



China International Marine Containers (Group) Ltd.

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

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2023

Corporate Social Responsibility & Environmental, Social and Governance Report



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CIMC

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Business Philosophy



Enterprise Spirit
Unremitting Striving, Pursuing Excellence

Core Human Resources Concept
People Oriented, Common Cause

Operation/Management Concepts

Development Concept : Quality Growth

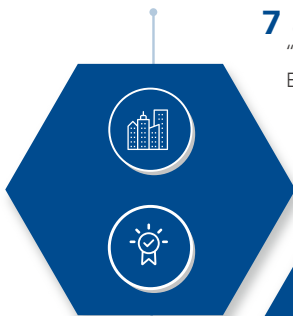
Globalization Concept : Global Operation, Local Wisdom

HSE Concept : Compliance with Laws and Regulations, Safety and Health, and Green Operations

Quality Concept : Smart Manufacturing with Craftsmanship and World leading quality

Sustainability Achievements In 2023

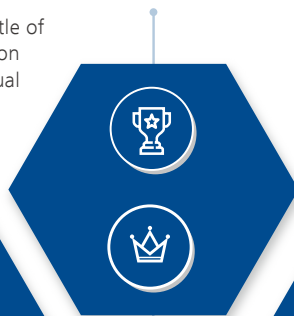
13 national-level specialized and sophisticated "little giant" enterprises that produce unique and novel products



7 enterprises won the title of "National Demonstration Enterprise for Intellectual Property Rights"



18 China Patent Awards



31 star products



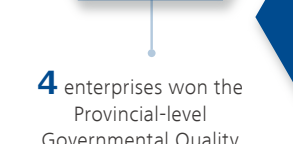
36 enterprises passed green factory certifications



The Group's ESG performance received **20** external recognitions throughout the year



4 enterprises won the Provincial-level Governmental Quality Award



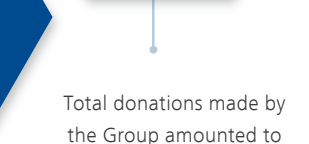
14 enterprises were rated as provincial-level intelligent manufacturing or digitized factories



24 enterprises applied rooftop photovoltaic power generation



Total donations made by the Group amounted to RMB16.375 million; the Shenzhen CIMC Charity Foundation made donations to **7** public universities during the year

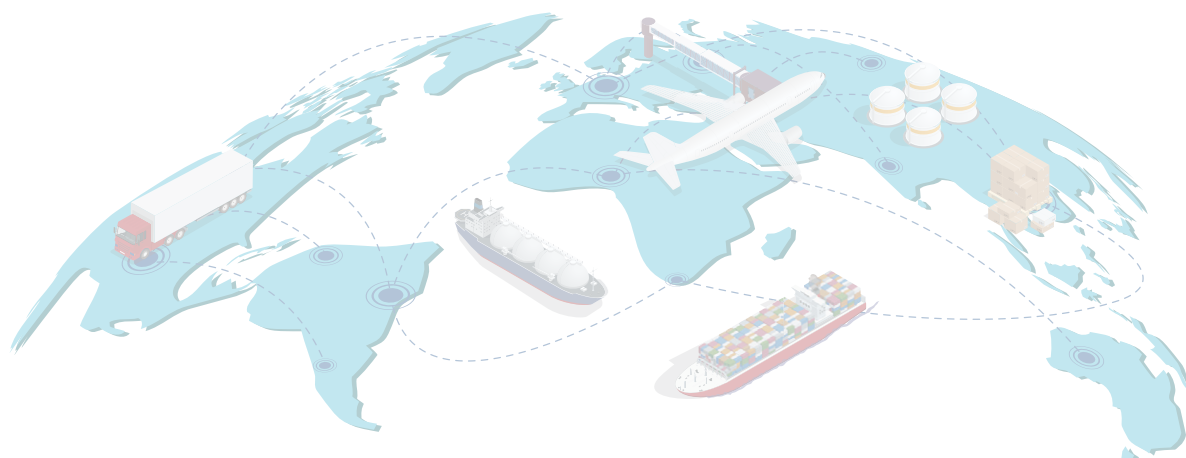


Statement of the Board of Directors

The Board of Directors is pleased to present the 2023 Corporate Social Responsibility & Environmental, Social and Governance Report of CIMC Group. In order to standardize the ESG management mechanism and enhance the quality of ESG management, CIMC Group has formulated the Measures for the Management of CIMC's Sustainable Development Reporting, which details the ESG governance structure and mechanism with the Board of Directors having the highest responsibility and decision-making authority for ESG matters, bearing full responsibilities for the Company's ESG strategy, target management and information disclosure, and approving ESG improvement proposals. As the committee assuming the primary responsibility, the Strategic Development Committee of the Board of Directors takes on the work to study the sustainable development strategy, supervise the formulation and implementation of the ESG policies, conduct the identification and assessment of the risks and opportunities associated with sustainable development and climate change, and identify and manage key issues according to stakeholder research results. The Strategic Development Committee also assumes the responsibility to review and approve ESG management objectives, approve and publish reports, and assist the Board of Directors in performing ESG governance. The CIMC Group Executive Committee periodically submit the ESG report to the Strategic Development Committee of the Board of Directors, review ESG issues, supervise the implementation and execution of decisions made by the Board of Directors on environmental, social and governance matters related to sustainable development, and ensure the resources earmarked for the ESG field. The Steering Group for the ESG report is responsible for promoting and establishing the "sustainable development report" management system and providing regular reports to support the Group Executive Committee, Strategic Development Committee and the Board of Directors. The decision-making and implementation mechanism, which focuses on the management of key issues declared by the Board of Directors, basically forms a closed-loop PDCA management by far.

Based on the external environment and the development strategy of CIMC Group, a total of 8 key issues are identified as ESG key tasks in 2024 through investigation of internal and external stakeholders during the reporting period, including the green and low-carbon products and services, the employee safety and health, the product quality and safety, the energy conservation and carbon reduction, the air pollutant emission management, the implementation of sustainable development strategy, the information security and privacy protection, and the integrity and good faith management. In the future, we will continue to regulate our sustainable development management strategy and promotion methods according to the expectations of stakeholders and the actual operation of the Group, in an effort to continuously improve the level of sustainable development.

The Report provides detailed information on the progress and effectiveness regarding CIMC's ESG efforts in 2023 and has obtained approval from the Board of Directors on 27 March, 2024. The Board of Directors and all directors of CIMC hereby guarantee that the information presented in this Report is free from any false records, misleading statements or material omissions, and undertake joint and several liabilities for the authenticity, accuracy and completeness of the information.



About the Report

This is the seventh Corporate Social Responsibility and Environmental, Social and Governance Report (“CSR & ESG Report”, the “Report” or the “Sustainable Development Report”) published by China International Marine Containers (Group) Co. Ltd and its subsidiaries (collectively “CIMC”, “CIMC Group”, “the Group” “we” or “our”) since 2017.

Reporting Scope

This report is complementary to the Annual Report 2023 of the Group and discloses the environmental, social and governance management practices, initiatives and performance of the Group from January 1, 2023 to December 31, 2023 (the “Year”) (partially backdated to previous years or extended to the date of disclosure). For more details on corporate governance, please refer to the section titled “Corporate Governance Report” in the Group’s Annual Report 2023. The coverage of the text disclosed herein is the same as that of the Annual Report 2023 of the Group. The data on environmental scope covers the following: (1) domestic manufacturing enterprises under containers, vehicles, energy and chemical, airports, marine engineering and load (including all key pollutant discharge enterprises), all of which are covered; (2) four enterprises of the logistics segment and the Marine Engineering Research Institute; (3) eight overseas enterprises of the vehicle, energy and chemical and airport segments, with the overseas enterprises included in the statistics accounting for more than 70% of the total overseas revenue; and (4) some innovative enterprises.

Preparation Process

Kick-off meeting and ESG training, stakeholder research, preparation of report, internal discussion and revision, design of report, management review, approval by the Board of Directors, and release of report.

Reporting Standards

The Report was prepared with reference to the Appendix C2 Environmental, Social and Governance Reporting Guide (“ESG Guide”) to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (“HKEX”), the Rules Governing the Listing of Shares on Shenzhen Stock Exchange (Revision 2023), the Self-Regulatory Guidelines No. 1 for Companies Listed on Shenzhen Stock Exchange—Standardized Operation of Companies Listed on the Main Board, the Global Reporting Initiative’s Sustainability Reporting Standards (GRI Standards), the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Guidelines on the Social Responsibility for Industries of China 2.0 (GSRI-CHINA 2.0) and the Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS ESG 5.0) issued by Chinese Academy of Social Sciences. Unless otherwise stated, the currencies involved in the Report are measured in Renminbi (“RMB”). The preparation of the Report also has a reference to IFRS Sustainability Disclosure Standard S2 Climate-related Disclosures issued by ISSB.

Source of Information

The information disclosed in the Report is obtained from the official documents, reports or relevant public information of the Group and its subsidiaries, and the Board of Directors is responsible for the truthfulness, accuracy and completeness of the contents of the Report.

Reliability Statement

The Board of Directors and all directors warrant that the contents of the Report do not contain any false records, misleading representations or material omissions.

Publication Cycle

The Report is published once a year, specifically in March each year.

Form of Publication

The Report is published in English and Chinese versions respectively. Should there be any discrepancy between the Chinese version and the English translation, the Chinese version shall prevail. Readers and stakeholders may access the Report on the Company’s website (www.cimc.com), CNINFO (www.cninfo.com.cn) and the website of Hong Kong Stock Exchange (www.hkexnews.hk).

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Chairman's Statement

With actions louder than words, we create a better world together!

