



**Lingbao Gold Group Company Ltd.**  
**靈寶黃金集團股份有限公司**

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

*(Stock Code: 3330)*

**2021 ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT**

# 2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## CONTENTS

ABOUT THE REPORT	2
BOARD STATEMENT	3
I. RESPONSIBILITY MANAGEMENT AND INTEGRITY IN OPERATIONS	4
1.1 Corporate Governance	4
1.2 ESG Governance	6
1.3 Corporate Vision	7
1.4 Materiality Assessment	8
1.5 Stakeholder Communications	9
1.6 Honesty and Integrity in Operations	11
II. ENVIRONMENT PROTECTION AND GREEN PRODUCTION	13
2.1 Playing a Responsible Role in Safety and Environment Protection	13
2.2 Emissions Management	15
2.2.1 Waste Gas Emissions and Management	15
2.2.2 Waste Management	15
2.2.3 Wastewater management	16
2.2.4 Noise Management	19
2.3 Use of Resources	21
2.3.1 Energy Saving and Efficiency Improvement	21
2.3.2 Recycling of Water Resources	25
2.3.3 Green Office	25
2.4 Environment and Natural Resources	26
2.5 Combating Climate Change	28
III. SHOULDER RESPONSIBILITY FOR PROSPERITY	30
3.1 Quality Management	30
3.2 Quality Service	31
3.3 Intellectual Property Protection	31
3.4 Supply Chain Management	31
IV. CHARITY AND COMMUNITY ENGAGEMENT	33
4.1 Giving Back to Communities by Donations	33
4.2 Fulfilling Social Responsibilities to Upgrade Rural Areas	37
4.3 Normalized Pandemic Management	37
V. PEOPLE-ORIENTED EMPLOYEE CARE	39
5.1 Recruitment Standardization	39
5.1.1 Employment Standardization	39
5.1.2 Prohibition of Using Child Labour	42
5.1.3 Anti-forced Labor and Worker Protection	42
5.2 Employee Care and Benefits	43
5.3 Training and Development	44
5.4 Occupational Health and Safety	46
Appendix I: Industry Association	48
Appendix II: Environmental, Social and Governance Reporting Guide Index of the Hong Kong Stock Exchange	49
Appendix III: Definition index	56

## ABOUT THE REPORT

### Report Profile

This report is the sixth “Environmental, Social, and Governance Report” issued by Lingbao Gold Group Company Ltd. (the “Company” or “Lingbao Gold”, and together with its subsidiaries, the “Group”, “We” or “Us”).

### Reporting Period and Scope

This report discloses the Group’s approaches, initiatives and performance in relation to environmental, social and governance (ESG) management from 1 January 2021 to 31 December 2021 (the “Year” or “Reporting Period”). Some contents in this report date back to before 2021 and extend to 2022, thereby increasing reference value of the report. The scope of the content disclosed in the report is the same as that of the 2021 Annual Report of the Group. Compared to 2020, the environmental key performance indicators (“KPIs”) of Full Gold, a company located in Kyrgyzstan, have been included in this report.

### Main Reporting Guidelines

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (“ESG Guide”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”). The content hereof has conformed to the disclosure principles required in the ESG Guide and complied with the “mandatory disclosure” and “comply or explain” provision specified in the ESG Guide to set out the environmental and social impacts of the Group’s various business and operation activities.

### This report is prepared in accordance with the following reporting principles

**Materiality:** Key ESG issues are identified through materiality assessment, the processes and results of which are disclosed in the ESG report;

**Quantitative:** Environmental and social KPIs for which historical data is available are presented in the ESG report. For KPIs first disclosed in 2021, no retrospective data has been provided, but comparative data will be provided in subsequent years’ ESG reports;

**Consistency:** With the continuous and in-depth promotion of ESG information disclosure, we have disclosed some new KPIs and expanded the scope of disclosure of some KPIs. For the KPIs disclosed for the first time, we will use consistent methodologies to disclose ESG information in the following years for meaningful comparison.

### Publication

This report is available online in both Chinese and English versions. Shareholders and stakeholders can access the report on the Hong Kong Stock Exchange website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company website at <http://www.lbgold.com/>. In case of any discrepancy between versions, the Chinese version shall be considered definitive.

### Contact Information

We highly value the opinions of our stakeholders and the public about this report. Should you have any enquiries or suggestions, please contact the Company through the following means.

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## BOARD STATEMENT

The board of directors of the Group (the "Board") assumes full responsibility for ESG governance and reporting, assessing, and determining the Group's ESG risks, and ensuring that the Group has established appropriate and effective ESG risk management and internal control system. This report fully discloses the progress and effectiveness of Lingbao Gold's ESG work in 2021, and was reviewed and approved by the meeting of the Board on 15 March 2022. The Board and all its directors guarantee that there is no false or misleading information or major omission in the contents of this report, and take individual and joint responsibilities for the truth, accuracy and completeness of its content.

In order to standardize the ESG management mechanism of the Company and improve the quality of ESG management, the Group has established an ESG governance system with the Board as the highest responsible and decision-making body for ESG matters, and clarified the division of responsibilities among the personnel involved in ESG governance at all levels to promote the implementation of ESG work within the Company. In particular, the Board leads and participates in the review and decision-making on ESG material issues, including identifying ESG risks, developing management plans and management policies, formulating ESG strategies and policies, and reviewing annual ESG reports.

Based on the external environment and the Company's development strategy, the Group conducted communications and surveys with stakeholders during the Reporting Period and received a number of feedback and suggestions. Under the leadership of the Board, the Company assessed the importance of these issues and thus identified key ESG issues, thereby clarifying the focus of its future work.

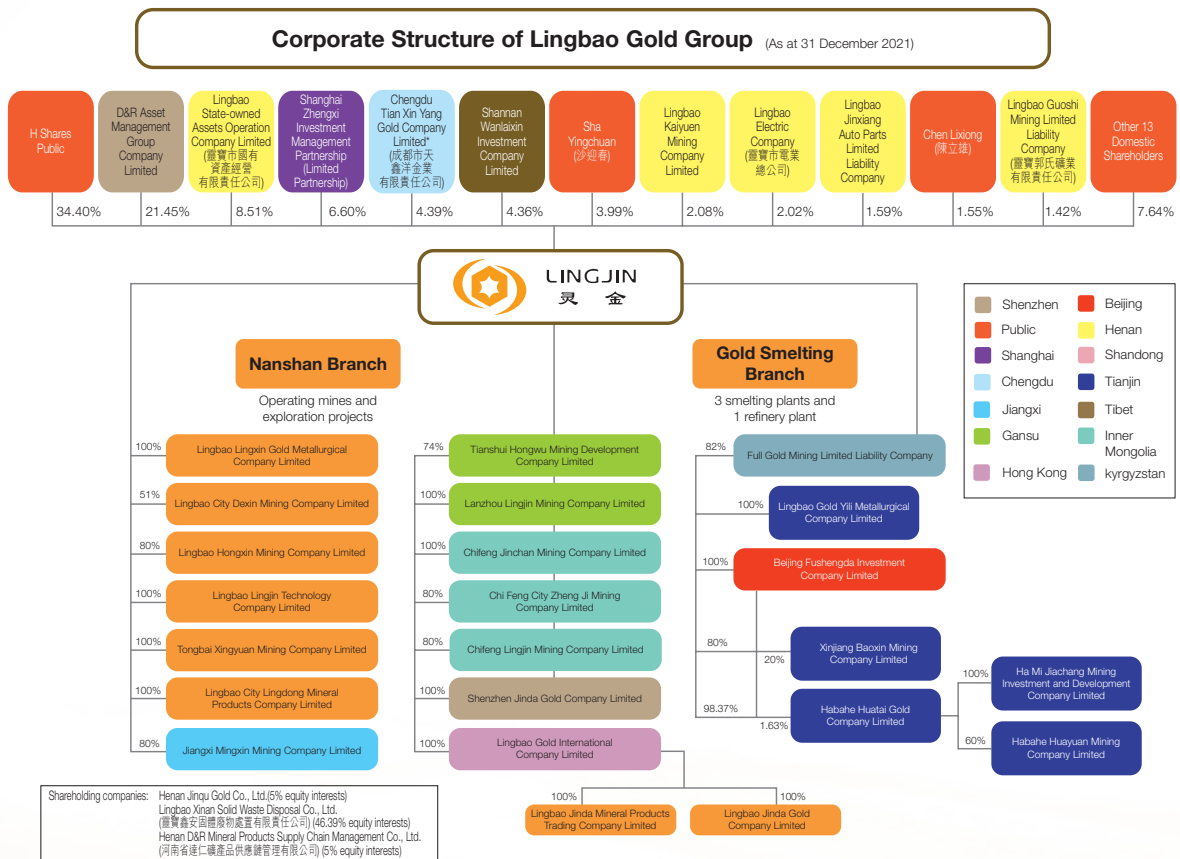
In 2021, the Group focused its core work on the review, supervision and implementation of ESG issues such as corporate governance, ESG governance, business ethics, anti-corruption, intellectual property protection and technology innovation, payment of taxes pursuant to laws, hazardous waste emissions, biodiversity and land use, combating climate change, environmental policies and management systems, product responsibility, Community engagement, employee management, occupational health and safety, and supply chain management.

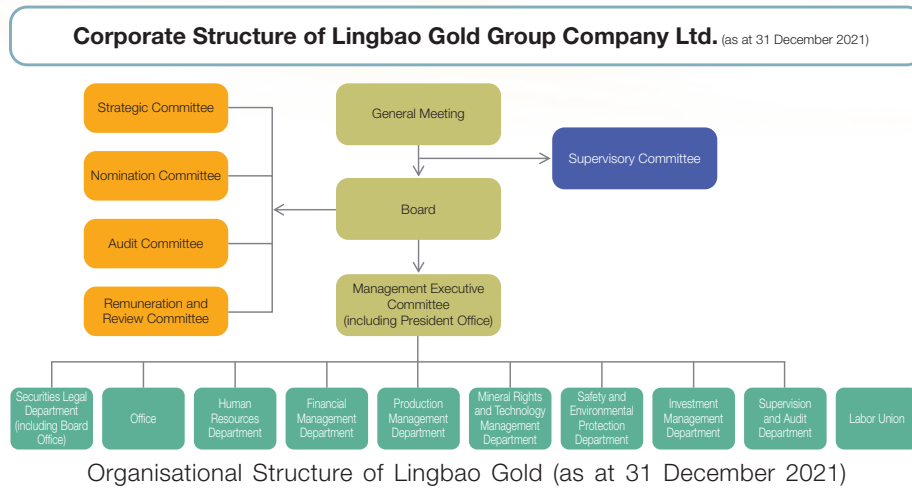
We were also aware of the opportunities and challenges brought to the industry and the Group's operations by the green, safe, and sustainable development trend. Going forward, we will continue to adjust the sustainable development management strategy and promotion methods according to the expectations of stakeholders and the actual operation of the Group, to continuously improve its sustainable development level.

## I. RESPONSIBILITY MANAGEMENT AND INTEGRITY IN OPERATIONS

### 1.1 Corporate Governance

A sound corporate governance mechanism is conducive to the enhancement of corporate value and maintenance of shareholders’ interests and is an important foundation for the Company to realize sustainable development. The Group has constantly optimized its corporate governance system and constantly improved its management level during the long-term corporate governance practice, thus establishing a corporate governance structure with clear and efficient authority and responsibility for the management and various functional departments under the responsibility of the general meeting, the Board and its committees, the Supervisory Committee and the general manager.





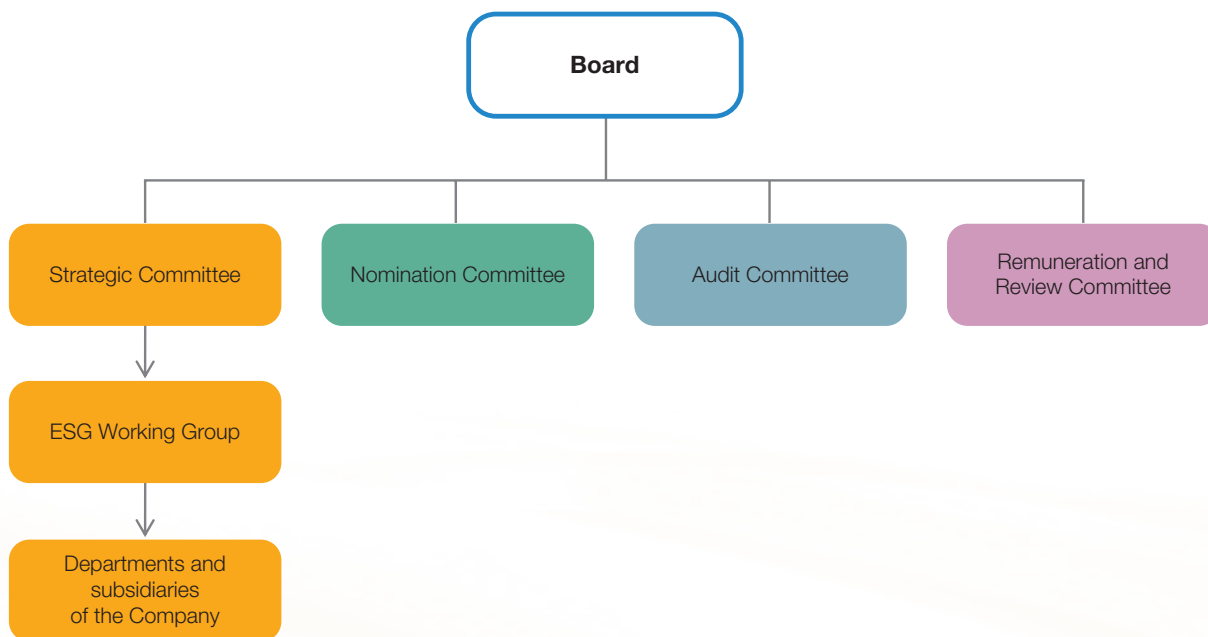
The Group complies with the Company Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association and relevant laws, regulations and regulatory documents and strictly fulfils its obligations on information disclosures of listed companies. The Board has established policies on the procedures and internal control measures for information disclosure. In 2021, adhering to the philosophy of truthfulness, accuracy, completeness, timeliness and compliance, the Group carried out the disclosure of regular reports and extraordinary announcements in accordance with the requirements of H-share information disclosure regulations for material or unexpected events to the concern of the shareholders and investors, so as to ensure the investors can understand the true status of the Group in a timely, fair, accurate and integral manner. In 2021, a total of 2 regular reports and 40 announcements, notices and circulars were disclosed.

