	3
	Total number of employees	7	14	0	3
	Percentage of employees receiving review	41.2%			
CECEP Changxing	Level C senior management	0	0	0	0
	Senior management	0	0	0	0
	Middle management	1	1	0	0
	General staff	3	3	0	0
	Total number of employees	4	4	0	0
	Percentage of employees receiving review	100%			

Number of Suppliers			
Project	Location of Supplier	Product or service provided	Number of Suppliers
Taizhou Herun	Jiangsu	Petrol	1
		LPG	1
CECEP Changxing	Zhejiang	Engineering Construction	1
		LPG	1

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SUBJECT AREAS	CONTENT	PAGE INDEX/ REMARKS
A. Environment		
A1 Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to exhaust gas and greenhouse gas emissions, contaminants discharges into water and land, and generation of hazardous and non-hazardous waste.	7-9
A1.1	The types of emissions and respective emissions data.	7, 16
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	16
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	16
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	16
A1.5	Description of measures to mitigate emissions and results achieved.	7-8
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	7
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	8-9
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).	8, 16
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	16
A2.3	Description of energy use efficiency initiatives and results achieved.	8-9
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	9 no issue in sourcing appropriate water that is fit for purpose
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	16

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SUBJECT AREAS	CONTENT	PAGE INDEX/ REMARKS
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	9
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	9
B. Social		
B1 Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	10
B1.1	Total workforce by gender, employment type, age group and geographical region.	17
GRI 401-1	Total number of new employee.	17
	Rate of new employee hires.	17
	Total number and rate of new employees by gender, age and geographical region.	17
B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to providing a safe working environment and protecting employees from occupational hazards.	10-11
B2.1	Number and rate of work-related fatalities.	19
B2.2	Lost days due to work injury.	19
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	10-11

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SUBJECT AREAS	CONTENT	PAGE INDEX/ REMARKS
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	11
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	18
B3.2	The average training hours completed per employee by gender and employee category.	18
GRI 404-3	Percentage of employees receiving regular performance and career development reviews.	19
B4 Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to preventing child and forced labour.	11
B4.1	Description of measures to review employment practices to avoid child and forced labour.	11
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	12
B6 Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	13
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	13
B6.2 (Partial)	Number of products and service related complaints received and how they are dealt with.	13
B6.3	Description of practices relating to observing and protecting intellectual property rights.	13
B6.4	Description of quality assurance process and recall procedures.	13
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	13

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B7 Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to bribery, extortion, fraud and money laundering.	14
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	14
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	14
B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	15
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	15