In the face of the great changes of the time, the continuous slowdown of global economic growth and the increasingly complex and uncertain external environment, CIMC focuses on high-quality development, insists on seeking progress while maintaining steady development and promoting steady development through progress, and believes that unceasing progress is what makes a difference. The Group has realized an operating revenue exceeding RMB100 billion yuan for three consecutive years, continuously improved its comprehensive strengths, further enhanced its foundation for high-quality development, achieved good economic, environmental and social benefits, created new value for all stakeholders, and constantly promoted CIMC's quality growth!



The year 2023 is the first year to fully implement the guiding principles of the 20th CPC National Congress, and is also the first year for CIMC to practice its new vision and five-year strategic plan. By keeping pace with the times, CIMC wrote a new chapter of high-quality development with the spirit of hard work and unremitting striving. Here, I would like to thank our global employees and their families for their keeping pioneering, innovating, united and struggling, thank our customers for their continuous trust and support, and thank our investors, shareholders and partners for their care about and support for the stable development of CIMC!

Communication

We always attach importance to stakeholder communication, by actively building good internal and external communication platforms, establishing a smooth and transparent communication mechanism, listening to the voice of stakeholders, and integrating it into corporate's decision-makings.

We released the new "CIMC Cultural System", in the form of a "CIMC Cultural System" poster, deeply interpreting the mission, vision, enterprise spirit, and core values of CIMC Group in the new era. We continued to attach importance to and were committed to good communication with investors, holding regular performance report presentations, strengthening the operation of online investor communication channels, and organizing a series of "Approaching CIMC" activities for observation groups to enter CIMC for in-depth exchanges. For six consecutive years, we have engaged an independent third party to conduct ESG stakeholder research to better assess ESG risks and opportunities and proactively understand and respond to the expectations and needs of our stakeholders. We are committed to high-quality information disclosure. Since 2017, the information disclosure of CIMC in Shenzhen Stock Exchange has been assessed as grade A for six consecutive years, which fully reflects that CIMC's work achievements are highly recognized by the regulatory authorities. Every year, CIMC Group, its independent listed subsidiaries and its important business segments release separate ESG reports, showing the performance of CIMC's ESG work in an all-round and multi-level way.

Goals

As a global group officially commencing production 41 years ago, CIMC Group always remains ahead of the times, serves the nation by developing industry, closely integrates its development with the development of both China and CPC, unswervingly moves forward toward the vision of "developing CIMC into a world-class high-quality and respected company", and continuously makes new and greater contributions to promoting Chinese-style modernization.

We deeply understand that sustainable development is the gene of driving the growth and progress of and a vital component of enhancing the core competitiveness of an enterprise. We also believe that while achieving the Company's business objectives and creating long-term value for shareholders, we should promote sustainable environmental and social development as a necessary responsibility, taking the realization of the United Nations' Sustainable Development Goals (SDGs) as our responsibility, giving full play to our advantages and meeting challenges.

We hold the belief that sustainable development is an important support for and the core connotation behind achieving high-quality development. It is necessary for us to thoroughly implement the concept and business thinking of sustainable development, make sustainable development a new driving force for our growth, accelerate the formation of new productive forces, and draw a better blueprint for sustainable development of enterprises and society.

We will adhere to the concept of "innovative, coordinated, green, open and shared" development and the new sustainable development plan, operate our business according to the related laws and regulations by continuously optimizing the Company's ESG governance, advocate the core human resources idea of "People Oriented, Common Cause" by creating a good atmosphere for enterprise development and talent growth "reaching out to each other", keep innovating our technologies to create as more world champion products as possible, practice the thinking that "green mountains are gold mountains" in expanding strategic emerging businesses and for becoming an innovative low-carbon leader in China's logistics and energy industry chain, and further fulfill our social responsibilities with high standards.

Our actions

Great truths are always simple, and credible actions are the key. CIMC kept sailing on the giant ship of Chinese modernization, and injecting surging momentum into high-quality development.

We acted to practice the ESG and be business for good. We continued to focus on the business thinking of extending to the business segments where "the country has needs, the industry has shortcomings, and CIMC has advantages", and focus on the four emerging strategic directions including cold chain, clean energy, rural revitalization and environmental protection. We were guided by the strategic theme of "accelerating the construction of new growth drivers and focusing on the promotion of high-quality development", further expanded our core businesses as the moat for CIMC's capabilities, and developed a series of promising emerging businesses.

We acted to deepen and implement the ESG business. We focused on the key topics identified by the Board of Directors, actively took actions in four key areas, that is, "strengthening responsibility management, improving global logistics, tackling climate change, and developing with joint efforts", and got many effective achievements.

Hard work pays off. We made firm and outstanding efforts on the path of sustainable development and got a series of achievements in 2023. CIMC Group was included in the list of "2023 Global Open Innovation Top 100" for the first time, and completed the construction of 1 National Demonstration Plant for Intelligent Manufacturing and 1 National "Fully Connected 5G" Factory. In addition, Tianjin CIMC and other subsidiaries won the local Mayor Quality Award, and 9 enterprises were newly added as national "green factory".

We acted to be business for good. Over the past year, we have taken solid steps in public welfare and charity such as poverty alleviation through education, volunteer activities and rural revitalization. In 2023, the Shenzhen CIMC Charity Foundation received a total donation of RMB12.12 million yuan, nearly 5,500 employees of CIMC participated in donation activities, and all the money received were used to fund the expenses of 690 poor students in 7 universities for their study. The Foundation deeply integrates helping poor students with cultivating talents, and 44 students accepting the aid entered CIMC for internship. Enterprises and labour unions at all levels actively organized various forms of volunteer activities, actively supported community utilities covering education, culture and health, and continuously explored industrial opportunities such as bamboo chain, circulating freshwater fisheries, marine protein, agricultural machinery and equipment, cross-border agricultural products, and energy micro-tube network to help rural revitalization. The Labour Union of CIMC Group was awarded the honorary title of "Outstanding Workers' Home by the Shenzhen Industry and Transport Union"

In the past year, we worked hard despite of wind and rain, and deserved what achieved. Overall, we realized the increasing improvement of ESG governance, the clearer sustainable development strategy, the closed-loop PDCA management of key issues declared by the Board of Directors, the normal implementation of energy conservation and carbon reduction, and the new progress in rural revitalization projects. The reporting system of "1+N" with outstanding highlights and characters makes CIMC's management of sustainable development enter into a new leading strategic stage.

CIMC Group's ESG performance received 20 external recognitions in 2023, including being tied for the first place in the list of "Top 100 Chinese Enterprises for Sustainable Development" by the China Business Council for Sustainable Development (CBCSD), being rated as

one of "Top 100 ESG among Listed Companies in China" by Securities Times, and being rated as one of "Top 100 for ESG Golden Bull Award" by China Securities Journal. CIMC has been selected as a constituent of the Hang Seng (China A) Corporate Sustainability Benchmark Index (HSCASUSB) for four consecutive times, and a number of external ESG ratings are at the leading level in the industry. The Group's popularity and influence are greatly improved.

This "2023 Corporate Social Responsibility & Environmental, Social and Governance Report" is presented hereby by CIMC Group, to present a vivid picture via panoramic vision and detailed content that all CIMCers acted for and practiced the sustainable development by forging ahead with determination, pursuing for progress in steady development, taking actions louder than words and trying our best in 2023, a year with opportunities and challenges.

Future prospect

In 2024, we will still be faced with changing global economy, but we will seize every minute for our new journey. The year 2024 marks the 75th anniversary of the founding of the People's Republic of China, and is critical for achieving the goals set in the 14th Five-Year Plan and for CIMC to implement the new five-year strategic plan. We will bear in mind the original intention and shoulder responsibility and mission, to bravely stand at the forefront, seek progress in steady development, work hard and take firm steps in the new era and new journey by:

- Following the great way, to enhance and take new productive forces as an inherent requirement and acting point for driving high-quality and sustainable development;
- Keeping to the right direction, to deeply implement the new round of strategies and the strategic plan for sustainable development, further integrate key ESG issues into our operation and management, consolidate the manufacturing foundation, raise the level of new industrialization and green development, and accelerate the transformation to and upgrading of intelligent and digital manufacturing;
- Sticking on our goals, to steadily develop CIMC into a world-class company, focus on the benchmarks for "excellent product, famous brand, leading innovation and modern governance", improve quality and efficiency, achieve excellent operation and pursue low-carbon development.
- Emphasizing innovation, to adhere to the guidance of innovation, place the scientific and technological innovation in the core position, rely on innovation for progress, strengthens and winning, and strive to lead the innovations in China's logistics and energy industry chain.
- Shouldering the major tasks, to actively promote green development, give high-quality development a bright green and low-carbon background, and take the initiative in exploring the carbon peaking and carbon neutrality planning and corresponding implementation path applicable to each business segment.
- Being dedicated to social responsibility, to actively participate in the great cause of rural revitalization and common prosperity.
- And seeking development, to realize the growth of both CIMC and employees, build more business platforms of "people-oriented, common cause", improve the effective compliance and risk control system, and upgrade the ESG management system according to the new international standards.

In the New Year, CIMC is moving forward toward the grand blueprint of high-quality development with a taking-off momentum like a dragon, and writing more "Pioneering Stories" with the spirit of Shekou that dares to be ahead in the world. We firmly believe that with our joint efforts, CIMC, a giant ship, will be able to sail through wind and waves and move steadily, continuously writing down wonderful chapters of a world-class enterprise, contributing to the development of China and creating value for social progress! In 2024, let's head together for and go hand in hand towards a better future of sustainable development!