The Group highly values its relationship with its investors and shareholders. It maintains amicable relationship with investors, fund managers and shareholders through one-on-one meetings, road shows, seminars and on-site inspection by investors, thereby allowing investors to have a better understanding of the Group’s financial position, production operations, management decisions, overall strategic directions and latest development.



## 1.2 ESG Governance

To enhance ESG governance, the Group has established a clear ESG governance structure. The Board of Directors of Lingbao Gold, as the highest responsible and decision-making body for ESG matters, is responsible for overall Group’s ESG strategy and reporting, and monitors ESG related matters that may affect the interests of the Group’s business or operation, shareholders and other stakeholders. The strategy committee of the Board is responsible for the Group’s ESG strategy and supervision, and reports the same to the Board, as well as includes ESG functions into the Implementation Rules of the Strategy Committee of the Board. The ESG Working Group has been established to be responsible for the preliminary preparation for the decision-making of the Strategy Committee, and provides the Group’s information as to its environmental, social and governance matters. In order to regulate the conduct of the Group’s ESG Working Group and strengthen the management of the ESG Working Group, the “Management System of Environmental, Social and Governance Working Group” is formulated in accordance with the relevant laws, regulations and regulatory documents on ESG management of listed companies, including the Company Law of the People’s Republic of China and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and taking into account the Articles of Association and the current status of the Group’s ESG governance structure, to clarify the principles of the ESG Working Group, information collection requirements, content of information collection and management of the affairs of the ESG Working Group.



ESG Governance Structure of Lingbao Gold (as at 31 December 2021)

### 1.3 Corporate Vision

In 2021 and even in the coming period, under the work principle of continuously implementing the strategy of “focusing on the main business of mining, increasing production volume of gold, streamlining management and enhancing quality and efficiency”, Lingbao Gold focuses on market-oriented reform and deeply cultivates its main business of gold mines to constantly improve and strengthen its main business by integrating the advantages of resources, transforming and upgrading the existing industry and fully supporting the prominent mining enterprises, while focusing on identifying and developing non-ferrous metal mines with greater resource potential, such as silver, copper, lead and zinc, with a view to building Lingbao Gold into a famous brand of gold and non-ferrous metal mineral smelting, which is well-known in China and internationally.

Focusing on the objectives of “securing a foothold in Henan, orienting towards the country nationwide and going global”, Lingbao Gold will adjust its footprints in the industry.

- Firstly, to build Lingbao Gold into the first well-known brand of gold mining in Henan Province and the benchmark enterprise in the gold mining industry by expanding the scale of one factory (being Gold Smelting Branch), one mine (being Nanshan Branch) and one platform (being gold and silver jewelry trading platform of Jinda Company) of the parent company based on the national high-quality resource base of Lingbao Xiaoqinling where the headquarters is located, and uniting the high-quality resource base of Tongbai Xinyuan Company;
- Secondly, to build Lingbao Gold into a well-known brand of gold and non-ferrous metal mineral smelting in China by focusing on cultivating and developing high-quality mining bases in core provinces such as Xinjiang, Inner Mongolia, Gansu, Jiangxi, Guizhou on top of the existing six mines;
- Thirdly, to build Lingbao Gold into a famous international large-scale mining group company by deeply implementing the strategy of “going out” based on the domestic businesses of Lingbao, that is, it will explore mineral resources projects with high safety margin in Central Asia and Africa by taking into advantage of capital and technology to increase resource reserves, and cultivate overseas mining bases by expanding investment channels such as mergers and acquisitions and reorganization and cooperative development.

Developing in multiple ways and constantly improving and extending its industrial chain, with gold as its core business while developing non-ferrous metal business. Based on the gold mine smelting and processing, and with one factory, one mine and one platform at the headquarters of the Group, the Group has formed a complete industrial chain covering geological exploration, mining, smelting, deep processing and gold and silver jewelry consumption. On this basis, the Group will focus on the exploration, mining, smelting and processing of copper, silver, lead, zinc and other non-ferrous metals to build a one-stop industry of non-ferrous metals, forming a special development path of “gold-based, non-ferrous metals as supplement and moderate diversification” of Lingbao Gold.



Deeply exploring resources and integrating industry and finance under the leadership of science and technology to accelerate industrial transformation and upgrading. Taking resource reserves as the first priority, leading development with technology, and regarding digitalization, networking, intelligence and greening as the technical base for enhancing core competitiveness, the Group keeps increasing investment in scientific and technological research and development, and makes efforts in accelerating the transformation and application of 5G and other cutting-edge technological achievements, to speed up the digital transformation comprehensively. With every effort to develop its main business and maintain the continuous and stable profit growth, Lingbao Gold gradually realizes greater equity appreciation, allowing all shareholders to enjoy the equity dividends and all employees share the development dividends.

#### 1.4 Materiality Assessment

In 2021, in order to deliver a more comprehensive, objective and realistic corporate image to stakeholders, we identified and screened out material issues of importance that are of the common concerns of the Company's business and stakeholders by inviting external professional third-party organizations to conduct research and interviews with our internal stakeholders, and taking into account feedback from stakeholders and external experts' opinions based on our business operations and development plans with extensive reference to leading practices of our peer companies and industry hotspots, domestic and international sustainability-related standards and ESG rating indicators in the capital market.

##### List of Material Issues in the 2021 ESG Report of Lingbao Gold

Governance	Environmental	Social
1. Corporate governance	7. Hazardous waste emissions	11. Product responsibility
2. ESG governance	8. Biodiversity and land use	12. Community engagement
3. Business ethics	9. Combating climate change	13. Employee management change
4. Anti-corruption	10. Environmental policy and management system	14. Occupational health and safety
5. Intellectual property protection and technology innovation		15. Supply chain management
6. Payment of taxes pursuant to laws		

In the future, we will maintain a continuous focus on stakeholders and constantly review and update material issues, so as to achieve a more comprehensive and thorough understanding of the demands of various parties, and to provide guidance and direction to the Company's business operations and controls over environmental and social governance.

### 1.5 Stakeholder Communications

The Group's ESG stakeholders mainly include government, shareholders, customers, employees, environment, partners, industries and the communities where it operates. The Group believes that listening to and understanding the opinions of stakeholders will provide a solid foundation for the long-term development of the Group. The Group actively explores various channels to maintain good communication with stakeholders, to enhance the stakeholders' understanding of the development and operational policies, and to provide more opportunities for them to put forward suggestions so that the Company can provide them with timely and effective feedback regarding their concerns. In this way, the Group ensures that it is cooperating and working alongside stakeholders to achieve mutual benefits.

<b>Stakeholder</b>	<b>Expectations and Concerns</b>	<b>Communication and Response</b>
Government	Compliance with disciplines and laws Offer employment opportunities Payment of taxes pursuant to laws Driving the development of local economy	Strengthening compliance management Employment localization, promotion of local employment Accepting supervision and assessment Carrying out strategic cooperation
Shareholders	Robust operation Sustainable development Good return on investment Transparency on information disclosure	Improving competitiveness and profitability Fulfilling social responsibility for ecological and environmental protection Disclosing information in a timely manner, carrying out investor exchanges, and treating small and medium shareholders equally
Customers	Performance of contracts in good faith Quality assurance High-quality services	Guaranteeing the stability of product supply and its quality Strengthening the management of product quality and optimizing product structure Carrying out customer satisfaction survey

<b>Stakeholder</b>	<b>Expectations and Concerns</b>	<b>Communication and Response</b>
Employees	Remuneration and benefits Protection of employee rights and interests Career development Health and safety Humanitarian care	Medical insurance and fair compensation system Establishing labor union organization Education and training, career development platform Fighting against the pandemic and eliminating occupational diseases Caring for staff, and setting up complaint feedback mailbox
Environment	Coping with climate change Water resources Pollution prevention and treatment Energy saving and emissions reduction	Analysis of the relevance of climate change to business operations Water resource protection Carrying out pollution control Technological innovation, energy saving and consumption reduction
Partners	Business ethic Transparent procurement Mutual benefit and win-win cooperation	Execution of agreements/contracts in good faith Open procurement, e-procurement Business exchange and cooperation, topic-specific seminars
Community	Community development Public welfare activities Jobs creation	Community activities, visits and exchanges, respect for cultural traditions Donation and voluntary service Skills training, local employment and procurement
Industry	Fair competition Facilitating industry progress Promoting the development of industrial chain	Refraining from vicious competition Exchange of experience Technological innovation

## 1.6 Honesty and Integrity in Operations

The Group highly emphasizes on anti-corruption, strictly prohibit any improper conducts in business activities such as corruption, accepting bribes and offering bribes, and is committed to creating a culture of honesty and integrity within the Company. The Group strictly complies with the “Certain Guidelines on Honest Governance of Leaders of the Communist Party of China (《中國共產黨黨員領導幹部廉潔從政若干準則》)”, the “Anti-Money Laundering Law of the People’s Republic of China (《中華人民共和國反洗錢法》)” and other relevant laws and policies, implements the “Interim Provisions on Integrity Warning of Major Projects in Sanmenxia City (《三門峽市重大項目廉政預警工作暫行規定》)”, the “Notice of Reaffirming Relevant Requirements on Incorruptibility and Self-discipline of Leaders by Discipline Commission in Lingbao City (《靈寶市紀委關於重申領導幹部廉潔自律有關規定的通知》)” and other requirements, and has a strict monitoring system in place, which is applicable to all of its departments, subsidiaries and branches of the Group. The Group has set up a dedicated discipline inspection department at the headquarter and all of its branches and subsidiaries, which help establish a centralized leadership and vertical management model at the Group’s headquarter for the commission for inspecting discipline of the Group to ensure its independence.

To continuously standardize corporate governance and add internal supervision function to the former internal control and audit department, we have set up a supervision and audit department, focusing on the functions of discipline inspection and supervision, internal audit, budget (settlement) management, major project control and internal control system evaluation, so as to combine the functions of audit and supervision to achieve dual supervision. At the same time, the supervision and audit department also clarifies the scope of supervision, requiring all operations and personnel to be included in the scope of supervision and audit. In the future, the supervision and audit department plans to carry out more special audits to ensure operating with integrity and honesty and to promote stable development.

The Group has issued a strict internal management system, involving administrative measures for internal supervision, administrative measures for petition and report, administrative measures for integrity due diligence interview, administrative disciplinary measures, etc., which allows the discipline inspection and supervision work based on precedents. The Group has issued documents to explain the “non-compliance” of holding wedding and funeral matters. The Group strictly implemented the “Eight Point Guide for Official Conduct” (八項規定) to stop the loophole and protect the integrity and justice culture for the Group companies. The Group provides channels for whistle-blowing non-compliance both online and offline, with comment boxes set up offline, placed in inconspicuous locations and avoiding surveillance cameras, and with supervision mailbox and supervision hotline online. In 2021, the Group did not receive any whistle-blowing or complaints through the comment boxes or mailboxes and other correspondence channels.

In addition, the responsible persons of the subsidiaries of the Group are required to enter into a liability statement regarding the goal of construction of the Party’s honesty and integrity. Every unit under the Group shall bear the responsibility of the implementation of the construction of honesty and integrity within the Party and closely apply it to production and management, forming the layout of “one post, two duties” (一崗雙責). The Group has also set up a box and a hotline for whistle-blowing from the public, accepting supervision by, and visiting from, the public.

The Group has set up a comprehensive filing system for the management of the cadre on integrity records. It records the status of their family and part-time jobs for the immediate information for disciplinary inspection and monitoring department, so as to minimize the risk of corruption. The Group carries out the mindful conversation with those employees with potential corruption risks on a timely basis. We initiate it as soon as possible no matter the scale of risk to avoid anything getting worse as time goes by.