Chairman
Mai Boliang
March 2024

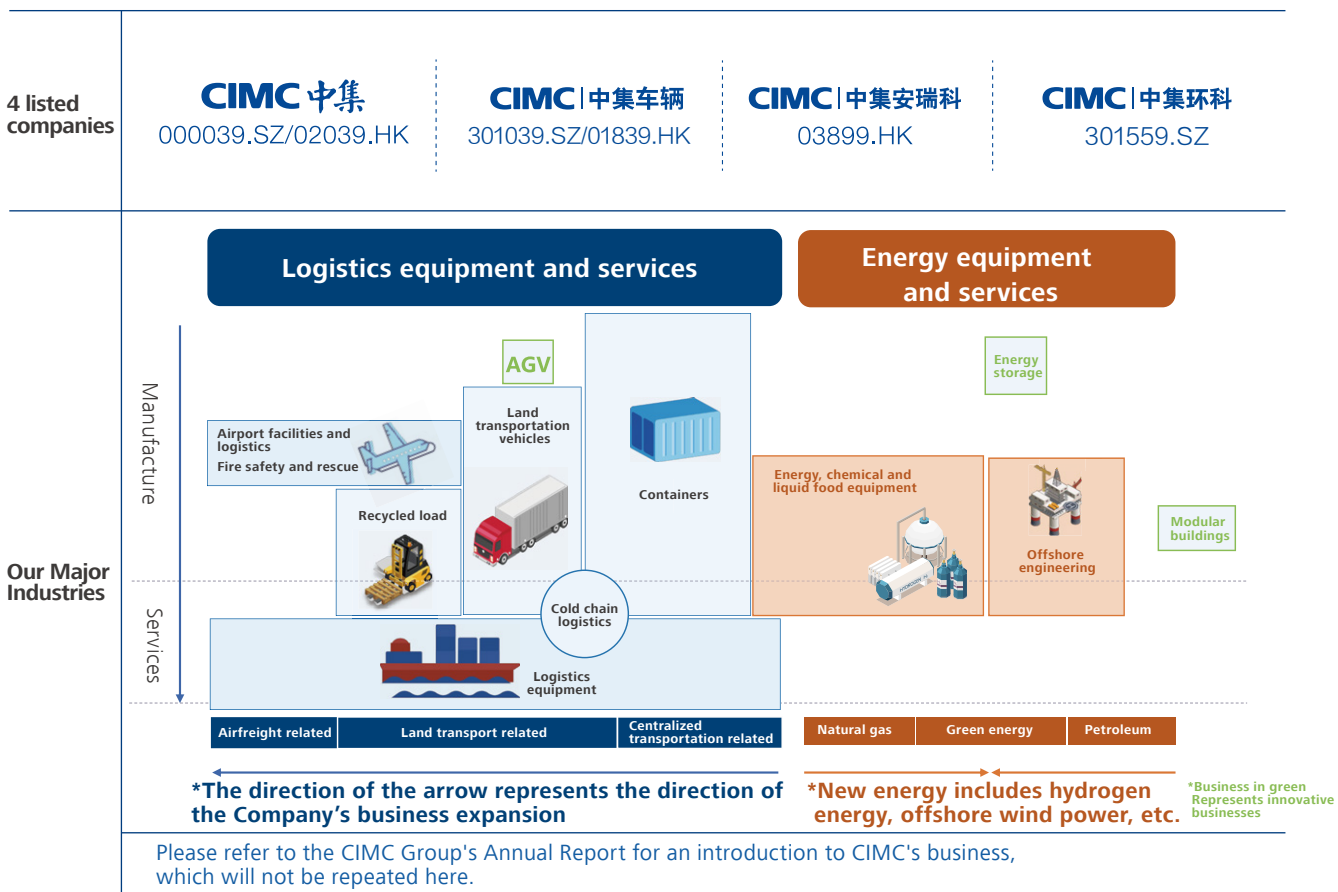
About Us

Group Profile

Headquartered in Shenzhen, China, China International Marine Containers (Group) Co., Ltd is the world-leading supplier of logistics equipment and energy equipment. CIMC is dedicated to the following major businesses: containers manufacturing, road transportation vehicles, energy, chemical and liquid food equipment, offshore engineering, airport facilities and logistics equipment, fire safety and rescue equipment, logistics services, recycled load, etc., providing high-quality and reliable equipment and services. To further support the thriving development of these businesses, professional financial companies that offer funds management will be engaged. As a diversified multinational industry group serving the global market, CIMC has over 600 member companies in Asia, North America, Europe, Australia and other regions, and has 4 listed companies. Its customers and sale network have covered more than 100 countries and regions around the world. In 2023, CIMC Group achieved operating revenue of approximately RMB127.81 billion and net profit of approximately RMB1.86 billion. It is ranked 170th in the 2023 Fortune China 500.

CIMC Group was founded in January 1980 in Shenzhen as a joint venture invested in by China Merchants Group and East Asiatic Company. It was listed in Shenzhen Stock Exchange in 1994 and listed in the Stock Exchange of Hong Kong Ltd in December 2012. Currently, CIMC is a public A+H share listed company, whose main shareholders are Shenzhen Capital Holdings and China Merchants Group. Stimulated by the deep-seated international genes since its establishment, supported by the outstanding governance structure and propelled by the endless pursuit of technological innovation and management efficiency, CIMC has rapidly grown into a leader in many global industries.

Our Major Industries



Overview & Performance of ESG Work

Overview Of ESG Work

The year 2023 is the first year to fully implement the guiding principles of the 20th CPC National Congress, and is also the first year for CIMC to practice its new vision and five-year strategic plan. Being guided by the strategic theme of "accelerating the construction of new growth drivers and focusing on the promotion of high-quality development", CIMC Group further expanded our core businesses as the moat for CIMC's capabilities, developed a series of promising emerging businesses, injected new surging momentum into high-quality development, and achieved an operating revenue of approximately RMB127.81 billion.

The Group always adheres to the concept and principle of sustainable development, focuses on the vision of "developing CIMC into a world-class high-quality and respected company" and the goal of high-quality development, insists on seeking progress while maintaining steady development and promoting steady development through progress, continuously takes "strengthening responsibility management, improving global logistics, tackling climate change, and developing with joint efforts" as the main line of ESG work, and uses high standards of sustainable development and social responsibility to lead the business for good, so as to promote the harmonious development of economy, environment and society, and constantly create new value for all stakeholders. Over the past year, we have carried out the following work in ESG governance and reporting management:

1. Taking the ESG governance as the framework of ESG work, to realize the increasing improvement of ESG governance and the implementation of duties at all levels

The Strategic Development Committee (of the Board of Directors) heard progress reports on key ESG work and issues every six months and approved the list of material issues in 2024, while the Board of Directors identified the key issues. The Executive Committee heard the report on ESG management on a quarterly basis, including data analysis of indicators of category A\B, improvement of key issues, daily ESG work and improvement recommendations, etc. The Steering Group for the ESG report held four regular meetings throughout the year to review material ESG affairs and hear the report on key work, and made reports to the Executive Committee. The functional departments and business segments of the Group jointly prepared and formed the medium-term plan of sustainable development strategy, undertook and implemented the key issues identified by the Board of Directors through explanations for the dominant keynote in the business plan, strategic topics, and ESG consolidated budgets, etc., promoted the improvement of issues, and regularly submitted AB data. The Group collaborated with its business segments to compile and present four ESG reports.

2. Taking the issues as an outline, to form the closed-loop management of key issues identified by the Board of Directors and the medium-term plan of sustainable development strategy

CIMC has carried out regular stakeholder communication research for six consecutive years. In 2023, we conducted in-depth research on key issues identified by the Board of Directors. Through the analysis of the results of 11,000 questionnaires and nearly 150 focus group interviews, we carried out effective evaluation on the ranking of material issues and the key work directions of key issues, and took them as the input of the Group's business plan guidelines, strategic themes and ESG special actions in 2024 to fully undertake the implementation of key issues identified by the Board of Directors. On the basis of stakeholder research, we established the strategic plan for sustainable development as a guide for the follow-up ESG work. After nearly two years of promotion, we have formed an effective closed-loop management mechanism for the key issues identified by the Board of Directors, and realized the integration of sustainable development management into business management.

3. Being based on data, to conduct multi-level ESG data walk-through tests and compile the ESG Indicator Manual

In 2023, we conducted data walk-through tests by focusing on three basic goals: the understanding of indicators in a consistent way, the verifiability of data sources, and the traceability of processes. These tests covered 10 functional departments, 6 business segments and 10 enterprises, and found a total of 290 problems mainly concerning the filling, review and definition of data. On the basis of research and test, we compiled the ESG Indicator Manual to ensure the understanding of indicators in a consistent way as far as possible, and improved the ESG reporting system.

4. Taking the improvement as the core, to submit ESG management reports on a quarterly basis and promote management by reporting

In 2023, by adhering to the guideline that "reporting promotes management", the ESG Management Report and the ESG Data Dashboard Results were submitted to the Steering Group for the ESG report and the Executive Committee on a quarterly basis, and the ESG work (containing the progress of key issues identified by the Board of Directors as well as the AB indicators) was reported to the Board of Directors every six months. In October 2023, the Report on the Impact Analysis of the International Green and Low-carbon Trade Barriers was submitted to the Group's leadership. In December 2023, the Preliminary Analysis Report on Impacts of EU's Two ESG-related Regulations was submitted to the Executive Committee.

These regular or thematic ESG reports and recommendations not only avoid future sustainability risks but also promote business units to seize business opportunities in the process of sustainable development and improve their capabilities for sustainable development.

5. Taking low carbon as the goal, to continuously implement the policy of energy conservation and carbon reduction and lead the future by green and low-carbon development

In 2023, CIMC established the group- and business segment-level energy conservation and carbon reduction dashboards, conducted quarterly analysis, and achieved "double control of energy consumption" and "double control of carbon emission"; the Group collaborated with business segments in exploring and carrying out eight types of demonstration projects for energy conservation and carbon reduction, finding key breakthroughs in energy conservation and carbon reduction, helping the sustainable development of various business segments, establishing collaborative work platforms for energy conservation and carbon reduction and holding the first meeting, cooperated with business segments and enterprises to conducting the first energy conservation diagnosis of air compressor, and did a good job in case promotion. The Group vigorously promotes the construction of rooftop photovoltaic projects, achieving remarkable results.