Apart from enhancing the monitoring system, we also actively build corporate integrity culture, and create the atmosphere of “would not, could not, and dare not corrupt (不想腐、不能腐、不敢腐)” at the workplace. As for anti-corruption, the Group organized training activities covering directors, senior management and employees through the combination of centralized learning and decentralized learning, including “red education” activities in revolutionary holy places such as Yan’an, where informative videos were played and anti-corruption seminars were carried out, to promote benchmarking and rectification so that all employees “dare not, could not, and would not commit crimes (不敢犯罪、不能犯罪、不想犯罪)”. In 2021, the Group also actively practiced integrity and anti-corruption: 1) continued to improve the disciplinary inspection and supervision system, so that anti-corruption work was conducted in a standardized and rule-based manner; 2) strengthened organizational leadership through the establishment of a new leadership team by re-electing the party committee and disciplinary committee; 3) held a quarterly educational seminar focused on “Promoting Reforms Based on Cases” to educate all party members and cadres and employees in a timely manner; 4) prepared the statement of responsibility for the party construction and signed the same level by level to form a pattern placing equal attention to anti-corruption and clean governance; 5) reviewed the incorruptibility mechanism from time to time, accessed to the whistle-blowing mailbox on a regular basis and broaden the information collection channels, so that all employees are subject to the “sunshine supervision” campaign.

#### **Case: The Group held an educational seminar focused on “Promoting Reforms Based on Cases”**

On 30 September 2021, in response to the typical case of discipline violations of three Party members and cadres of the Company reported by Lingbao City Discipline Inspection Commission, the Group held an educational seminar focused on “Promoting Reforms Based on Cases”, to encourage Party members and cadres to learn lessons from cases and make rectifications, so that they heighten their integrity awareness, fortify the line of defense against corruption and compromise, and resist various temptations and corruption. The participants included Jian Zhanxun, deputy secretary of the Party Committee of the Group, Yuan Kezhen, member of the Party Committee, Dong Baiqing, secretary of the Discipline Inspection Committee, and comrades in charge of the Party Organizations of the branches and subsidiaries in the region and all Party members of the Group.

During the seminar, nine comrades, including the comrades in charge of the Party Organizations of the branches and subsidiaries, the person in charge of important positions and the representatives of party members, talked about their understanding and views on several cases and made arrangements and statements on how to carry out the rectification from the lessons based on cases.



Jian Zhanxun, deputy secretary of the Party Committee of the Group, made an important speech, in which he required all Party members and cadres to further enhance the mind-shaking education through in-depth study of the violation cases that happened around them, to take “integrity and self-discipline, self-denying and public-spirited” as a compulsory course in their own lives, to behave cleanly and work cleanly.



Jian Zhanxun, deputy secretary of the Party Committee of the Group, made an important speech



“Promoting Reforms Based on Cases” seminar

## II. ENVIRONMENT PROTECTION AND GREEN PRODUCTION

Currently, the major development strategy of an enterprise is to establish the scientific development concept of people-oriented, comprehensive, coordinated and sustainable development. It will be a major force for an enterprise to achieve the ecological production and operation, green product technology and sustainable growth and development that the enterprise protects and improves the ecological environment under the philosophy of green, environmental protection and safety production throughout the production process to realize the harmonious development between the community it operates and the economy.

### 2.1 Playing a Responsible Role in Safety and Environment Protection

The Group attaches great importance to environmental protection and strictly complies with environmental regulations. Bearing in mind the development concept of “lucid waters and lush mountains are invaluable assets”, the Group prevents environmental pollution, promotes energy conservation and waste reduction, utilizes resources reasonably, emphasizes on continuous improvement, promotes green development and develops green mines in an all-round and multi-angle manner.

The Group insists on complying with the law to manage enterprise, preventing and controlling pollution, leveraging technology to save energy and reduce waste, and maintaining stable development. The Group takes quality, environment and professional health management as the core, and energy saving and emission reduction as the main line, actively implements clean production, energy saving and emission reduction, and comprehensive utilization of resources. The Group also promotes the application of new technologies and new products in energy-saving to reduce energy consumption, recycle and reuse waste water, so that the sewage can be fully utilized, with less resource consumption and environmental impact to achieve greater economic benefits.



The main objectives for the Group to carry out environment operations are to strictly control the total amount of exhausting pollutants, such as waste water, waste residue and waste gas within target; implement energy saving and consumption reduction, target the main product material and energy consumption at leading industry level; launch comprehensive utilization of resources and developing circular economy; put an end to major pollution accidents and major environmental complaints. The Group is committed to resolutely complete the restrictive indicators of energy saving and emission reduction through the following measures: strictly abiding by environmental laws and regulations and practically strengthening pollution prevention and control; strengthening the commitment of energy saving and consumption reduction and the level of technology transformation to ensure the full realization to the goals of energy saving and consumption reduction; enhancing the operation management towards pollution management facilities to ensure the exhaustion achieving the goal; eliminating the obsolete production equipment and skills, actively implementing the clean production in each step, such as procurement, production, transportation and sales, and developing circular economy to raise the comprehensive utilization rate of resources, reduce the emission of pollutants, and ensure zero existence of environment pollution incidents; firmly instilling the awareness of environment, resolutely realizing the indicators of environment protection, and accepting the supervision from the society. With the improvement of the industry standards, we promise further reducing the exhaustion of pollutants and increasing the investment in environmental protection, so as to enable the enterprise environment protection level to keep up with the trend, and allow each pollutant exhausting indicators to stay in the leading role in the industry, trying our best to formulate “resource-saving and environment-friendly” enterprise.

In order to adhere to the concept of “safe development and green development”, and to conscientiously implement the national, provincial and municipal decisions and arrangements for safety and environmental protection, in 2021, the Group organized and carried out various activities such as “physical examination” for safety and environmental protection, production safety inspection, three-year campaign for special improvement of work safety, and fight against environmental pollution, strengthened safety education and training, increased efforts in safety and environmental protection risk management and control and hidden dangers investigation and treatment, and supervised the implementation of the shaft operation policy governing supervised shift roster, to ensure the smooth operation of the safety and environmental protection work. In terms of standardizing license management, 17 key licenses for safety and environmental protection were obtained throughout the year. In terms of solidly promoting the development of the dual prevention system, the production systems of Xinyuan, Gold Smelting Branch, tailing dam of processing plant of Nanshan Branch, and Lingjin No.1 Mine Vein 101 passed the expert evaluation one after another; Qiangmayu Shaft Demonstration Mine (槍馬峪豎井示範礦井) of Nanshan Branch was put into operation and played a demonstration role; the safety management of the construction team of the outsourcing project of the mine was strengthened; the expansion project for a processing plant of Huatai and Laowan Gold Mine of Xingyuan passed the environmental assessment and acceptance; Nanshan Branch and Smelting Branch passed the Grade B assessment of performance review on heavy pollution weather in key industries, which created favorable conditions for the Company to continue normal production.

## 2.2 Emissions Management

In order to implement the environmental policy of “comprehensive utilization, turning disadvantages into benefits, relying on the masses, protecting the environment with united efforts for the benefit of the people” and to perform well in environmental protection, the Group strictly complies with the “Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution”, “Law of the People’s Republic of China on the Prevention and Control of Water Pollution”, “Law of the People’s Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes”, “Technical Specification for Pollution Control of Cyanide Leaching Residue in Gold Industry”, “Regulations on the Prevention and Control of Environment Pollution Caused by Solid Wastes in Henan Province” and “Emission Standards for Pollutants in Gold Smelting Industry” and other laws and regulations on prevention and control of environmental pollution. We will never sacrifice our environment to exchange for the growth of our economic benefits, but will insist on the path of sustainable development, aiming to maintain the balance between production and operation and environment protection.

### 2.2.1 Waste Gas Emissions and Management

The Group is a mining, smelting and processing enterprise. As at the end of the Reporting Period, mining operations did not involve emissions. The smelting and processing process, especially the gold refining process, will generate the exhaust gas, including sulfur dioxide and nitrogen oxides, from the combustion. In order to totally solve the problem of exhaust gas emissions and further adapt to the new exhaust gas emission standards, the smelting and processing plants of the Group implemented the integrated desulfurization and denitrification transformation of the exhaust gas for the acid production system in 2019, which adopted advanced treatment processes, improved the treatment effect of the exhaust gas absorption equipment, optimized the exhaust gas emission indicators, alleviating the pressure of systematic production on environmental protection and laying a solid foundation for the long-term stable development of the Group.

### 2.2.2 Waste Management

The Group generates certain types and quantities of hazardous waste and non-hazardous waste in the mining, smelting and processing processes. The Group’s units related to mining operations have continuously strengthened the discharge control of the waste during the mining process and formulated relevant documents on waste management systems and disposal methods and plans, with a view to minimizing the waste discharge, and actively protecting and beautifying the environment. For example, Nanshan Branch, a subsidiary of the Group, has formulated the Hazardous Waste Management System in order to strengthen the management of hazardous waste in the processing plant and to eliminate environmental pollution and waste caused by indiscriminate discharge.

In addition, the hazardous wastes generated in smelting and processing operations mainly include red slag, waste catalyst, waste mineral oil, thiocyanated cuprous, cyanide-containing peat, etc. For the above hazardous wastes, relevant units have formulated hazardous waste management plans and annual transfer plans. Among them, red slag is generally stored in the temporary storage warehouse of the plant for a short time due to its large amount and then transferred to a third-party cement plant for disposal through the transfer procedures and the execution of the Receipts of Hazardous Wastes Transfer (危險廢物轉移聯單). Other hazardous wastes with smaller quantities such as waste catalyst, waste mineral oil, thiocyanated cuprous and cyanide-containing peat, are stored in hazardous waste warehouses on a daily basis and are transferred to regular disposal units through the transfer procedures and the execution of the Receipts of Hazardous Wastes Transfer after reporting to the system. The information related to the disposal volume and destination of the above hazardous wastes are available in the Sanmenxia Hazardous Waste Pollution Prevention and Control System(三門峽市危廢污染防治監管系統). General solid waste generated in the smelting and processing operations mainly includes waste ore, tailing sand, yellow mud (sulfur gypsum slag), etc. Yellow mud is generally stored temporarily in the sulfur gypsum slag field and transported by vehicle to the Company's self-built Xingwa sulfur gypsum dry stockpile tailing dam (杏洼硫石膏乾式堆存尾礦庫) for storage.

**2.2.3 Wastewater Management**

The Group complies with the laws and regulations related to the environment in the PRC such as the Law of the People's Republic of China on Environmental Protection, the Law of the People's Republic of China on Prevention and Control of Water Pollution and other relevant environmental regulations in Kyrgyzstan. The wastewater discharged by the Group includes domestic wastewater and production wastewater, of which domestic wastewater is discharged into the sewage network after pre-treatment to the standard, and production wastewater is mainly generated by the Group's smelting production units and mining production units.

With the working idea of "strict control over the source, precise treatment and long-term control", the Gold Smelting Branch, a smelting production unit of the Group, has actively implemented the production, living and rainwater collection and treatment projects to fully realize "zero discharge" of wastewater.



Introduction to the "zero discharge" process of wastewater in the Gold Smelting Branch



Figure of blocking production wastewater discharge inlet



Figure of video monitoring of production wastewater discharge inlet



Figure of blocking the main drainage outlet of No. 1 sub-plant



Figure of video monitoring of the main drainage outlet of No. 1 sub-plant



Figure of blocking the east drainage outlet for domestic water of No. 3 sub-plant

In respect of production wastewater discharge from mining production units, each of the Group's subsidiaries also conducted strict wastewater discharge management, continuously improved wastewater management mechanisms and optimized wastewater treatment facilities.



### **Case: Renovation of sewage treatment equipment and system by Nanshan Branch**

Nanshan Branch, the main mining production unit of the Group, underwent a renovation of its wastewater treatment equipment and system in June 2021. The domestic sewage produced by Nanshan Branch is mainly kitchen wastewater, toilet flushing water and other miscellaneous use. The domestic sewage is collected into the conditioning tank for buffer and sedimentation and then lifted by the lifting pump into the A2OMBR biofilm sewage treatment equipment, in which the sewage undergoes hydrolysis acidification, denitrification, aeration contact oxidation, MBR biofilm tank treatment. The better sewage discharge is achieved after being treated by the sewage treatment equipment to meet the Class III standard of Environmental Quality Standard for Surface Water (GB3838-2002). The mixed liquor in the sludge tank is returned to the conditioning tank and reprocessed together with the original sewage. Sludge from the sludge tank is pumped out regularly. As of the end of the Reporting Period, the domestic sewage treatment system was operating normally.