6. Taking Salon as an opportunity, to hold "Low-carbon Salon of Logistics Industry Chain in the Greater Bay Area" and boost business development

The Group led the organization of the "Low-carbon Salon of Logistics Industry Chain in the Greater Bay Area" and issued the Declaration of Low Carbon in Logistics Industry Chain, which attracted 150 representatives from a number of leading enterprises in the industry and their overwhelming response. This Salon was a good promotion and show of CIMC's corporate image emphasizing green and low-carbon development and providing low-carbon logistics equipment products and services. It was covered by more than 10 mainstream media. By this Salon, CIMC's recycled load and logistics business segments started communication with senior leaders of a number of heading customers in industry, and even reached cooperation with some of them.

After hard work in recent years, CIMC realized the increasing improvement of ESG governance, compiled the ESG Indicator Manual, and established the strategic plan for sustainable development. The closed-loop management of 8 key issues identified by the Board of Directors was formed, and the performance in and the improvement of issues, including the product quality and safety, the employee safety and health, and the green and low-carbon products and services, were recognized by stakeholders. The implementation of energy conservation and carbon reduction was done normally, and a total of 24 rooftop photovoltaic projects were completed, realizing a total income more than RMB20 million yuan. The energy consumption intensity and carbon emission intensity of the Group's enterprises included in the statistics had a year-on-year increase, and it is necessary to vigorously promote the measures for energy conservation and carbon reduction. The Shenzhen CIMC Charity Foundation done solid work to help 690 students from poor families realize their dreams for college study. New progress was made in the Group's cold chain in rural revitalization projects such as Guangxi Mango, Kashgar Prunes and Recycled Freshwater Fisheries. The business thinking of sustainable development was practices, and the Low-carbon Salon of Logistics Industry Chain in the Greater Bay Area was held, to facilitate business development by ESG. Through the reporting system of "1+N" with outstanding highlights and characters, Enric realized significant improvement in its ESG rating, the Group's ESG performance received 20 external recognitions throughout the year, and the Group's management of sustainable development entered into a new leading strategic stage.

In the past year, guided by the United Nations' Sustainable Development Goals and the requirements for the New Development Concepts of China, we carried out ongoing innovative practices in sustainable development, which promoted the continuous improvement of economic, environmental and social performance.

In terms of economic performance (see the Improving Global Logistics section for details), we took the global logistics improvement and energy upgrading as the responsibility, the creation of "champion products" as the goal, and the technological innovation and digital transformation as the main instrument. The Group insisted on innovating the business model, expanding the service value chain, integrating upstream and downstream resources, and continuously optimizing the existing product system. At present, the Group has 31 star products, 4 enterprises winning the Provincial-level Governmental Quality Award, and 13 national-level specialized and sophisticated "little giant" enterprises that produce unique and novel products including 4 newly-added. Ningbo CIMC built the first fully connected 5G factory in the container industry in China. A total of 14 enterprises of the Group were rated as provincial-level intelligent manufacturing or digitized factories. One China Patent Award and two national demonstration enterprises for intellectual property were newly added. In 2023, CIMC Group achieved operating revenue of approximately RMB127.81 billion and net profit of approximately RMB1.86 billion. (See Table of Financial Performance Indicators for detail).

In terms of environmental performance (see the Tackling Climate Change section for details), CIMC executed the "CIMC Green Development Plan", integrated the concepts of green, low-carbon and recycling into the design, research, development, production and promotion of its own products and services, and actively explored and practiced green development. As of January 2024, the Group has 36 enterprises that passed green factory certifications, of which 19 are national-level green factories. The Group deeply cultivated green products, introduced clean production technologies and processes, and promoted green, low-carbon and sustainable development. By 2023, the proportion of green electricity in the whole Group has reached nearly 9%.

In terms of social performance (see the Developing with Joint Efforts section for details), we advocated the core human resources idea of "People Oriented, Common Cause", carried forward the enterprise spirit of CIMC people to strive for self-improvement and excellence, and helped employees grow together the Group. We focused on the protection of employees' rights and interests, and established a targeted incentive system, offered attractive salaries and benefits, and provided extensive development channels for all employees. We also attached great importance to the empowerment of employees, to improve their professional skills and qualities. By 2023, the per capita training time reached 142.96 hours, showing a year-on-year increase of 82.07 percent. We strengthened safety work and cared for the health of employees. In 2023, the total HSE expenditure reached nearly RMB490 million yuan, showing a year-on-year increase of 10.2%. We actively responded to the national strategy of common prosperity and rural revitalization, and carried out a series

of projects, such as the CIMC Enric's rural energy micro-pipe network, to inject green energy into rural revitalization and actively practice our social responsibility. In 2023, we actively carried out social welfare activities and contributed to the society, such as public blood donation and education-aid activity, with the total donations made by the Group amounting to RMB16.375 million yuan. (See Table of Social Key Performance Indicators for details.)

The 2023 Corporate Social Responsibility & Environmental, Social and Governance Report published by CIMC Group fully presents the Group's standing at the crucial point of its 41th anniversary. The Group and all our workers are well prepared to overcome difficulties with unwavering determination in ensuring the smooth operation of the Group's production and operation while carrying our innovative practice and solid work on the road to sustainable development.

ESG Performance Table

Table of Financial Performance Indicators

Indicators	Unit	2023	2022	2021
Operating revenue	RMB thousand yuan	127,809,519	141,536,654	163,695,980
Operating cost	RMB thousand yuan	110,211,891	119,911,750	134,175,949
Operating profit	RMB thousand yuan	2,831,912	7,505,208	13,471,549
Total assets	RMB thousand yuan	161,763,233	145,899,949	154,322,501
Net assets	RMB thousand yuan	64,630,350	62,656,084	56,980,090
Net profit	RMB thousand yuan	1,863,374	4,601,142	8,360,768
Total tax	RMB thousand yuan	7,599,518	6,614,181	5,712,171

- Note: The total tax amount is the actual taxes and surcharges paid by the Group

Table of Environmental Key Performance Indicators

	Unit	2023	2022	2021	2023 Data Intensity	2022 Data Intensity	2021 Data Intensity
Total amount of sewage discharged	Thousand cubic meters	2,835.92	3,403.83	3,563.04	2.22	2.40	2.18
Total gas emissions: VOCs	Tonnes	264.89	312.26	376.46	0.21	0.22	0.23
Carbon emissions	Tonnes of CO ₂ e	859,449.70	828,668.92	1,139,131.93	673.25	585.48	695.87
Direct carbon emissions	Tonnes of CO ₂ e	192,834.47	175,034.35	206,638.80	151.06	123.67	126.23
Indirect carbon emissions	Tonnes of CO ₂ e	666,737.10	653,615.84	932,493.13	522.29	461.8	569.64
Total amount of hazardous waste disposed	Tonnes	25,435.14	32,573.16	48,029.41	19.92	23.01	29.34
Total amount of non-hazardous waste disposed	Tonnes	247,006.24	238,415.89	284,836.40	193.49	168.45	174.00
Total energy consumption	Tonnes standard coal	217,226.08	208,526.06	269,250.00	170.16	147.33	164.48
Electricity consumption	MWh	908,819.63	904,563.91	1,327,124.21	711.93	639.1	810.71
Gas consumption	Thousand cubic meters	57,217.98	55,955.17	63,538.58	44.82	39.53	38.81
Oils consumption	Kiloliter	20,829.21	19,582.34	18,003.32	16.32	13.84	11.00
Gasoline consumption	Kiloliter	1,360.07	1,727.56	1,388.74	1.07	1.22	0.85
Diesel consumption	Kiloliter	19,469.14	17,854.78	16,614.58	15.25	12.61	10.15
Total water consumption	Thousand cubic meters	5,648.56	6,169.38	7,126.42	4.42	4.35	4.35

- (1) Environmental data covers all domestic manufacturing companies, 4 enterprises of the logistics segment and the Marine Engineering Research Institute, and 8 overseas enterprises of the vehicle, energy and chemical and airport segments.
- (2) The statistical accounting methodologies applied to data in 2023 were the same as those in 2022, and the total emissions of the Group in 2023 covered the actual total emissions of all enterprises included in the statistics.

Table of Key Social Performance Indicators (The data disclosed by the Group is derived from the aggregated data of the following subordinated segments)

Level 1 Indicator	Level 2 Indicator	Level 3 Indicator	Unit	2023	2022	2021	Remarks
B1 Employment	Total workforce	Total workforce (by the end of the year)	person	68,940	62,194	72,736	
	Workforce composition by type of employment	Total contract employees	person	50,632	51,543	51,746	
	Composition of contract employees by geographical region	Domestic	%	91.38%	90.80%	90.00%	
		Overseas (including Hong Kong, Macau and Taiwan)	%	8.62%	9.20%	10.00%	
	Composition of contract employees by gender	Male	%	82.59%	83.10%	84.40%	
		Female	%	17.41%	16.90%	15.60%	
	Composition of contract employees by age group	Aged below 30	%	18.09%	18.50%	17.60%	
		Aged 30-49	%	67.36%	67.70%	69.60%	
		Aged 50 and above	%	14.55%	13.80%	12.80%	
	Composition of contract employees by profession	Production staff	%	44.71%	47.67%	51.21%	
		Management	%	7.72%	7.91%	7.85%	
		Sales personnel	%	8.08%	7.86%	6.60%	
		Technical staff	%	11.25%	9.68%	10.18%	
		Finance staff	%	3.23%	2.90%	2.74%	
		Other personnel	%	25.00%	23.98%	21.42%	
	Composition of contract employees by education	Doctorate	%	0.08%	0.08%	0.06%	
		Master	%	3.83%	3.19%	3.15%	
		Bachelor	%	26.91%	24.19%	21.71%	
		Associate	%	22.45%	21.74%	20.58%	
		Below associate	%	46.73%	50.81%	54.50%	
Contract employee turnover by quantity	Number of contract employees leaving the Group	person	12,003	10,177	8,240		
Contract employee turnover by percentage	Contract employee turnover	%	19.20%	19.74%	15.92%	Note 1	
Contract employee turnover by gender	Male	%	19.20%	19.73%	15.79%		
	Female	%	19.20%	19.83%	16.67%		
Contract employee turnover by age group	Aged below 30	%	29.3%	34.42%	33.09%		
	Aged 30-49	%	17.1%	17.54%	13.24%		
	Aged 50 and above	%	13.9%	10.91%	6.78%		
Contract employee turnover by geographical region	Domestic	%	17.5%	17.82%	17.07%		
	Overseas (including Hong Kong, Macau and Taiwan)	%	33.1%	38.69%	5.54%		