### **Case: A sound wastewater management mechanism developed by Tongbai Xingyuan Mining Company Limited**

Tongbai Xingyuan Mining Company Limited, a subsidiary of the Group, has also formulated a clear and perfect wastewater management mechanism. The wastewater generated by Tongbai Xingyuan mainly include processing wastewater, mine water and domestic sewage. For beneficiation wastewater, the dry piling tailing dam is adopted and the tailing pulps discharged from the processing plant is pumped into the thickening tank by the slurry pump for sedimentation and filtration by the thickening machine, after which the clear water is recycling and the concentrated material is put into the ceramic filter for filtration. After such process, the filter cake is conveyed by the belt conveyer to the dry piling tailing dam while the filtrate is reflowed into the thickening tank for the second sedimentation and filtration. The tailing dam has established an anti-seepage dam and a backwater tank as required and the wastewater is all recycled. In the rainy season, the rainwater in the tailing dam area is discharged into the backwater tank through the spillway and pumped into the higher-place pond of the processing plant by the pump for recycling, while the rainwater outside the tailing dam area is discharged into the Tiger Cave Reservoir(老虎洞水庫) through the discharge channel to achieve rain and sewage diversion. By this approach, beneficiation wastewater has been fully recycled to achieve zero discharge. As for underground pit water and dust control water from rock drilling (ground mining adopts wet rock drilling process, during which we will spray waters after blasting operation directly to inhibit the spread of dust), part of them are recycled for processing water to meet the requirements of processing operation, while the remaining of approximately 40-55m<sup>3</sup>/d is discharged into the sewage treatment plant with a treatment capacity of 120m<sup>3</sup>/d for treatment to meet the standards for external discharge. Domestic sewage is discharged through pipeline after being treated by the integrated domestic sewage treatment equipment to meet the standards, and the mining area and the comprehensive office are responsible for the daily operation, repair and maintenance and ledger records of the domestic sewage facilities. In addition, the Company will appoint a qualified third party to conduct the wastewater detection every month to ensure that it is discharged after reaching the standard, and the processing plant is responsible for the daily operation, repair and maintenance and ledger records of the sewage treatment workshop facilities.

#### 2.2.4 Noise Management

The Group pays attention to and prevents the risk factors in the production environment that may affect human health and pays attention to noise management. In order to fulfill the duty of self-testing of enterprises, we have engaged Henan Kunxiang Testing Technology Service Co., Ltd. (河南昆翔檢測技術服務有限公司) to test the noise in the production process of the Group's main mining production units, which is carried out once a month from time to time. The noise in the production process is mainly the noise from the working process of rock drills, air compressors, ball mills, crushers and other equipment, for which noise reduction measures such as sound insulation, vibration isolation and noise elimination are taken.

#### **Case: Management measures for noise prevention and control adopted by Tongbai Xingyuan Mining Company Limited, a mine production unit**

1. To establish a sound occupational hazard management organization, equipped or engaged qualified departments to carry out noise detection.
2. To monitor the noise of mining and processing operation sites at least once a day.
3. The monitoring locations of mining operation sites mainly include: wind-driven rock drills, wind picks, local ventilators, rock electric drill, belt conveyors, transport vehicles and other locations in shaft mines. The monitoring locations of processing operation sites mainly include crushing section and ball milling section. Three points are selected at each monitoring location and the average value is taken.
4. To keep the equipment running regularly in good condition to give a play to its own noise reduction function, and in the case of failure and the noise index exceeding the standard, it is necessary to examine and repair immediately until it meets the standard before it can be used.
5. The employees are equipped with effective and efficient labor protection supplies or work on shifts to reduce the time exposed to noise.
6. Any sudden noise shall be notified to the nearby employees in advance for safety protection, and other sudden noise within control shall follow the "people-oriented" principle to the greatest possible extent, to minimize the noise hazard.
7. To provide regular physical examinations for workers exposed to noise, take timely measures to protect the physical and mental health of workers when problems are found, and establish a sound management and distribution ledger for protection supplies in the processing plant and mining area.
8. To strengthen the maintenance of equipment to reduce the noise caused by the aging of machinery.
9. To strengthen personal protection: workers exposed to strong noise shall wear ear plugs, earmuffs, etc., to reduce the impact of noise on workers.



10. To adopt methods such as sound insulation and sound absorption: silencer or sound insulation hood shall be installed at the source of strong noise.

During the Reporting Period, the Group did not violate any laws and regulations in respect of waste gas, waste water, waste discharge and noise management. In the future, we will gradually improve our management and target setting system in emissions management and waste management to promote continuous improvement.

#### 2020–2021 Statistics on the Discharge Amount of Waste Gas and Waste Water of the Group

	Relevant indicators		2021	2020
Smelting plants	waste water (tonnes)	COD	0	0
		NH <sub>3</sub> -N	0	0
	waste gas (tonnes)	SO <sub>2</sub>	3.06	4.66
		NO <sub>x</sub>	20.64	84.02
Operating mines	waste water (tonnes)	COD	2.37	0.839
		NH <sub>3</sub> -N	0.45	0.001
	waste gas (tonnes)	SO <sub>2</sub>	1.99	14.76
		NO <sub>x</sub>	1.30	1.037

#### 2021 Statistics on the Waste Generation of the Group

Relevant indicators	2021
Hazardous waste generation (tonnes)	4.03
Hazardous waste produced intensity (in terms of revenue) (tons/RMB1,000)	0.000008
Non-hazardous waste generation (tonnes)	1,008,330.57
Non-hazardous waste produced intensity (in terms of revenue) (tons/RMB1,000)	0.19

#### 2021 Statistics on the Greenhouse Gas Emissions of the Group

Relevant indicators	2021
Direct greenhouse gas emissions (Scope 1) (tonnes of CO <sub>2</sub> e)	14,649.28
Indirect greenhouse gas emissions (Scope 2) (tonnes of CO <sub>2</sub> e)	105,425.58
Total greenhouse gas emissions (tonnes of CO <sub>2</sub> e)	120,074.86
Greenhouse gas emissions intensity (in terms of revenue) (tonnes of CO <sub>2</sub> e/RMB1,000)	0.02

## 2.3 Use of Resources

We attach importance to the economical use of natural resources and put resource conservation and resource efficiency in an important position in the Group's development strategy and operation methods. We constantly improve our management system in resource use and energy consumption management, optimize energy saving and emission reduction measures, and devote ourselves to continuously monitoring and constantly improving the performance of Lingbao Gold's resource use efficiency.

### 2.3.1 Energy Saving and Efficiency Improvement

Lingbao Gold attaches great importance to the economical use of natural resources and is committed to improving the efficiency of energy utilization. We comply with the "Energy Conservation Law of the People's Republic of China", "Energy Conservation Regulations of Henan Province (《河南省節約能源條例》)", "Management Measures for Energy Saving at Key Energy Consumption Entities(《重點用能單位節能管理辦法》)" and "Implementation Measures of Henan Province for Management of Energy Saving at Key Energy Consumption Entities (《河南省重點用能單位節能管理實施辦法》)". The Group's energy saving and emission reduction measures: the implementation of clean production; recycling waste products and reusing packing and container products; strengthening maintenance and management of the atmospheric treatment equipment to achieve the emission reduction of pollutants, such as sulfur dioxide, nitrogen oxides, and dusts; implementing systematic water-replenishing technology, reusing the waste water after in-depth treatment, and increasing the recycling rate of water resource; improving the output rate of resources; establishing sound and modern enterprise environmental protection management system through clearly defining the responsibilities of environmental protection at all levels to make each kind of work further standardized and institutionalized, promoting clean production and raising the enterprise economic benefits and social benefits. In 2021, the Group has carried out a number of process technical improvements to save energy and improve efficiency. In the future, we will also continue to improve the efficiency of resource and energy use and establish a more complete management and target setting system for energy and resource use.

#### **Case: Technical improvement of Smelting Branch to reduce tailing index and improve gold recovery rate**

In 2021, in order to reduce the tailing index, recover more precious metal gold in the tailing and improve the gold recovery rate, 4# and 5# tanks of the leaching gold slurry harmless detoxification tank were transformed into tailing liquid carbon adsorption tanks starting from August, with adding 4 tonnes of activated carbon each tank to adsorb the slurry. The total investment of this technical improvement was RMB84,600, which can recover 100 grams of gold per month (equivalent to an additional benefit of RMB30,000).

**Case: Technical improvement of Xingyuan to save deployment costs and improve work efficiency**

The gold concentrates generated from the processed ores with higher grade are need to be dried for one and a half months before they can be sold due to their high viscosity and high moisture, which may be still as high as 30% after drying, thus affecting the next batch of ore to be processed and delaying the sales timing. To this end, Xingyuan, after several investigations, purchased 2 sets of 150-square-meter diaphragm type plate and frame filter presses to control the moisture level at 15%–20%, which improved the number of times and quantity of concentrate processed per month, reduced the drying and bagging process in the past, and improved the work efficiency while saving deployment costs. The total investment for this technical improvement was RMB418,200.

**Case: Renovation project for gold refining electrolytic system in the refining sub-plant**

In order to improve the processing speed of refining compound gold and the utilization rate of capital turnover of the branches, the Smelting Branch carried out a renovation for gold refining electrolytic system in the refining sub-plant, which took 30 days with a total cost of RMB380,300. After the renovation, the electrolysis time was shortened from 24 hours to about 14 hours. The current was increased from 180A to 250–300A, and all the electrolytic gold indicators were qualified to meet the standard of 2# gold delivery.

**Case: Electroanalytical smelting of Full Gold**

The company made technical improvements to the smelting and pouring operation of gold slime in the intermediate frequency furnace, which improved the gold recovery rate on the one hand and reduced the labor intensity of manual operation and saved costs on the other hand. The cost of smelting technology improvement comprised of the purchase of smelting conical squatting tank of RMB13,250 and the expense of RMB300 for raising the height of the intermediate frequency furnace by 15cm, totalling RMB13,550.

In addition, in order to implement the requirements and deployment of the above-mentioned documents and the “Notice of Henan Provincial Development and Reform Commission on the Implementation of Three-Year Action Plan for Energy Saving and Carbon Reduction Renovation at Key Energy Consumption Entities” (《河南省發展和改革委員會關於重點用能單位節能降碳改造三年行動計劃的通知》), the company orients to the promotion of green and low-carbon development of the industry, focuses on the improvement of energy efficiency and makes its every efforts in the implementation of key projects in the context of implementing the new development concept and building a new development pattern based on the new development stage. It improves the working mechanism to bring down the energy consumption intensity and carbon emission intensity through the implementation of energy-saving and carbon-reducing innovation. To promote the achievement of the carbon peak and carbon neutral target on schedule, the Gold Smelting Branch of the Group set up a leading group for energy saving and carbon reduction according to the requirements of the document, which will lead and supervise the orderly implementation of the work.

During the Reporting Period, the Group’s energy and resource consumption is as follows:

<b>2020–2021 Statistics on the Energy and Resource Consumption of the Group</b>		
<b>Related indicators</b>	<b>2021</b>	<b>2020</b>
Coal (tonnes) <sup>1</sup>	<b>3,975.40</b>	4,926.00
Gasoline (tonnes)	<b>49.85</b>	6.00
Coal oil (tonnes)	<b>225.10</b>	306.00
Diesel (tonnes)	<b>1,748.50</b>	1,459.00
Coke (tonnes)	<b>36.10</b>	5.00
Electricity (Ten thousand KWh)	<b>18,478.33</b>	16,468.00
Total energy consumption (MWh)	<b>232,318.59</b>	214,496.27
Energy intensity (in terms of revenue) (MWh/RMB1,000)	<b>0.04</b>	—
Water consumption (cubic meters) (“m <sup>3</sup> ”)	<b>1,972,942.00</b>	1,465,658.00
Water consumption intensity (in terms of revenue) (m <sup>3</sup> /RMB1,000)	<b>0.37</b>	—
Packaging materials <sup>2</sup> (tonnes)	<b>2.84</b>	—
Intensity of packaging material use (in terms of revenue) (tonnes/RMB1,000)	<b>0.000005</b>	—

<sup>1</sup> The decrease in coal consumption was due to the active promotion of energy conservation and emission reduction projects by the Group, such as the coal-to-electricity project.

<sup>2</sup> No data related to the use of gold concentrate packaging bags was disclosed in 2020.

### Case: Energy-saving and carbon-reducing renovation carried out by Gold Smelting Branch

With reference to the standards of energy saving and carbon reduction emissions and document requirements, the Gold Smelting Branch organized an internal special meeting and checked all of its production equipment, electrical appliances and processes. It has made huge efforts in energy saving and clean production in the early stage, such as: installing frequency converters for large equipment and replacing some searchlights with energy-saving lamps. However, there are still some equipment that can continue to be transformed for energy saving, and therefore we intend to continue to implement energy saving and carbon reduction measures in the following four aspects, striving for the advancement of overall work.