Level 1 Indicator	Level 2 Indicator	Level 3 Indicator	Unit	2023	2022	2021	Remarks
B2 Health and Safety	Work-related fatalities	Number of work-related fatalities	person	2023: 0 2022: 0 2021: 0	2022: 0 2021: 0 2020: 4	2021: 0 2020: 3 2019: 4	
	Rate of work-related fatalities (per 1,000 persons)	Rate of work-related fatalities (per 1,000 persons)	%	2023: 0 2022: 0 2021: 0	2022: 0 2021: 0 2020: 0.0648	2021: 0 2020: 0.0466 2019: 0.0643	
	Working days lost due to industrial accidents	Working days lost due to industrial accidents	day	15,364	15,523	14,603	Note 2
B3 Development and Training	Training coverage rate of contract employees	Training coverage rate of contract employees	%	89.08%	85.45%	89.53%	
	Training coverage rate of contract employee by gender	Male	%	89.73%	88.00%	90.37%	
		Female	%	86.02%	72.95%	84.98%	
	Training coverage rate of employee by rank	Senior management	%	85.67%	68.81%	75.95%	
		Middle management	%	88.65%	69.90%	72.47%	
		General staff (except senior and middle management)	%	89.15%	86.44%	90.53%	
	Average training hours of employees	Average training hours of employees	Hour	142.96	78.52	20.02	
	Average training hours of employee by gender	Male	Hour	143.64	85.08	20.05	
		Female	Hour	139.71	46.27	19.92	
	Average training hours of employee by rank	Senior management	Hour	92.80	44.64	41.11	
Middle management		Hour	45.38	35.17	30.78		
General staff		Hour	147.95	81.11	19.64		
B5 Supply Chain Management	Total suppliers	Total suppliers	Supplier	5,689	4,111	2,485	Note 3
	Percentage of total suppliers by geographical distribution	China	%	82%	86%	93%	
		Overseas	%	18%	14%	7%	
		Supplier qualification and performance assessment	Percentage of suppliers that passed the quality management system certification	%	55%	64%	54%
		Percentage of suppliers that passed the occupational health and safety management system certification	%	35%	40%	30%	
		Percentage of suppliers that passed the environmental management system certification	%	34%	41%	32%	
		Percentage of suppliers that signed the Sunshine Cooperation Agreement (or Commitment)	%	63%	64%	80%	
		Percentage of suppliers that accepted the Annual Supplier Performance Assessment	%	60%	63%	81%	
		Percentage of suppliers that accepted the Annual Supplier Performance Assessment covering environmental and social issues	%	63%	64%	54%	
	New suppliers added during the year	Number of new suppliers added during the year	Supplier	400	207	94	
	New suppliers added during the year (%)	Proportion of new suppliers added during the year	%	7%	5%	4%	
	Existing suppliers that accepted reassessment during the year	Proportion of new suppliers that accepted assessment covering environmental and social issues during the year	%	42%	62%	60%	
Number of existing suppliers that accepted reassessment during the year		Supplier	823	788	607		
Proportion of existing suppliers that accepted reassessment during the year		%	14%	19%	24%		
Proportion of existing suppliers that accepted reassessment covering environmental and social issues during the year		%	56%	54%	90%		

Level 1 Indicator	Level 2 Indicator	Level 3 Indicator	Unit	2023	2022	2021	Remarks	
B5 Supply Chain Management	Suppliers whose cooperation was terminated	Number of suppliers whose cooperation was terminated during the year	Supplier	10	9	2		
		Number of suppliers whose cooperation was terminated due to environmental and social issues during the year	Supplier	2	1	0		
	Supplier that were trained	Proportion of suppliers that were trained in environmental and social issues during the year	%	36%	31%	37%		
	Suppliers on the electronic platform	Proportion of purchase amount from suppliers on the electronic platform	%	39%	46%	66%		
	Strategic cooperative suppliers	Proportion of purchase amount from strategic cooperative suppliers	%	25%	27%	35%		
B6 Product Responsibility	Product recall	Percentage of product recall	%	0	0	Vehicle segment: 0.0445%; Others: 0		
		Number of customer complaints	Complaint	0	The Group: 4	The Group: 12	Note 4	
	Intellectual property	Customer satisfaction rate		%	93.5% on weighted average, of which the highest is recycled load segment of 97.16%	94.7% on average, of which the highest are energy and chemical, airport and recycled load segments of 97.0%	93.48% on average, of which the highest is recycled load segment of 96.20%	Note 5
			Number of authorized invention patents during the year	Patent	100	106	75	
			Number of invention patent applications during the year	Patent	292	295	177	
			Total number of authorized patents	Patent	5,411	4,934	4,883	
			Total number of trademark applications	Patent	310	306	221	
			Total number of trademark registrations	Patent	266	249	186	
	Information security	Total number of China Patent Awards	Total number of China Patent Awards	Patent	18	17	13	
			Number of complaints received for leaking information on consumers	Complaint	0	0	0	
B7 Anticorruption	Legal cases regarding corrupt practices	Number of legal cases regarding corrupt practices	Case	0	0	0		
		Number of closed legal cases	Case	0	0	0		
	Effective whistle-blowing	Number of effective whistle-blowing	Whistle-blowing	32	21	13		
		Processed effective whistleblowing	Whistle-blowing	32	21	13		
	Anti-corruption training	Participants in anti-corruption training	Participant	8,947	7,441	4,017		
		Anti-corruption training coverage among directors and supervisors	%	95%	100%	97.19%		
B8 Community Investment	Public welfare activities	Number of public welfare activities	Time	110	292	25		
	Donation	Donation amount for the year	RMB ten thousand yuan	1,637.5	1,566.8	957.3		
		Volunteer activities	Hours of volunteer service	Hour	5,295.9	13,267.5	6,325	
	Volunteer activities	Participants in volunteer service	Participant	882	2,682	405		

(Note 1) For B1 Employment, the change in the formula used to calculate the turnover of contract employees is that the number of employees leaving the Group during the year is added in the denominator;

(Note 2) For B2 Work-related Fatalities, the domestic employees' working days lost due to industrial accidents in 2023 are consistent with the data of sick leave due to industrial accidents in the HR system; the number of work-related fatalities is based on the accidents determined by the government as involving production safety liability;

(Note 3) For B5 Supply Chain Management, the number of suppliers included in the statistics only cover those with an annual purchase amount of more than RMB 100,000 yuan;

(Note 4) For B6 Product Responsibility, the definition of the number of customer complaints is adjusted in 2023, which only takes into account those closed customer complaints resulting in a loss of more than RMB 200,000 yuan, without considering the level of the complaints;

(Note 5) For B6 Product Responsibility, the statistics of customer satisfaction rate in 2022 and 2021 is calculated by the weighted average of all segments based on operating revenue (while the statistics in 2023 by the average of all segments);

(Note 6) For B6 Product Responsibility, indicator information security changes from the number of information security incidents to major ones, which is defined as the total number of information security incidents that result in a fine imposed by the regulators, are reported by mainstream media at the provincial or ministerial level or above, or cause a loss of RMB 1 million yuan or more to the Company.

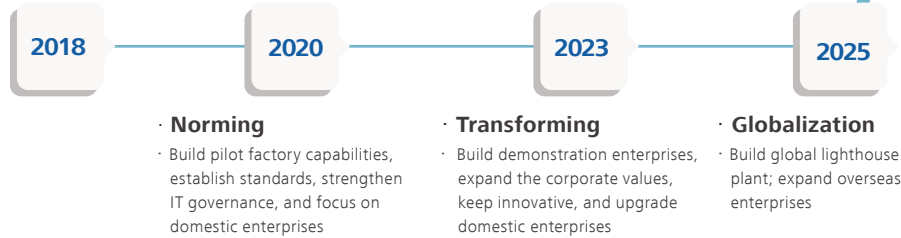
(Note 7) Data in 2022 and 2021 are adjusted according to the above-mentioned criteria.



Promoting continuous upgrading of digital CIMC



The Plan for the Overall Layout of Building a Digital China jointly issued by the Communist Party of China Central Committee and the State Council in 2023 emphasizes promoting the deep integration of the digital economy and the real economy driving the reform of production modes, life styles and governance methods, and giving great impetus to the comprehensive advancement of the great rejuvenation of the Chinese nation through Chinese-style modernization.