No.	Project name	Energy-saving and carbon-reducing renovation	Duration	Investment amount	
				(RMB million)	Target
1	Refined Smelting Electrolysis System Renovation Project	Adding new electrolytic cells in the original silver electrolysis plant and modifying the power supply system of the control cabinet to improve the efficiency of electrolytic current, so as to save energy and reduce consumption and increase efficiency	October 2021 to November 2021	45	Annual electricity savings of approximately 200,000 kWh
2	Project of Retrofitting Some Electrical Appliances in the Production System with Frequency Converters	Retrofitting some electrical appliances in the production system with frequency converters for energy-saving and consumption reduction	November 2021 to December 2021	80	Annual electricity savings of approximately 1,500,000 kWh
3	Comprehensive Treatment Project for Flue Gas Generated from Refined Smelting	The flue gas is discharged after up-to-standard processing	October 2022 to December 2022	349	Cleaner production, less pollution
4	Factory Lighting Replacement LED Energy-saving Lamp Project	Replace all ordinary bulbs and mercury lamps for factory lighting with LED energy-saving lamps for energy-saving and consumption reduction	January 2022 to March 2022	30	Annual electricity savings of approximately 800,000 kWh
Total				504	

### 2.3.2 Recycling of Water Resources

The Group attaches great importance to the protection of water resources and the use of water resources, and has realized the reuse of water resources mainly in the smelting segment and the mining segment. Smelting segment: Except for the water content of about 15%–20% in the tailings and the evaporation of water due to heat dissipation of production system equipment, the smelting plant basically realize the recycling of all water resources by adopting the dry discharge method, with a total amount of supplemental water consumption of 404,646 tonnes/year, and the total use of return water from thickener pond, water treatment plant and sedimentation tank of about 3,500 tonnes per year. Mining segment: The main sources of water used for production in mining units are surface water, mine water and tailings return water. The production water is mainly used for grinding and flotation, carbon leaching, and dry discharge of tailing water, which is pumped back to the high-level pond for storage after sedimentation and repeated recycling. Mine water and surface water enter the high-level pond and are used as new water supplement supply.

### 2.3.3 Green Office

In recent years, in accordance with the requirements of building a resource-saving society, Lingbao Gold Group has made substantial progress in promoting green office by advocating the establishment of the concept of saving and environmental protection, establishing a perfect system, innovating office methods, and cultivating frugal habits.

Closely following the theme of “green office for energy conservation and emission reduction”, we issued the “Proposal for Energy Conservation and Environmental Protection to All Employees of the Group”, formulated the management system for office electricity, water, paper, and fuel consumption of non-production vehicles, and established a supervision and inspection leading group to supervise and promote the logistics of the Group for energy conservation and environmental protection and the optimization of the office environment, which has achieved remarkable results.

1. Electricity saving. In response to the implementation of the national policy of controlling electricity consumption, we have formulated the Electricity Consumption Management System, strengthened the propaganda of electricity saving, and guided the employees to develop the habit of saving in the daily office. We also refined the regulations on electricity consumption in office facilities such as computers, lighting and air conditioners, such as turning on office appliances when they are used and turning off when leaving; turning off the landscape lights at the factory at night, and seriously investigating and punish the illegal use of high-energy consumption and high-power appliances by dormitories and offices; implementing office area lighting renovation, and replacing ordinary light bulbs with LED energy-saving lamps.

2. Paper saving. In order to improve office efficiency and innovate office methods, we invested in the “OA” office system, which realized online business reporting and review and online transmission of the Company’s documents and information, saving about RMB50,000 in paper costs for the year.



3. Water conservation. We introduced energy-saving and environment-friendly drinking water equipment, implemented a gas-to-electric water heater renovation project, and implemented centralized water supply for the Group; promptly repaired pipelines, valves, faucets and other facilities to solve the problem of running and dripping; built a rain and sewage diversion system, and used wastewater to water flowers and plants, making progress in recycling water resources.

4. Office supplies saving. We implemented the administrative measures for the planned procurement, frugal allocation and requisition approval of office supplies. The office is responsible for the procurement of office suppliers according to the plan after review and approval based on the actual conditions of the departments and divisions, while the departments and divisions designate a person to manage the office supplies and make application for the office supplies according to the monthly plan, so as to reduce the consumption of office supplies through planning and unified management.

5. Strict control of the fuel consumption of non-production public vehicles. We optimized and reduced the allocation of public vehicles and strictly approved the use of public vehicles. Meanwhile, we implemented vehicle refueling management and accessed fuel consumption on a vehicle-by-vehicle basis according to the mileage, the results of which will be announced on a month basis, to eliminate management loopholes such as private use of public vehicles and to reduce fuel consumption of non-production vehicles.

6. Greening and beautification of the office environment. In recent years, in accordance with the requirements of the green mine construction, we have invested RMB500,000 in planting trees, flowers and grass, hardening regional roads, and painting and beautifying walls to update wall paintings, so as to build an energy-saving and emission reduction culture within the Group; at the same time, we have implemented the sorting, sorting and centralized treatment of office garbage, to further optimize the working environment and prevent the production of pollutants.

## **2.4 Environment and Natural Resources**

We always adhere to the circular mining development model guided by the concept of ecological civilization and always insist on “Commitment to Protecting Our Environment, and Making the World a Better Place with Love”. The Group is a mining, smelting and processing enterprise. The wastes generated during the production process have a certain impact on the environment. The solid wastes generated from the mine are mainly waste rocks and tailings. The waste rocks from the mine are concentrated in the dumping site, and are covered with the soil to plant trees and grass in a timely manner to help facilitate ecological restoration. Part of rock wastes are transported to the gravel plant for comprehensive utilization. The Group has continuously strengthened the discharge control of the waste during the production process, so as to minimize the waste discharge, and actively protect and beautify the environment.

For example, in order to fully implement the national guidelines, policies, laws and regulations on environmental protection and to comprehensively improve the standard of environmental management of the branches, the Nanshan Branch of Lingbao Gold Group Company Ltd., the main mining production unit of the Group, has formulated and issued the Compilation of Environmental Management Systems for the branches, established an environmental protection committee and clarified the responsibility system of environmental protection, while further standardizing a series of environmental protection management rules and regulations such as the operation procedures of environmental protection facilities and equipment, the environmental management system of hazardous waste, the system of environmental protection supervision and inspection, and the system of environmental protection promotion, education and training.

From February to March, 2021, in accordance with the spirit of the relevant documents on the comprehensive improvement of the mine safety environment in Lingbao City, Nanshan Branch conducted inspection and registration of the closed and blocked pits within the mining rights area, removed and cleaned up ground structures and debris, and carried out ecological restoration work by mulching and planting a total of 82,408.626 square meters and more than 4,500 trees, which improved the ecological environment of the village where it locates. Nanshan Branch actively carries out the greening and beautification of the mine environment with the goal of “mulching a square of soil, planting a tree and a bush, and greening all over the mine”.



Nanshan Branch carried out the greening and beautification of the mine environment



The landscape of the mining area of Nanshan Branch

In July 2021, according to the action plan of Sanmenxia City to rectify the illegal mining of mineral resources, the Group organized the investigation and follow-up of the “three clean-ups”, inspection and management, and ecological restoration of the closed and blocked pits within the mining rights area to ensure that such work is carried out on a regular basis.

## 2.5 Combating Climate Change

Global climate change has become the most significant common environmental and development challenge in the 21st century. As a responsible enterprise, Lingbao Gold actively responds to the national carbon peak target and carbon neutral vision, and responds to climate change with its every effort, to build ecological civilization and to promote high quality green development. In this section, we demonstrate our best effort to address climate-related issues in alignment with the recommendations of TCFD (Task Force on Climate-related Financial Disclosures) and the “Guidance on Reporting Climate Disclosure in accordance with TCFD Recommendations” issued by HKEx under the categories of governance, strategy, risk management, and metrics and targets.

### **Governance**

Lingbao Gold’s ESG governance structure specifies the roles and responsibilities of the Board and management on climate change issues. The Board is responsible for coordinating and establishing the Group’s policies and response mechanisms on climate-related issues, as well as overseeing their implementation; while the management of the Group is responsible for the implementation and execution of relevant strategies, ensuring that the strategies formulated by the Board are effectively implemented.

### **Strategy**

Climate-related risks include transition risks in relation to the transition to a low-carbon economy and physical risks in relation to the impact of climate changes. Transition risks include political and legal risks, technical risks, market risks, reputational risks while physical risks include acute physical risks (dominated by single events, such as typhoons, floods and other extreme weather conditions) and chronic physical risks (representing long-term change in climate pattern such as persistent high temperatures).

With respect to transition risks and in terms of policy and regulatory risks, with the deepening awareness of climate change from all walks of life and the implementation of relevant policies, the energy prices in where we operate may increase, and the local government may set caps on energy use, expand the coverage of greenhouse gas paid emissions or enhance other regulatory requirements in the environment, all of which may lead to an increase in our operating costs. In this regard, we will continue to pay attention to the impact of climate change on the Company’s business and fully respond to policy requirements.

With respect to acute physical risks, we focus on the impact of extreme weather on production operations and identify the various natural disasters, extreme weather or adverse meteorological conditions to which operations may be exposed, as evidenced by:

- Our production scheme and product deliveries are subjected to the direct impact of extreme weather events on operating sites, production facilities, personnel commuting and transportation. For example, our mining production units may be affected by natural disasters during production, such as accidents in mining areas and tailing dam overflows caused by heavy rainfall; and dust pollution caused by strong wind.
- We are also subjected to the indirect impact of extreme weather events on our supply chain. For example, a shortage or interruption in the supply of electricity and water at our sites due to extreme weather can affect our production security, and the inability of our raw material suppliers to deliver materials to us on time due to extreme weather can affect the stability of our procurement and, in turn, prevent us from producing as planned due to material shortages.

### **Risk Management**

In view of the nature of the industry in which the Group is located and taking into account the actual situation, we have identified and assessed the management process of climate-related risks. For example, based on the results of years of meteorological data analysis, the most likely natural disasters in the area where Tongbai Xingyuan Mining Company Limited is located are windstorms and heavy rainfall, which can lead to wastewater overflow. Sudden rainstorms may cause environmental hazards, exacerbating pollution and the accumulation of pollutants in downstream receiving water bodies. In response to the identified risks associated with climate and extreme weather events, the company has established the Emergency Rescue Plan for Workplace Safety Accidents to clarify emergency measures for possible safety accidents and minimize or reduce the impact of accidents on people, property and the environment.

### **Metrics and Targets**

In order for the climate change process to be measured, it is vital to select appropriate parameters and metrics and to set responsive targets. The Group actively monitors and records the greenhouse gas emissions and strives to have an accurate and precise picture of the Group's carbon emissions as a way to promote our continued performance in energy conservation and emission reduction.

Considering the changing operational and market environment in which the Group operates, we will constantly review our activities and adjust our objectives and proposed measures as appropriate. In the future, we will further optimize our strategies, risk management as well as indicator and objective identification and management. We will cooperate with other social sectors to address climate changes in an effort to achieve a sustainable development.

### III. SHOULDER RESPONSIBILITY FOR PROSPERITY

#### 3.1 Quality Management

Product quality improvement and effective quality control play a key role in meeting the market demand and enhancing efficiency, while representing the inevitable requirements for our business sustainability by achieving our grand objectives and enhancing our business strengths. Attaching great importance to product quality, the Group has formulated the “Record Control Program (《記錄控制程式》)” to ensure the efficient transmission of information on quality, environment, and occupational health and safety management systems, as well as to deliver timely and accurate reports on various production technical and economic indicators. Such program provides a basis for our managers to make correct decisions, and ensures that statistical analysis, accounting and assessment are carried out smoothly. Furthermore, the “Substandard Product Control Program (《不合格產品控制程式》)” has been formulated, which applies to the process of the quality control assessment over raw materials, work in progress, and finished products.

The gold smelting branch of the Group has also crafted product quality systems based on major product categories, such as gold ingots, silver, and electrolytic copper, which clarify the operating procedures, internal control standards and index assessment, so that there are rules governing quality management to follow through. We have also formulated a standardized and detailed gate access, security, and entrance and exit management system for product warehouse security management. As a member of Shanghai Gold Exchange, Our gold smelting branch has received the quality system certification from Shanghai Gold Exchange.

In addition, the products produced by the Group are all subject to third-party quality inspection, the results of which are all qualified as follows:

	<b>Inspection entity</b>	<b>Inspection frequency</b>	<b>Last inspection</b>
Gold bullion	Changchun Gold Research Institute Co., Ltd. National Gold, Silver and Product Quality Inspection and Testing Center (長春黃金研究院有限公司國家金銀及製品質量檢驗檢測中心)	Once a year	11 November 2021
Sulphuric acid	Administration for Market Regulation Henan Province	Once a year	23 April 2021
Cathode copper	Administration for Market Regulation of Sanmenxia City	Once a year	2 August 2021
Silver	No testing is required for the time being due to the small production output		



### 3.2 Quality Service

With customers as the foundation of business survival and development, only an enterprise can achieve successes by developing a correct customer service philosophy and providing good services. Our customer service is mainly reflected in on-site services such as handling procedures for customers, loading, and personnel dispatching. We will conduct regular customer return visits. Prior to the pandemic, we will conduct return visits to the enterprise site in the first half and second half of each year. However, our original communications means as of the end of the reporting period were changed to telephone interviews as a more flexible communications means due to the pandemic.

Gold products are sold or in transit without any product recall due to safety and health issues, or complaints about such products and services. As at the end of the reporting period, the Group's business activities did not involve customer privacy and confidentiality.

### 3.3 Intellectual Property Protection

The Group continues to strengthen the awareness of intellectual property protection and recognizes the great importance of protecting intellectual property rights. Besides actively protecting the intellectual property rights established by the Group and supporting the combat against infringement and other various unfair competition acts, the Group respects the intellectual property rights of others and avoids infringement. As at the end of the reporting period, the Group has obtained a total of 10 patents.

### 3.4 Supply Chain Management

In order to standardize the supply chain management and materials procurement, the Group has formulated various systems, including the "Material Management Approach (《物資管理辦法》)", "Raw Materials Procurement Management System (《原料採購管理制度》)", the "Gold Concentrates On-site Bidding Management Regulations (《金精礦現場競買管理辦法》)", the "Raw Materials Procurement Market Environment and Compliance Standards (《原料採購市場環境及達標標準》)", the "Regulations for Raw Materials Procurement Pricing (《原料採購計價辦法》)", the "Procedures of Unqualified Gold Concentrates (《不合格金精礦處理辦法》)", the "Management Regulations of Gold Concentrates Prepayments (《金精粉預付款管理辦法》)". The Group has established a comprehensive procurement system to manage and monitor the procedures of supply chain of the Group and to conduct consolidated and comprehensive review and assessing on supplier's quality, credit, supply capacity and others aspects. For instance, we will assess the conditions of the ore sources prior to purchasing gold concentrate, and no unqualified ore source will be purchased. When suppliers are in the same conditions, the Group will consider the good reputation of suppliers in environmental management and social responsibility as the priority to ensure that the qualification of employed suppliers meet the requirements of the Group. In the future, we will also optimize supplier access, assessment and related management models, and take into consideration more ESG factors into the supplier assessment system.

In 2020, the Group reformed its procurement and supply business by integrating our procurement, supply and management functions of key materials (including concentrates, electromechanical equipment and auxiliary materials) of the Group into its wholly-owned subsidiary Jinda Gold to establish a platform integrating procurement, supply and sales in a trading company.

In 2021, our suppliers were mainly from “within the Group”, “within the province”, “outside the province”, and “from foreign traders”, including 68 within the province, 32 outside the province, and 9 from foreign traders. In addition, 15 new raw material suppliers were added. In reviewing suppliers, we mainly carried out audits on our current and new suppliers for their qualifications, credit, scale, etc. In 2021, all new raw materials suppliers were audited, and the suppliers subject to annual audit amounted to 91 (including 15 new ones). All suppliers are required to enter into an incorruptibility agreement.

As at the end of the reporting period, the Group was introducing an online procurement management system to realize digital management of procurement and promote “paper-free office”. When the system is launched, it is estimated that more than 16,000 sheets of office paper will be reduced each year. Specifically, the system enables:

- 1) The development of a concentrate procurement and settlement platform. Based on Jinda Gold’s concentrates (including compound gold) business, it achieves the systematic management that integrates business processes (including purchase of concentrates, warehousing, pricing, charging, provisional assessment, and settlement) with finance, realizes the integration of the settlement platform with the receipt of goods and inspection data from the smelting system, and pairs the settlement platform with the existing inventory, inventory accounting, and receivable and payable systems.
- 2) the integrated operation of the procurement business process system of the mechanical and electrical department. It satisfies the systematic application of the entire procurement processes of the Electromechanical Business Department, which are comprised of production accessories procurement, fixed asset procurement, and Full Gold’s materials procurement (including procurement requirements, procurement contracts, procurement process, and settlement process).The business control points are recorded online and approved based on documents available from the system, which also carries out process control and data analysis.
- 3) the establishment of Jinda Gold’s big data procurement process. The launch of the procurement system realizes the digitization of Jinda Gold’s financial process, where the data of the procurement process is further refined and analyzed to form a comprehensive analysis of suppliers, materials, demand units, and other dimensions, quickly providing report data for leaders.
- 4) the establishment of the management system for current accounts and fund receipts and payments. It realizes the online control of Jinda Gold’s accounts receivable and accounts payable, the online management of Jinda Gold’s fund receipts and payments, and the online analysis and follow-up of Jinda Gold’s procurement funding plan.
- 5) some functional mobile applications. It develops an app to feature two functions, namely purchase invoice and receipt registration, and physical receipt registration, and realizes the integration of contract approval documents with DingTalk, enabling online approval on the DingTalk platform.

#### IV. CHARITY AND COMMUNITY ENGAGEMENT

The social governance landscape of co-construction, co-governance and sharing between enterprises and communities is an inevitable requirement for developing harmonious enterprises and communities, as well as realizing the modernized social governance. In addition to actively fulfilling our social responsibilities over the years, we insist on sharing development achievements and giving back to communities, and always regard rendering support to charitable causes as a compelling commitment. We provide necessary support to resident construction and local residents' affluence, making due contributions to regional economic and social development.

The Group continues its commitments to local communities, by exerting our corporate resources and strengths, which are dedicated to improving the living standard of local residents, promoting community prosperity, and realizing the integration and development of enterprises and communities. In 2021, we continued our community engagement by investing RMB2.115 million and 205 volunteers in charity and community engagement, which was focused on education, rural revitalization, and urban construction.

**2021 Summary Table for Charity Investments by Lingbao Gold**

<b>Charity sector</b>	<b>Annual investment amount (RMB)</b>	<b>Annual investment in manpower</b>
Education	RMB57,000	10 persons
Rural revitalization	RMB831,000	15 persons
City construction	RMB1.227 million	More than 40 persons
Community charity	No statistics*	More than 140 persons
Total	RMB2.115 million (excluding community charity)	205 persons

\* Community charity is related to volunteer service activities such as the creation of civilized cities and pandemic prevention and control in residential communities, in which the investment in manpower and material resources is quite trivial and normalized, and therefore there is no specific statistics available.

##### 4.1 Giving Back to Communities by Donations

Case: Xinjiang Habahe Huatai Gold's charity donation and targeted assistance to the frontier areas

Located at the frontier, Xinjiang Habahe Huatai Gold, a subsidiary of the Company, always adheres to the concept of establishing an enterprise to benefit people and serve the overall society, by addressing urgent issues of local residents in a timely manner according to the actual conditions:

In February, RMB16,500 was donated to impoverished students, which helped realize their dreams;

From March to April, forklifts were dispatched to help clean up residual ice, snow, debris, and trash at Yushi Axia Village and Kalaweng Ge'er Village, rescue trapped vehicles, and clear roads so that 800 villagers and children gained easy access to transport and school separately. Each month, over 30 CPC members and cadres went to clear the road passing through the section bordering Xinjiang Habahe Huatai Gold, which connects the county to the Jialangashi Reservoir Scenic Area, thereby facilitating the passage of farmers, herdsman, and vehicles. We timely paired up with assisted households under the "one policy for one household", successfully lifting them out of poverty by assisting them in family farming, which consolidated the achievement of poverty alleviation. More than 10 electromechanical employees established a volunteer service team, which eliminated and repaired power failures for the surrounding farmers and herdsman from Yushi Axia of Jialang Ashi, Kalaweng Ge'er, and the sixth husbandry brigade, as well as the Jialang Ashi Reservoir and the Jialang Ashi Border Police Station, with a total investment of more than RMB2,000;

In May, RMB650,000 in cash was donated to Hongdun Town, Altay City for the village upgrade. We were awarded the banner of "practical commitments to local communities, selfless assistance to warm people's hearts" and the plaque of "Outstanding Enterprise to Support Hongdun Town Rural Revitalization in Altay City" issued by the People's Government of Hongdun Town, Altay City;

In June, RMB10,000 was donated to Otulayingmaili Village in Hexia Awat Town, Jiashi County, where farmers and herdsman sent a banner by post, which is embroidered with the golden characters "Selfless Donation Represents Your Social Commitments, and Your Caring Assistance Will revitalize the Village", expressing their extensive gratitude. In the same month, we helped clear trash to improve the environment at Jialang Ash Village, saving the cost of more than RMB80,000 for the village. In winter, 8 of our employees invested more than RMB5,000 in mobilizing forklifts to clear snow and main roads, facilitating the travel of farmers and herdsman in the surrounding villages. Over the ordinary course of our business, upon reception of a call from the Jialang Ashi Border Police Station, regardless of availability of corporate vehicles, or nights of windstorm or snowstorm, Xinjiang Habahe Huatai Gold deployed vehicles without hesitation to carry out emergency rescue on site, which is affectionately nicknamed "Traffic 110" by farmers and herdsman. A total of over 10 employees participated in the rescue operation, and invested more than RMB5,000;

On 19 July, as Eid al-Adha approached, the party branch and village committee representatives of Jialang Ashi Village sent a banner to Xinjiang Habahe Huatai Gold on behalf of the villagers, embroidered with the characters "Practical Commitments to Wellbeing of the People", expressing the extensive gratitude of the party members, cadres and all farmers and herdsman to the party branch of Xinjiang Habahe Huatai Gold. On 22 July, the villagers of Yushi Axia Village could gain access to transportation facilities for COVID-19 vaccination. The party branch of Xinjiang Habahe Huatai Gold dispatched 5 volunteers and vehicles to address the urgent needs of the villagers. The farmers and herdsman were successfully vaccinated, with a total investment of more than RMB2,000;

In August, during the torrential rain in Zhengzhou, Henan, Xinjiang Habahe Huatai Gold donated 5,000 naans, equivalent to RMB15,000, to the disaster area. In the same month, the Company made a specified donation of RMB30,000 to the Habahe Women's Federation to support underprivileged women, children and students;



In October, Xinjiang Habahe Huatai Gold delivered 5 tons of coal, worth more than RMB3,000, to an underprivileged householder Bielike Hamitihan in Jialegezi Agashi Village, Saerbulake Town, resolving the urgent need for heating in winter.

**Case: Efforts made by Nanshan Branch, a subsidiary of the Group, to develop and benefit Zhuyang Town**

In order to build a harmonious relationship between us and local communities, and truly benefit the locals through our development, Nanshan Branch in Zhuyang Town donated RMB1 million to the town government in August 2021 as a special fund for road construction. To ensure the traffic safety during the road construction, we dispatched vehicles to transport slag and forklifts to help with construction on various occasions, for the purposes of levelling the potholes. In March, RMB20,000 was donated to Sishang Village and Xiaohe Village for literature and arts events in the countryside, enriching the cultural and entertainment life of the villagers.

**Case: Tongbai Xingyuan Mining's active involvement in donation activities for Tongbai rural revitalization**

On 9 September 2021, in active response to the 99 Charity Day Initiative of the Tongbai County Charity Federation and its calling, the cadres and employees of Tongbai Xingyuan Mining donated RMB22,214 to the Tongbai rural revitalization program, which was well received by the local government. On 17 October, through the public security system, RMB7,000 was donated to the Henan Province Heroic Action Foundation. During the pandemic in 2021, an arsenal of pandemic tools, including masks, disinfectants, instant noodles, and mineral water, worth more than RMB10,000, were donated to Laowan Village, Sanwangmiao Village, Chenzhuang Village, and Huaiyuan Village in Huaiyuan Town, thereby making contribution to the pandemic prevention work;

On 18 October, the employees at Tongbai Xingyuan Mining were rallied to donate RMB16,750 to an employee, which helped his family overcome and tide over the difficulties.

**Case: A Variety of Assistance by Full Gold (Kyrgyzstan) to its Communities**

Since 2021, Full Gold (Kyrgyzstan) has donated RMB128,957 to the surrounding mangrove forests and Terek-Say Village, providing supporting facilities for running water, maintenance, power supply and road construction. Furthermore, RMB134,615 was donated to Batken, Jalal-Abad Television Station, Kathakal, and the local government departments, and police stations of Ala-Buka.

**Case: June 1 Care Campaign Sponsored by Chifeng Jinchan Mining Co., Ltd.**

Chifeng Jinchan Mining Co., Ltd. actively assisted local schools in launching June 1 Care Campaign and donated RMB1,000 to Yuhuangmiao Primary School on Children's Day.



**Case: Volunteer services for maintaining traffic order**

In 2021, our employees volunteered as traffic guides to maintain traffic order, and ensure civilized traffic. Volunteer services lasted for more than 2 months.



Maintaining traffic order



Assistance in sorting loose cargo

**Case: Clean city campaign for a civilized city through practical actions**

We actively assist the local activities for a civilized city, by rallying our employees to participate in the clean city campaigns. More than 80 volunteers accumulatively provided 180 days of services.



Voluntary Clean City Campaign



Clean City Campaign for a Civilized City

## 4.2 Fulfilling Social Responsibilities to Upgrade Rural Areas

Targeted poverty alleviation and rural upgrade are important strategic initiatives of the CPC Central Committee and the State Council in recent years, and corporate involvement in targeted poverty alleviation and rural upgrade represents a concrete manifestation of our fulfilment of social responsibilities. In recent years, Lingbao Gold has attached great importance to the development of related work and included it into its annual work focus. By the end of 2020, a total of 75 people from 21 underprivileged households contracted by our Company had been lifted out of poverty through industrial plantation, chicken breeding for poverty alleviation, migrant work, policy-based assistance, and commiserative payments for relocation. These poor households reported a per capita income of more than RMB6,000, being lifted out of poverty.

The Group established the Social Responsibility Department in April 2020, which is mainly responsible for the Group's labor union, party building, poverty alleviation, petition, and others. The Social Responsibility Department adheres to the goal of maintaining stability and promoting development, and focuses on providing practical benefits to our employees, eliminating worries, and resolving issues. We also conscientiously implement the petition policy, which resolve conflicts to the maximum extent so as to provide stable conditions for our corporate reform and development. By the end of 2021, the department received more than 30 persons from over 10 public visitations. Besides five cases transferred online by the Henan Provincial Petition Information System, we received 5 cases from the 12345 government hotline, and 4 group-wide cases, all of which were resolved on time and as required. We have effectively resolved social and internal conflicts, maintaining our good image and social stability in the city.