Innovation in three aspects

- Innovation of decision-making/operating mode
- Innovation of production mode
- Innovation of business mode

Four major directions

- Digital operation
- Intelligent manufacturing
- Green development
- Smart products

Eight tasks

1. Building a digital operation system under a layered mode
 - Meeting the need of the Group for visualized digital operation
 - Meeting the need of the Group for digital management of functional businesses
2. Accelerating the integration of informatization and industrialization
 - Intelligent manufacturing focuses on core enterprises
 - Green development should be HSE-oriented in organization and management
 - Smart products focus on champion product and innovative business
3. Building advanced and controllable corporate information architecture
4. Improving the information security and compliance system
5. Driving innovation of information technology
6. Continuously enhancing sharing services
7. Improving the IT management system under a layered mode
8. Re-building the capabilities of the enterprises

Three capabilities of informatization

Sustainable

1. Integrated solutions for various businesses (Process, technology, personnel, main data, and data analysis)
2. Dual-mode IT organization
3. IT governance

Reproducible

1. Sharing services
2. Coordination: sharing of best practice

Innovative

1. "Leading by technology", "Driving by digitalization"
2. Interactive and integrated ecosystems

Strengthening digital technologies for high-quality business development

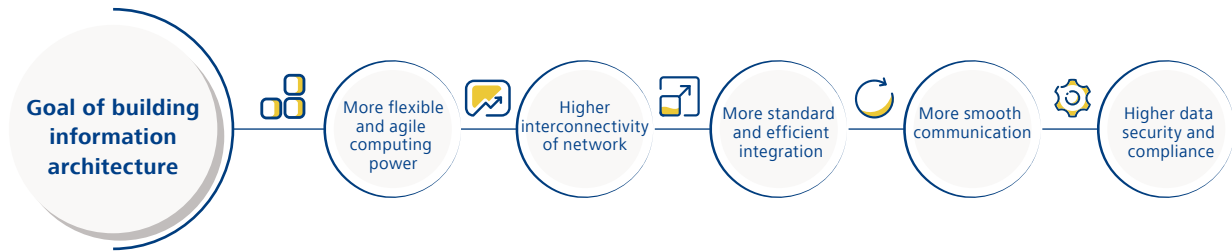
Building demonstration enterprises to promote the implementation of digital plans

In 2017, the Group set up the Intelligent Manufacturing Committee, aiming to drive the transformation and upgrading of the Group's traditional manufacturing to intelligent manufacturing.

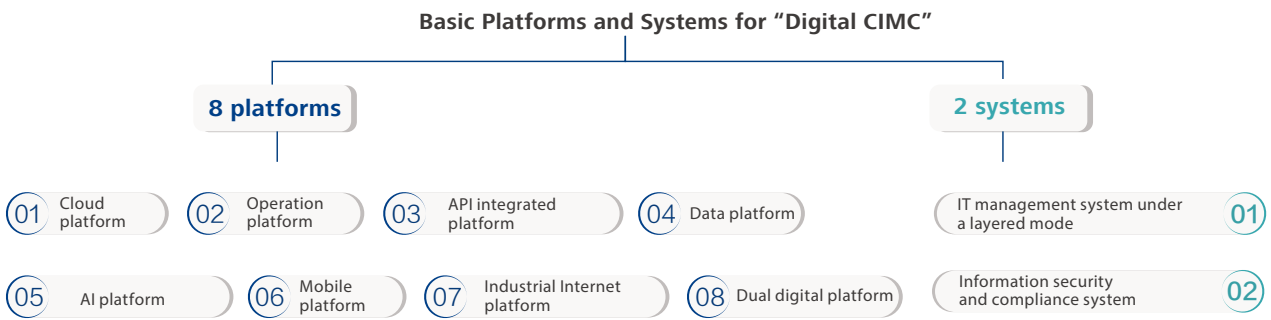
In 2022, the Technical Committee of CIMC Group set the Digital Subcommittee to improve the intelligent evaluation standards and visualization levels of products by means including the sharing of new technologies.



Enhancing the information framework of “Digital CIMC”

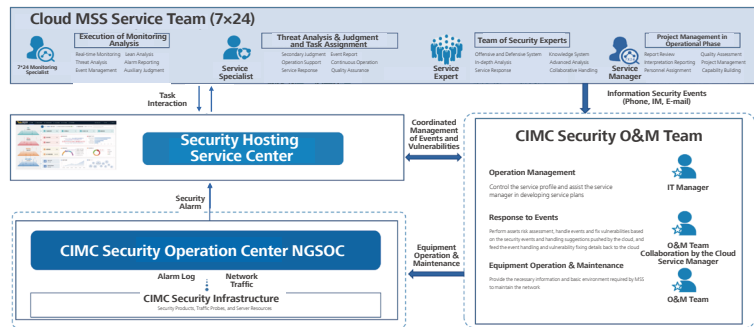


Building the basic platforms for “Digital CIMC”



Improving information security for reinforcing “Digital CIMC”

Information security and compliance is an important guarantee for digitalization, and CIMC continuously carries out risk assessment and capacity building to improve the information security.



Building lean digitalization for empowering sustainable development

Relying on the improvement of the automation level of core enterprises, CIMC constructed 14 provincial-level intelligent manufacturing or digital factories (including 12 core enterprises and 2 non-core enterprises); five scenes in three factories were selected as Excellent Demonstration Scene of Intelligent Manufacturing by the Ministry of Industry and Information Technology of the People’s Republic of China in 2021 and 2022; a total of 15 factories passed the accreditation for enterprises implementing informatization and industrialization standards.



Ningbo CIMC and Qingdao Reefer Container are respectively rated as the first national 5G factory in the container industry and a national demonstration factory for intelligent manufacturing, realizing CIMC’s breakthroughs in these two fields.



CIMC promotes the upgrading of intelligent manufacturing and the construction of global lighthouse factories through digital planning and construction based on IT+ OT.



[Planning] CIMC Transformation, Drives Industry Development

The Report to the 20th National Congress of the Communist Party of China points out that in modernizing the industrial system we will advance new industrialization, move faster to boost China's strength in manufacturing, and move the manufacturing sector toward higher-end, smarter, and greener production. Through development in the past, CIMC has accumulated its own competitive advantages in high-end manufacturing.



In the next Five-Year Plan, the Group will adhere to the champion product strategy, drive development by innovation, enhance the layout of research and development, and identify the "higher-end, smarter, and greener production" as an important policy for realizing transformation and upgrading.

[Measures] CIMC forges ahead with enterprise and fortitude to empower high-end products from multiple aspects

1. Continuously increasing R&D investment to enhance competitiveness

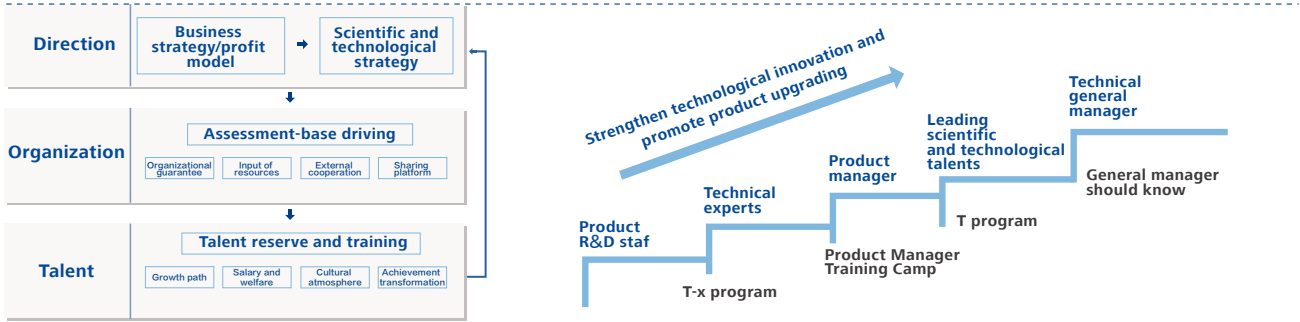
After years of hard work in scientific and technological strategy and innovation system, we have significantly improved the performance of innovation. At present, CIMC has 69 products of high-end manufacturing, and continues to enhance the Group's independent innovation capability.

2. Taking scientific and technological talents as the first resource to build a high-level team

· The T-x program, TP Program (Product Manager Training Camp) and T3 program are carried out for reserve talents of science and technology, and the importance attached to and the introduction of high-level scientific and technological talents are increasing day by day in various business segments.

· A multi-level, hierarchical and three-dimensional management system and a diversified multi-level innovation incentive mechanism of "Group-Business Segment- Enterprise" are shaped, Diversified multi-level innovation incentive systems are carried out to create good environment and culture for innovation.

CIMC's Growth Path for Scientific and Technological Talents



3. Working Together Across Parties to Establish a Fresh Landscape of Shared Benefits

- Collaborative Innovation with Supply Chain Partners: Working hand-in-hand with suppliers to strive to integrate and fortify the domestic raw material supply chain, thus ensuring its security and self-reliance.
- Industry-university-research Collaboration with Institutions of Higher.
- Enterprise-university-research institute cooperation with universities and colleges: Cooperate with first-class universities and colleges at home and abroad and establish 7 joint R&D platforms, forming a stable cooperation platform with more than 40 industrial chain companies and nearly 20 industry-university-research institution bases.






[Achievements] Demonstrated self-sufficiency and mastery, marked by exceptional advancements in proprietary core technologies

Over the course of 41 years of arduous endeavor and ceaseless innovation, CIMC personnel have achieved significant iterative advancements in multiple core products and manufacturing technologies, thereby painting a magnificent picture of CIMC's manufacturing ascent. These strides have substantially bolstered the autonomy and control over logistics and energy equipment, as well as enhanced national energy security.