## 4.3 Normalized Pandemic Management

Since the first pandemic outbreak, normalization of pandemic prevention and control has become an important issue, despite steady resumption of work and production. In order to thoroughly implement the contents of General Secretary Xi Jinping's keynote speech on coordinating the promotion of pandemic prevention and control and economic and social development, fully implement the decisions and arrangements of the Party Central Committee and the State Council, tighten the responsibility for normalized prevention and control, and coordinate the pandemic prevention and control, the specific arrangements of the Group in the normalized pandemic management are as follows:

- First, conscientiously implement the normalized masking system;
- Second, continue with effective publicity and guidance, so that our employees consciously abide by the ten preventive practices, namely, "no slackness, no gathering, no visiting, no banquet, no concealment, no carelessness, no optimism bias, no rumors, no breach, and no negligence";
- Third, strengthen the management of crowded places;
- Fourth, strengthen the management of exit and entrance at each subsidiary, branch company, and factory (mining area);
- Fifth, strengthen the inspection of commuters from medium and high-risk areas;
- Sixth, ensure effective nucleic acid testing as required.

**Case: Voluntary assistance in the pandemic investigation in 9 surrounding communities**

Due to the serious and complicated pandemic situation in the surrounding provinces and cities on various occasions throughout 2021, including May and September, in order to ensure effective pandemic prevention and control, we assigned more than 20 employees to take responsibility to promote vaccination benefits, encourage residents to be vaccinated, and carry out investigations at nine communities according to the documents of Lingbao Pandemic Prevention and Control Headquarters, including Qiangma Family Dormitory Building, Yinxin Family Dormitory Building, Jinjian Residential Community, Government Employee Residential Community, Zaohua Residential Community, and Pedestrian Street Residential Community. Meanwhile, they conducted prevention and control work at these communities, including access registration, disinfection of public areas, and management and control of residents returning from high-risk areas. In 2021, more than 60 volunteers provided voluntary services for more than 3 months during the pandemic.



Pandemic prevention and control: registration of visitors in the Qiangma Residential Community



On-duty pandemic personnel in Yinxin Residential Community



The staff on duty at the Qiangma Family Dormitory Building in Yawu East District publicizing the pandemic knowledge



Disinfection at the public areas of Qiangma Residential Community on the Huanghe Road



**Case: Full Gold (Kyrgyzstan) donated grain, oil and food to the local area during the pandemic**

During the pandemic resurgence in 2021, Full Gold (Kyrgyzstan) donated food worth a total of RMB25,217 to poor villagers in the surrounding Mangrove Village, Terek-Say, and Oulukutu Village, including sheep, grain, oil and food.

**Case: Corporate social responsibility Delivered by Our Overnight Rescue and Disaster Relief in Zhengzhou for flood control**

On the night of 22 July 2021, the Group quickly responded to the municipal government's emergency rescue request by urgently dispatching 5 emergency response officers, 1 vehicle, 3 water pumps, and other emergency supplies including life jackets, water pipes, cables, and tents to the municipal emergency rescue team, which jointly established an emergency response squad and roared to Zhengzhou from Lingbao for the frontline of the flood control mission.

## V. PEOPLE-ORIENTED EMPLOYEE CARE

Our employees, who are the irreplaceable wealth of our Company, will always find a sense of belonging at our Company. We persist in the “people-oriented” philosophy by developing a platform for employees to manifest their potential and realize themselves. We are committed to working with our employees towards a prosperous future for all.

### 5.1 Recruitment Standardization

#### 5.1.1 Employment Standardization

The Group emphasizes on talents. The reason is that talents are the most valuable asset of the Group and crucial for maintaining sustainable development. The Group is committed to providing our employees with career development and room and appropriate platform for promotion. In addition, the Group has specially formulated the “Lingbao Gold Group Company Ltd. Employee Management Regulations”, which aims to regulate behaviors of our employees, as well as to advocate the working style where our employees will hone strict self-discipline, abide by the rules and regulations, and maintain a rigorous and meticulous approach. Furthermore, the regulations protect the legitimate rights and interests of our employees, boost their workplace morale, and mobilize their enthusiasm for work. We respect differences, and encourage diversity, without discriminating against our employees, or hindering their development in the Group based on gender, age, region, religion, etc. As at the end of the reporting period, the Group employed 25 employees with disabilities.

The Group strictly complies with the “Social Insurance Law of the People’s Republic of China (《中華人民共和國社會保險法》)” combining with local government and administrative regulations where each branch and subsidiary locates, participates in pension insurance, unemployment insurance, medical insurance, major disease insurance, work-related injury insurance, maternity insurance, and housing fund for all employees, and makes full payments on timely basis. We give away holiday consolation goods and funds during traditional holidays of China, goods and supplements that keep cool in summer and stay warm in winter, yearly health check for female employees, etc. Through these ways, we create a good working and living surroundings, raising up employees’ belongings, safeguarding their interests and relieving them from future worries.

Remuneration: The Group determines the remuneration packages for the senior management, middle management, professional technicians and general staff based on the Company production and operation development, combining macro factors such as China's labour safeguarding policy and CPI, and competitions among the industry and different regions. Furthermore, the Administrative Measures for Remuneration to Middle Management, Administrative Measures for Basic Salary to Employees, and the Administrative Measures for Remuneration to Middle and Senior Technicians are formulated. Each branch and subsidiary formulate the internal second level review mechanism according to the remuneration managing approach, with the employees' actual salaries directly related to their positions, capabilities, performances and the operating results of the enterprise for the period, thus stimulating their activeness at work.

#### *Recruitment*

We take into account of the actual needs and the vacancies at each unit to formulate the criteria for employment in terms of position, type of job, professional level, quantity, qualification, and working experience for staff recruitment. The recruitment channels include: internal recruitment, social recruitment, current graduates, ex-military settlement and the recruitment through government poor aiding program. In connection with employee dismissal, the Group is in strict compliance with the relevant provisions of the "Labour Law of the People's Republic of China" and the "Law of the People's Republic of China on Employment Contracts". As for the situation of negotiable dismissal of labour relations between employees and the Company, the Company should report to the local social security authority for record. The Company will handle unemployment procedures for those who are in line with relevant policies and guarantee unemployed staffs to receive unemployment benefits in a timely manner.

#### *Promotion*

Democratic evaluation, recommendation, selection and mobilization based on the cadre's and the employees' working performance at the end of each year. The middle cadre of our branch and subsidiary is selected by competition, through speeches, working presentations, democratic voting. Outstanding management personnel are shortlisted to fill the positions suitable for one's capability and experiences, so as to provide them with a stage to shine, and refresh the Company's development and management.

#### *Dismissal*

The Group strictly in accordance with relevant requirements of the "Labour Law of the People's Republic of China (《中華人民共和國勞動法》)", the "Law of the People's Republic of China on Employment Contracts (《中華人民共和國勞動合同法》)". As for the situation of negotiable dismissal of labour relations between employees and the Company, we should report to the local social security authority for record. We will handle unemployment procedures for those who are in line with relevant policies and guarantee unemployed staffs to receive unemployment benefits in a timely manner.



*Working hours and holidays*

We strictly complies with the “Labour Law of the People’s Republic of China”, the “Provisions of the State Council on Working Hours of Workers and Staff (《國務院關於職工工作時間的規定》)” and the “Notice of the Department of Human Resources and Social Security of Henan Province on Strengthening the implementation of Flexible Working Hour System and the Approval and Administration Work of Comprehensive Calculation Working Time System by Employers (《河南省人力資源和社會保障廳關於進一步加強用人單位實行不定時工作制和綜合計算工時工作制審批管理工作的通知》)” and relevant regulations, and have formulated systems in respect of annual leave, family visit leave, marriage leave and funeral leave. We carry out 8 working hours each day, 40 hours a week, and for voluntary overtime work, corresponding overtime pay shall be given if no alternative leave could be arranged for compensation, and triple pay will be offered for overtime work on national legal holidays.

*Statistical Table of the Number of Employees by Gender and Age Group*

Category Unit name	Gender		Age						55 and above	Sub-total
	Male	Female	Under 25	25 to 35	36 to 40	41 to 45	46 to 50	51 to 54		
Henan region	1,704	723	33	595	297	380	562	304	256	2,427
Xinjiang region	411	110	31	157	57	59	104	74	39	521
Inner Mongolia region	185	60	2	33	26	29	53	54	48	245
Gansu region	0	0	0	0	0	0	0	0	0	0
Jiangxi region	0	0	0	0	0	0	0	0	0	0
Kyrgyzstan	619	56	22	234	120	102	120	58	19	675
Total	2,919	949	88	1,019	500	570	839	490	362	3,868
Percentage of the total	75.47%	24.53%	2.27%	26.34%	12.93%	14.74%	21.69%	12.67%	9.36%	

*Statistical Table of the Number of Employees by Employment Category and Geography*

Category Unit name	Management and administration	Technology research and development	Sales and marketing	Quality control	Environmental			Sub-total
					Safety	Protection	Production	
Henan region	289	140	133	126	110	35	1,594	2,427
Xinjiang region	48	9	1	15	20	16	412	521
Inner Mongolia region	45	7	6	7	22	6	152	245
Gansu region	0	0	0	0	0	0	0	0
Jiangxi region	0	0	0	0	0	0	0	0
Kyrgyzstan	10	3	3	4	1	1	653	675
Total	392	159	143	152	153	58	2,811	3,868
Percentage of the total	10.13%	4.11%	3.70%	3.93%	3.96%	1.50%	72.67%	

*Statistical Table of Turnover Rate of Employees by Gender, Age Group, and Geography*

<b>Percentage of Employee Turnover</b>		<b>Employee Turnover Rate 2021</b>
Gender	Male	<b>5.82%</b>
	Female	<b>4.00%</b>
Age	Under 25	<b>12.50%</b>
	25 to 35	<b>9.03%</b>
	36 to 40	<b>4.60%</b>
	41 to 45	<b>4.74%</b>
	46 to 50	<b>3.81%</b>
	51 to 54	<b>3.27%</b>
	55 and above	<b>1.93%</b>
Geography	Henan region	<b>6.06%</b>
	Xinjiang region	<b>6.72%</b>
	Inner Mongolia region	<b>9.39%</b>
	Gansu region	<b>0.00%</b>
	Jiangxi region	<b>0.00%</b>
	Kyrgyzstan	<b>0.44%</b>

During the Reporting Period, the Group did not identify any violation against national and local laws and regulations in terms of employment.

### **5.1.2 Prohibition of Using Child Labour**

In strict compliance with the relevant laws and regulations such as the Law of the People's Republic of China on the Protection of Minors and the Provisions on Prohibition of Using Child Labour, the Group clearly prescribes that employment of persons under the age of 18 is prohibited. In addition, the Group's human resources officers will verify ID cards and academic credentials of recruits during the recruitment process to prevent use of child labour. The Human Resources Department conducts random inspections of employee entry information during internal audits. Use of child labour, if identified, will be immediately rectified by terminating the employment, and the relevant responsible persons will be held accountable. As of the reporting period, the Group did not identify any incident involving the employment of child labour.

### **5.1.3 Anti-forced Labor and Worker Protection**

The Group resolutely persists in ending forced labor, and strictly complies with the "Labour Law of the People's Republic of China", "the Regulations on Employees' Work Hours" by the State Council, and the "the Circular on Further Strengthening Management of the Approval for Irregular Work Hours and Comprehensive Calculation of Work Hours of Employers" by Henan Provincial Department of Human Resources and Social Security. Besides signing the "Labor Contract" with the employees in a timely manner, the Group entered into the "Collective Contract" and "Special Collective Contract for the Protection of the Rights and Interests of Female Workers" with the labour union to protect the rights and interests of workers, strengthen the labour and employment management and regulate the labour and employment behavior.

## 5.2 Employee Care and Benefits

As regards employee rights protection, the Group operates its business in strict compliance national policies, laws and local government regulations, and implements relevant labour laws and regulations such as the “Labour Law of the People’s Republic of China” and the “Law of the People’s Republic of China on Employment Contracts”. In addition, the Group formulates and improves various rules and regulations so as to protect the legitimate rights and interests of our employees in accordance with the law. All employees of the Group sign labour contracts, the contents of which shall proceed in compliance with the laws and regulations. The Group clarifies the employment rules in such areas as contract term, labour service-based remuneration, fringe benefits, labour discipline, employment contract modification and termination, termination and renewal, and economic compensation, so as to avoid labour disputes, effectively establishing an equal labour relationship between our Company and our employees, while safeguarding the legitimate rights and interests of our Company and our employees.