Business	Containers	Pressure Vessels	Marine Engineering Equipment	Refrigerated Trucks/ Semi-trailers	Passenger Boarding Bridges	Femtosecond
Core Technologies	<p>Product Technologies:</p> <ul style="list-style-type: none"> ① Innovative and Applied Technology for Bamboo-wood Composite Structures (Second Prize of National Science and Technology Progress Award); ② Internationally Leading Hard-top Openable Container Technology; ③ Key Integration Technologies for Energy Storage with Containers; ④ New Material Application Technologies for Containers. <p>Manufacturing Technologies:</p> <ul style="list-style-type: none"> ① Internationally Leading Intelligent Powder Coating Technology for Containers; ② World-Leading Integrated Intelligent Manufacturing Technology for Highly Efficient Mass Production of Containers. 	<p>Product Technologies:</p> <ul style="list-style-type: none"> ① Stainless Steel Strain Strengthening Technology (Second Prize of National Science and Technology Progress Award); ② Cryogenic Insulation Technology for Near-Absolute Zero Temperatures; ③ High Manganese Austenitic Low-Temperature Steel Application Technology. <p>Manufacturing Technologies:</p> <ul style="list-style-type: none"> ① Intelligent Manufacturing Integration Technology for Efficient Production of Tank Containers; ② Key Technologies for Large Vacuum Liquid Hydrogen Spherical Tanks and Liquid Hydrogen Tankers; ③ Key Applications Technologies for CCUS and Other Clean Energy Sources. 	<ul style="list-style-type: none"> ① FPSO Upper Core Module Technology. ② Technologies for Design, Manufacturing, and Smart O&M Guarantee of World-class Large Modern Deep-sea Aquaculture Equipment (First Prize in Shandong Province); ③ Key Application Technologies for Clean Energy Sources such as Offshore Wind Power, Offshore Photovoltaics, and CCUS. 	<ul style="list-style-type: none"> ① Open Mold Foaming Technology; ② Industry-Leading KTL Technology; ③ Semi-trailers Manufacturing Integration Technologies for Modular Design and Manufacturing, Automated IoT Equipment Application, and Comprehensive Application of Information Systems (High-end Manufacturing System). 	<ul style="list-style-type: none"> ① Internationally Leading Unmanned Driving Technology for Passenger Boarding Bridges (the World's First Driverless Boarding Bridge). 	<ul style="list-style-type: none"> ① "FemtoEye" 3D Welding Vision Sensor, and "FemtoCloud" Intelligent Welding System.
Photo Display						

Strengthening Responsibility Management

CIMC places significant emphasis on sustainable development, actively responding to the United Nations Sustainable Development Goals, and upholding the philosophy of “governance based on law and business ethics” to bolster its corporate social responsibility management. This year, in terms of ESG, we formulated and broke down action plans and measures based on our ESG objectives, in addition to organizing regular reviews of our progress toward these targets. ESG considerations have been comprehensively infused into our overall business strategy, resulting in the formulation of a sustainably-focused corporate strategy. At the operational level, we ensured compliance-driven operations, reaching a 95% coverage rate for risk control training for directors, supervisors, and senior executives of directly managed enterprises. Our effective handling rate for whistleblower reports stood at 100%. During this fiscal year, we remained steadfast in upholding business ethics, anti-corruption measures, and dual commitments to legal compliance and integrity in our business practices. In the realm of information security, we persistently protected customer privacy and ensured data security. Through upgrades in information security technology, we achieved a 100% resolution rate for intrusion risks, reducing the time taken to address issues by 40% compared to the previous period, and witnessed a 62% decline in server and application vulnerabilities year-over-year. Our group actively responded to and implemented the United Nations Sustainable Development Goals numbers 9, 16, and 17, continuously advancing our sustainable development strategy and fostering a culture of integrity within the organization.

Related issues	Our actions	Our achievements	Our future efforts	Response to SDGs
Implementing Sustainable Development Strategy (Critical Topic)	Incorporate key concerns from relevant stakeholders into our business plans for group operations management, driving forward their practical integration	Implemented a routine system for stakeholder research and management of priority issues	Advance the integration of ESG reporting into the CIMC 5S management system, facilitating improvements on significant issues	16. PEACE, JUSTICE, AND STRONG INSTITUTIONS 
Implementing Sustainable Development Strategy (Critical Topic)	Continue to establish and maintain close ties with stakeholders through diversified channels	Consecutively commissioned independent third-party entities to conduct stakeholder surveys for six years, and promptly released and updated investor relations management information	Continually refined the communication mechanisms, enhancing information disclosure and external interactions	17. PARTNERSHIPS FOR THE GOALS 
Implementing Sustainable Development Strategy (Critical Topic)	The Group issued the CIMC Group Guidelines for Sustainability Reports Management	The Group released its Mid-Term Strategic Planning for ESG Sustainability Development, marking a transition where ESG work enters a phase led by strategic direction	Persistently implement the sustainable development strategy to achieve sustainability goals	
Information Security and Privacy Protection (Critical Topic)	The Group has established a new NGSOC, creating a 7*24 information security operation capability. This move enables seamless integration of security maintenance functions and ensures closed-loop processing for incidents	The number of complaints received due to the leakage of consumer information was zero	We initiated and were progressively carrying out information security management, continuous improvement of information security operations, and upgrades to information security technology	9. INDUSTRY, INNOVATION, AND INFRASTRUCTURE 
Integrity and Honesty in Business Operations (Critical Topic)	Explored digital risk control and strengthened risk special governance	Developed over 60 digital risk control models, thus accelerating the creation of an autonomous risk control environment	Kept on building a proactive and pragmatic risk control system that effectively controls risks	



Company Governance and Interactive Communication

In the fiscal year 2023, our group established a scientifically sound governance structure based on the Company Law, clearly defining management principles and rules. Revisions were made to the Group's governance systems, including the Articles of Association of China International Marine Containers (Group) Co., Ltd., among others.

In response to the evolving external trends in ESG development and changing regulatory requirements, the Group has taken steps to stay abreast of new guidelines and continuously elevate the ESG disclosure standards across the entire organization. Accordingly, we have updated the CIMC Group Guidelines for Sustainability Reports Management. Moving into 2024, our primary objective is to implement the various specialized revisions to our systems, enhancing the effectiveness of the Group's policies, and further propel the institutionalization of our management processes.

In 2023, the Group continued to strengthen the management of data security, ensuring the security and legality of data throughout its lifecycle, from collection, transmission, storage, processing, exchange to destruction, thus effectively mitigating operational risks related to data. Throughout the year, we established or revised several policies, including the CIMC Group Data Security Technology Management Specification and the CIMC Group Personal Information Security Management Specification, aimed at promoting the practical application and implementation of data network security within the organization.

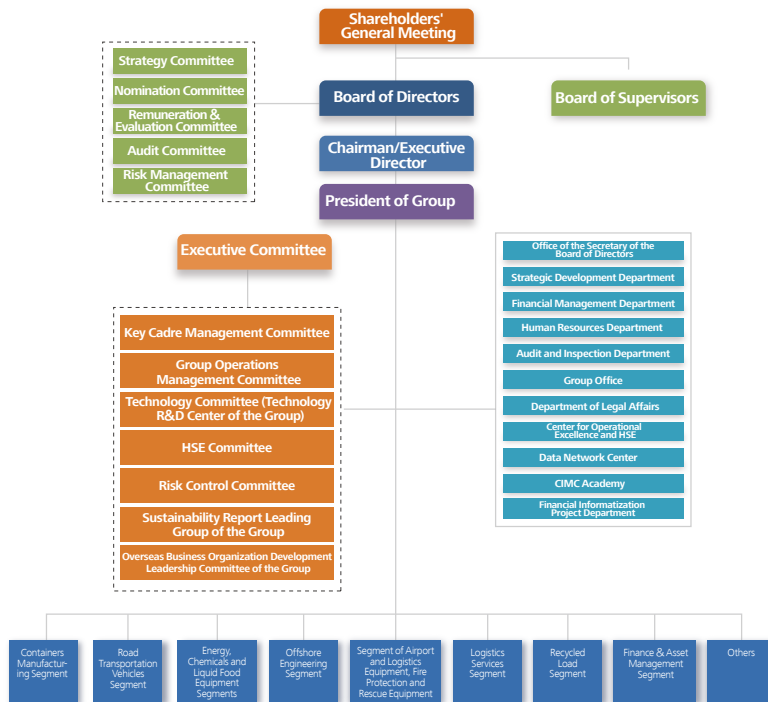


As of December 31, 2023, the total issued share capital of the Company stood at 5,392,520,385 shares, comprised of 2,302,682,490 A-shares and 3,089,837,895 H-shares. Shenzhen Capital Holdings Co., Ltd. and China Merchants Group Limited are the two major shareholders of the Company. As of the end of 2023, the Company's equity structure can be referenced in its 2023 Annual Report.

the total issued share capital of the Group was
5,392,520,385

A-shares
2,302,682,490

H-shares
3,089,837,895



Explanation: This organizational chart is as of December 31, 2023.

The Company has established a corporate legal person governance structure that conforms to contemporary corporate management standards, ensuring that each function is adequately performed and that there exists mutual checks and balances among them. According to the Articles of Association and the rules of procedure for the Shareholders' General Meeting, Board of Directors, and Board of Supervisors, along with a series of internal regulations, the roles of independent directors and specialized committees of the Board of Directors are fully leveraged. As a result, the functions and responsibilities of the Shareholders' General Meeting, Board of Directors, and Board of Supervisors are thoroughly carried out, serving as checks and balances upon each other. This arrangement effectively safeguards the interests of shareholders and the company, ensuring the sustained and healthy development of the organization.



General Shareholders' Meeting

The Group stringently adheres to the requirements outlined in the Rules for Shareholders' General Meetings of Listed Companies as stipulated by the China Securities Regulatory Commission (CSRC) to establish the Rules of Procedure for Shareholders' General Meetings of China International Marine Containers (Group) Co., Ltd. The General Shareholders' Meeting serves as the supreme decision-making authority within our Company to ensure that all shareholders, particularly minority shareholders, enjoy equal standing and are able to fully exercise their rights. When holding Shareholders' General Meetings, our Company typically arranges for directors and management to engage in face-to-face communication with investors who attend the meeting.



Board of Directors

The Board of Directors of our company is elected by the Shareholders' General Meeting and is accountable to it. Its fundamental responsibility lies in providing strategic guidance for the company and exercising effective supervision over management personnel. This dual role ensures that the company's actions align with its best interests and are ultimately responsible to its shareholders.