Employee care management represents an important means to safeguard a harmonious ambience for the Company, and constitutes an important part of our corporate culture development. Our focus on employee-friendly management and care for employees can enhance our employees’ sense of identification with and belonging to the Company, so as to keep our employees in better working conditions so as to grow and develop together with the Company. We adhere to the “people-oriented” business philosophy by attaching great importance to the development and improvement of the employee benefits system, and making full contribution to the “five insurances and one housing fund” programs. We also provide responsibility allowances, performance incentives, communications subsidies, paid leave for employees, and paid elder care leave for single-child families, family visit leave for employees in remote areas. In addition, holiday benefits for employees are available on national statutory holidays, alongside high temperature subsidies in summer, and high-cold subsidies for employees in Xinjiang. Furthermore, occupational disease examinations, annual employee health examinations, etc. are also provided so that our employees can fully experience the care and warmth of the Company.

In recent years, Lingbao Gold has established a top-down assistance system to address employees’ difficulties. Each business unit conducts a thorough investigation into the families of our employees in difficulties, and establishes profiles for the employees in difficulties. The leaders of our business units at all levels pay visitations to the grassroots employees in difficulties to assess their living conditions. During public holidays, including New Year’s Day and Spring Festival, each unit launches employee care activities by providing assistance to sick employees, retiring bereaved senior citizens, and families with low incomes. Furthermore, assistance will be given as much as possible to local underprivileged households, ethnic minority compatriots, and local people’s livelihood infrastructure construction in places where our business units operate.

We pay attention to smooth communications with our employees by providing a feedback box, and holding discussion sessions for cadres and certain employees representatives at the annual appraisal meeting. As of the end of the reporting period, the employees representative meeting adopted an irregular and non-gathering form due to the pandemic.

At the same time, in order to safeguard the legitimate rights and interests of our employees and coordinate the relationship between employees and the Company, the Group has established a labour union committee to safeguard the rights and interests of our employees and enable the labour union to serve as a means of communications between our employees and the Company. The organizational structure of the labour union committee is divided into an organization committee, finance and economics committee, production safety committee, labour security committees, and female workers committee. As at the end of the reporting period, the Group had 7 grassroots labour union organizations, namely, Labour Union Committee of Nanshan Branch, Labour Union Committee of Smelting Branch, Labour Union Committee of Lingbao Hongxin Mining Company Limited, Labour Union Committee of Habahe Huatai Gold Company Limited, Labour Union Committee of Chifeng Jinchan Mining Company Limited, Labour Union Committee of Tongbai Xingyuan Mining Company Limited, and Labour Union Committee of Full Gold Company Limited.

### 5.3 Training and Development

Employee training represents the source of strength to maintain our business sustainability, and a pool of high-calibre employees can enhance the market competitiveness of our Company. We recognise the importance of talent training by providing our employees with abundant training opportunities and diversified training programs, which are divided into induction training, business management training, professional technical training, job skills training, and other special training, with training methods divided into centralized training, network training, on-the-job training, external training. For instance, we train new employees on safety knowledge, corporate culture and skills, etc., so that new employees develop a good understanding about the company profile, rules and regulations, and organizational structure, become familiar with job responsibilities, work procedures and work-related business knowledge, and adapt faster to the workplace conditions. The training methods are divided into centralized off-job training and on-the-job training at a later stage. As for technical maintenance personnel, external lecturers are invited to provide maintenance-related professional training. In the meantime, business-related training is provided to our employees holding production and operation positions, such as training related to mineral processing safety and mining activities.

In 2021, the Group organized diversified employee training programs, including professional knowledge training, dual prevention information platform operation training; general working style and labour discipline training, business management training; safety education and training, and tests were arranged after completion of these training sessions. Furthermore, new employees received induction training sessions.



Dual prevention information platform operation training in April



Professional knowledge training in September





General working style and labour discipline training in November



Business management training in December



Safety education and training in July



Induction training in December

In April 2021, technicians from the Geological Survey Technology Department of Tongbai Xingyuan Mining, a subsidiary of the Group, continued with further training by means of online and offline models. Technicians first took public courses on a professional technology website in Henan for 30 learning hours, and then studied professional courses in Lingbao Senior Technical School for a total of 60 learning hours. Upon completing training hours, the participants received relevant qualification certificates and learning certificates. In the future, we will improve the all-round training system, and sort out training records and training feedback, so that more diversified training programs targeting our employees will be provided.

To ensure our employees are provided with fair and promising promotion channels, the Group sets up a year-end evaluation system covering all employees, and promotion methods are mainly divided into the reserve cadre recommendation model, as well as a selection process involving the democratic evaluation, recommendation, selection and transfer of cadres at the end of each year based on the performance of cadres and employees. The middle-level cadres of each branch and subsidiary are selected under a competitive recruitment system, the selecting methods of which include speech, work report, and democratic voting. According to the comprehensive evaluation results, outstanding managers will be identified, so that those outstanding talents with competence and experiences will find themselves in suitable positions, providing them with a stage to demonstrate their capabilities so as to inject new momentum into our business development management.

In 2021, the Group invested a total of RMB375,100 in training.



#### 5.4 Occupational Health and Safety

The interests of an enterprise are guaranteed by the safety of the enterprise and its employees. There is a necessity for not only the enterprise but also its employees and the society to attach great importance to and conscientiously safeguard effective safety commitments, and continue to strengthen the management of safety production and system construction.

In 2021, the Group reported 2,086 lost days due to work-related injuries<sup>3</sup>.

##### Performance of occupational health and safety

	2021	2020	2019
Number and rate of work-related fatalities	<b>4 (0.13%)</b>	1 (0.03%)	0 (0.00%)

Following occurrence of accidents, the accident prevention measures taken by the Group include:

1. The units responsible for accidents are required to conscientiously analyse the causes and summarise the lessons of such accidents, as well as warn and educate all employees.
2. All units are required to deeply learn lessons from these tragic accidents, by drawing inferences from one case to another, as well as strictly preventing the recurrence of such tragedies. It is necessary to recognise that the deep-seated issues such as weak safety awareness and weak safety literacy of employees, which are derived from the accidents caused by non-compliant operations and the failures to follow through the production safety system. It is necessary to firmly uphold the awareness of the red line of production safety, truly maintain constant vigilance, and reinforce a mental defence for production safety.
3. All units are required to conscientiously implement the main responsibility of production safety, especially the safety responsibility of the main responsible person, production safety supervisor, and specifically designated officer, and implement the safety risk study and assessment, and hidden danger investigation and management system. It is necessary to exert ongoing efforts to effectively advance the in-depth progress of the production safety inspection, as well as to exercise strict control over the risks of special operations such as work at heights, hot work, confined spaces, inspection and maintenance, and temporary electricity consumption. Furthermore, our employees will strengthen their safety education and training, so as to strictly carry out operating safety procedures and resolutely eliminate hidden dangers at source.

<sup>3</sup> Data on occupational safety and health performance excludes Full Gold Mining Limited Liability Company in Kyrgyzstan.

4. Besides adhering to the concept of “safety comes before production, and unsafe production is prohibited”, all units are required to strengthen the safety inspection of key parts and key links in wells so as to develop a full understanding of production safety conditions in the wells, in which case accidents and hidden dangers can be timely identified and eliminated. Routine maintenance, as well as regular repair and inspection, shall be strengthened for production equipment. In addition, confirmation of inspection and maintenance operation procedures and the approval of operation licenses shall be strictly implemented so as to ensure personal safety of maintenance workers and the safety of equipment, which will guarantee the safe and efficient operation of production equipment.
5. While conscientiously carrying through and implementing the “Production Safety Law”, “Safety Regulations for Metal and Non-Metal Mines” and other laws and regulations, all units are required to strictly follow the laws and regulations to ensure effective production, operation and management, and take the hardcore work style as an important safeguard for production safety. In addition, they shall persist in the policies of impartiality, determination, and executability to strengthen and closely maintain the management of production safety, and ensure that all risk control measures for production safety are in place.
6. All units are required to strengthen safety education and training, heighten the safety awareness of all employees, and enhance the common sense and business skills of self-rescue and mutual rescue of all employees. Furthermore, the safety work concept shall be firmly maintained where “safety is top priority, and prevention is a major approach alongside comprehensive management”, and all units shall consciously maintain effective production safety to prevent all kinds of accidents.

## APPENDIX I: INDUSTRY ASSOCIATION

Name of association	Participating entity (position)
China Gold Association <sup>4</sup>	Lingbao Gold as vice president unit
Henan Gold Association (河南省黃金協會) <sup>5</sup>	Lingbao Gold as vice president unit

<sup>4</sup> China Gold Association is a national social organization officially approved and registered by the State Economic and Trade Commission and the Ministry of Civil Affairs of the People's Republic of China in 2001, which is also a national, non-profit, self-discipline social organizations formed voluntarily by enterprises engaged in gold exploration, production, processing, and circulation, investment enterprises, scientific research institutions, public entities involved in gold matters, and social organizations according to law.

<sup>5</sup> Henan Gold Association (河南省黃金協會) is a provincial social organization officially approved and registered by Henan Gold Administration (河南省黃金管理局) (business supervisory unit) and Henan Provincial Department of Civil Affairs, which is also a social body with legal person status, voluntary members of which include entities and individual engaged in scientific research and design, teaching, geological prospecting, resource development, smelting, and processing, distribution and management of gold products in the gold sector in Henan Province, as well as a social organization for economic and technical cooperation and academic exchanges between gold enterprises and institutions in Henan Province.

## APPENDIX II: ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX OF THE HONG KONG STOCK EXCHANGE

Environmental, Social and Governance Reporting Guide		Chapter	Page
<b>Subject area A. Environmental</b>			
Aspect A1: Emissions			
A1	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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions management	P15-P20
A1.1	The types of emissions and respective emissions data.	Emissions management	P20
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).	Emissions management	P20
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions management	P20
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions management	P20
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions management	P20
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.	Emissions management	P15-P16

<b>Environmental, Social and Governance Reporting Guide</b>		<b>Chapter</b>	<b>Page</b>
Aspect A2: Use of Resources			
A2	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources	P21-P26
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).	Use of Resources	P23
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources	P23
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources	P21
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources	P25
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources	P23
Aspect A3: The Environment and Natural Resources			
A3	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Use of Resources Emissions management Environmental and Natural Resources	P26-P27
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Use of Resources Emissions management Environmental and Natural Resources	P26-P27



<b>Environmental, Social and Governance Reporting Guide</b>		<b>Chapter</b>	<b>Page</b>
Aspect A4: Climate Change			
A4	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Combating climate change	P28-P29
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.	Combating climate change	P28-P29

### **Subject Areas B. Social**

#### **Employment and Labour Practices**

##### Aspect B1: Employment

B1	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.	Recruitment standardization Employee Care and Benefits Training and Development	P39-P45
B1.1	Total workforce by gender, employment type (for example, full- or part- time), age group and geographical region.	Recruitment standardization	P41
B1.2	Employee turnover rate by gender, age group and geographical region.	Recruitment standardization	P42

<b>Environmental, Social and Governance Reporting Guide</b>		<b>Chapter</b>	<b>Page</b>
Aspect B2: Health and Safety			
B2	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.	Occupational health and safety	P46-P47
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational health and safety	P46
B2.2	Lost days due to work injury.	Occupational health and safety	P46
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational health and safety	P46-P47
Aspect B3: Development and Training			
B3	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Training and Development	P44-P45
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Training and Development	P44-P45
B3.2	The average training hours completed per employee by gender and employee category.	Training and Development	P44-P45

<b>Environmental, Social and Governance Reporting Guide</b>		<b>Chapter</b>	<b>Page</b>
Aspect B4: Labour Standards			
B4	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.	Recruitment standardization	P42
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Recruitment standardization	P42
B4.2	Description of steps taken to eliminate such practices when discovered.	Recruitment standardization	P42
<b>Operating Practices</b>			
Aspect B5: Supply Chain Management			
B5	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply chain management	P31-P32
B5.1	Number of suppliers by geographical region.	Supply chain management	P32
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply chain management	P31-P32
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply chain management	P31-P32
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply chain management	P31-P32

<b>Environmental, Social and Governance Reporting Guide</b>		<b>Chapter</b>	<b>Page</b>
Aspect B6: Product Responsibility			
B6	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.	Quality management Quality service	P30-P31
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality management Quality service	P31
B6.2	Number of products and service related complaints received and how they are dealt with.	Quality management Quality service	P31
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Protection	P31
B6.4	Description of quality assurance process and recall procedures.	Quality management Quality service	P30-P31
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	N/A	
Aspect B7: Anti-corruption			
B7	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.	Honesty and Integrity in Operations	P11-P13
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.	Honesty and Integrity in Operations	P12
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Honesty and Integrity in Operations	P11-P13
B7.3	Description of anti-corruption training provided to directors and staff.	Honesty and Integrity in Operations	P12

<b>Environmental, Social and Governance Reporting Guide</b>		<b>Chapter</b>	<b>Page</b>
<b>Community</b>			
Aspect B8: Community Investment			
B8	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.	Charity and Community Engagement	P33-P39
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Charity and Community Engagement	P33-P39
B8.2	Resources contributed (e.g. money or time) to the focus area.	Charity and Community Engagement	P33-P39



### APPENDIX III: DEFINITION INDEX

#### Glossary

#### Definition

Company, our Company, Group Companies, and Lingbao Gold	means	Lingbao Gold Group Company Ltd.
The Group, or We	means	Lingbao Gold Group Company Ltd. and its subsidiaries
The Report	means	Lingbao Gold 2021 ESG Report