(1) Composition of Board of Directors

Our tenth iteration of the Board of Directors currently consists of nine members, all of whom boast broad and profound experience in business and management. Notably, among the three Independent Non-Executive Directors, Ms. Lyu-Feng Meiyi specializes in legal expertise; Mr. Zhang Guanghua brings with him a wealth of professional acumen in management, and Mr. Yang Xiong possesses the appropriate qualifications and substantial industry background in accounting and financial management. The professional qualifications and extensive experience of the current board members play a pivotal role in enabling the board to rigorously review and supervise management procedures. Their collective expertise ensures that the interests of all shareholders, especially those of small and medium-sized shareholders, are protected. Furthermore, our company has explicitly outlined a policy advocating for diversity among the composition of its board member; when selecting candidates for the board, we adhere to a range of diversity criteria, encompassing but not limited to gender, age, cultural and educational backgrounds, professional experience, skills, and expertise. Based on these principles, appointments to the board are decided by assessing each candidate's comprehensive value to the company's business and growth, their potential contributions to the board, and their role in maintaining a diverse board composition. Within our current board, there are two female directors, which demonstrate a robust commitment to gender diversity, fulfilling the SEHK Listing Rules' requirements for a diversified board membership.

(2) Special Committees

Our company's Board of Directors has established five specialized committees: The Audit Committee, the Remuneration & Evaluation Committee, the Strategy Committee, the Nomination Committee, and the Risk Management Committee. Each committee diligently carries out its duties and obligations depending on the powers and responsibilities granted by the Code of Governance for Listed Companies, the SEHK Listing Rules, the Articles of Association, the Board Meeting Procedures, and the respective Implementation Rules.



Board of Supervisors

Our board of supervisors is accountable to the shareholders' general meeting. All supervisors diligently fulfill their duties in accordance with the provisions laid out in the Company's Articles of Association. They have attended every session of the Board of Directors' meetings and consistently reported their work to the Shareholders' General Meeting. Upholding the principle of being accountable to all shareholders, they have effectively overseen the company's financial situation, internal controls, and the legal and regulatory compliance of the directors, president, and other senior management personnel in executing their responsibilities.

Information Disclosure ●●●●●●

Our group complies with relevant laws and regulations, such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines for the Corporate Governance of Listed Companies, the Shenzhen Stock Exchange Listing Rules, and the Hong Kong Stock Exchange Listing Rules, as well as our own Articles of Association, and stringently adheres to the disclosure obligations of a listed company. In 2023, CIMC revised its Articles of Association and other related systems, ensuring the truthful, accurate, complete, and timely disclosure of the company's periodic reports, interim announcements, and other official documents on designated media platforms. Over the course of 2023, the company disclosed a total of 391 announcements, which included 134 A-share announcements, 149 H-share announcements in Chinese, and 108 English H-share announcements. The Board of Directors and management team of our company have continuously strengthened internal management requirements for information disclosure, effectively adapting to new regulatory developments and demands. This proactive approach serves to positively steer the enhancement of the listed company's quality and efficiency.

In October 2023, the Shenzhen Stock Exchange released its announcement regarding the evaluation results of listed companies' information disclosure for the period of 2022-2023. CIMC (000039.SZ) once again achieved an A-grade (Excellent) rating for its high-quality information disclosure practices. This marks the sixth consecutive year since 2017 that CIMC has been awarded an A-rating in the SZSE's annual disclosure assessment.

2023 Joint Disclosure
Announcement

391

A-share
announcements

134

H-share
announcements

149

Announcements
in English

108

Investor Relations ●●●●●●

In 2023, we scrupulously adhered to the laws and regulations including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and the Guideline for Investor Relations Management of Listed Companies, among others. We maintained a strong emphasis on and commitment to enhancing investor relations management, striving to strengthen all-around and effective communication with shareholders and investors. With a focus on safeguarding the interests of small and medium-sized investors, we avoided selective disclosure practices to ensure that minority shareholders had fair and impartial access to the group's information.

In routine interactions, the group promptly disseminated and updated investor relations management information. Key measures taken by the company for investor communications include:

- An investor interaction session is incorporated into the Shareholders' Meeting, where the company's strategic direction, business layout, current operations, and outlook are shared. Executives with comprehensive knowledge of the Group's businesses are invited to participate in the investor dialog, actively listening to and addressing investors' inquiries.
- Through Investor Reception Days, ad hoc arrangements for investor research visits or tours, and other proactive communication channels, the company maintains open lines of communication with investors.
- Leveraging telephone, email, and online conferencing for direct, real-time engagement, the company further enhances investors' understanding of its business operations and financial performance.
- By participating in roadshows and conferences organized by professional investment management platforms and securities firms on an ad-hoc basis, the company maintains a visible presence in the investment community.
- On the company's official website, an 'Investor Relations' section is dedicated to publishing and updating corporate announcements, securities information, and performance presentations.
- Through the Shenzhen Stock Exchange's IRM platform, the company actively responds to and addresses investor inquiries posted on the platform regarding the company.

In 2023, the group engaged with investors through IRM answering queries 69 times; participated in strategy conferences and proactively visited institutions on a total of 69 occasions; hosted and received investors for research visits and reverse roadshows 52 times; and organized 3 investor open days/on-site research events. Moreover, the group took the initiative to solicit and compile shareholder feedback, presenting these opinions in monthly investor relations reports and other official documents to the company's management. The group then considered and absorbed reasonable suggestions, actively exploring and implementing solutions to empower its management and operations.



Case NO.01

Case study: An investor research delegation visited Ningbo CIMC to conduct an on-site investigation of the "Dragon Leap Plan" digital production workshop

An investor delegation comprising representatives from over 30 institutions embarked on a visit to Ningbo CIMC. Investors conducted a field trip to inspect one of the world's most advanced production lines in the global container manufacturing industry — the "Dragon Leap Plan" digital workshop at Ningbo CIMC. CIMC Group is transforming its facilities by building upon its existing foundation of automation and upgrading with advancements in digitalization, lean manufacturing practices, and green initiatives. This concerted effort aims to replace manual labor with intelligent machinery, culminating in a futuristic, forward-looking enterprise factory.



In 2023, our group received multiple external recognitions for outstanding performance and practices:

Issued by: China Association for Public Companies

- Award for Best Practices in the Board Office of Listed Companies (2023)
- Recognition for Best Practice in the 2022 Annual Performance Explanation Meeting for Listed Companies
- 2023 Secretary to the Board 5A Rating for Excellence in Fulfillment of Duties
- Outstanding Practice Case for Rural Revitalization by Listed Companies (2023)





Sustainable Development Management

Embracing the central role that the implementation of a sustainable development strategy plays within the Board's agenda, CIMC actively responds to the nation's call by seamlessly integrating high-standard corporate social responsibility practices into its corporate strategy, company governance, and the entire lifecycle of its products and services. This holistic approach fosters an organic fusion between the sustainable development of the enterprise and that of society at large. CIMC upholds the mission of "providing high-quality and reliable equipment and services for the logistics and energy industries, delivering excellent returns to shareholders and employees, and creating sustainable value for society". Anchored by an international perspective and standards, the group steadfastly follows the path of contributing to the country through practical endeavors, constantly refining its sustainable development management.

Refine and enhance sustainability philosophy and strategies ●●●●●●

CIMC regards sustainable development as a vital component driving the company's growth, progress, and core competitiveness, viewing it as the very DNA that underpins high-quality development and ensures the longevity of its business. We infuse our organization's sustainable philosophy with the new development concepts of innovation, coordination, environmental friendliness, openness, and shared benefits. Embedding these principles into our corporate mission, culture, and values, we ensure that sustainable development practices permeate throughout the daily operational and managerial activities across the entire group and its subsidiaries. Moreover, these sustainable development initiatives are consistently integrated into our communication processes with all stakeholders.

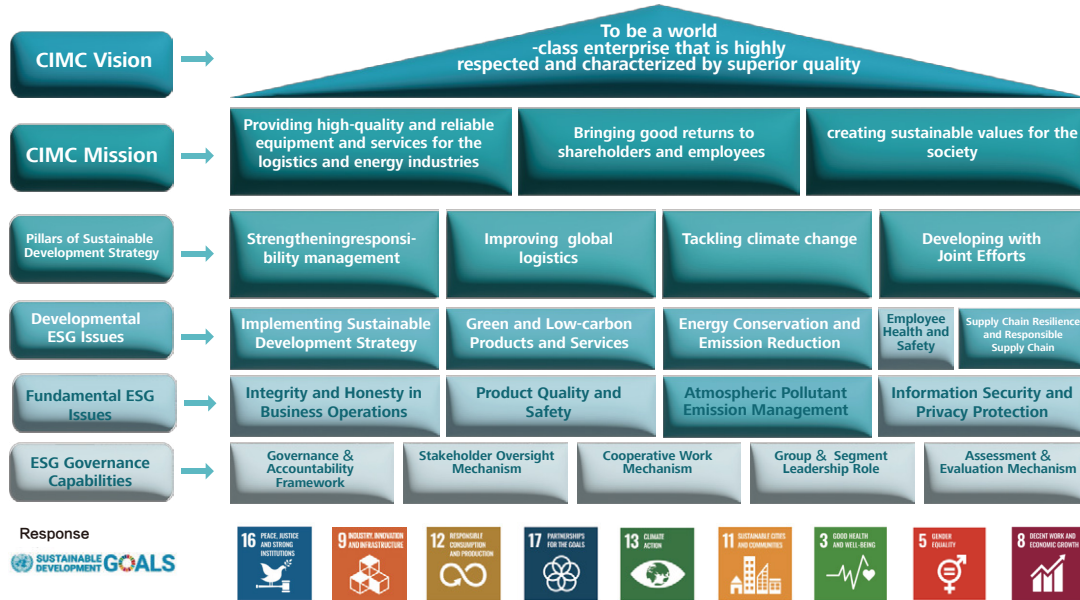
At CIMC, we lead with our corporate mission and vision, aligning them closely with the expectations and demands of stakeholders that are critically connected to our business development. We establish and commit to the following guiding principles for sustainable development, which serve as the cornerstone for directing our corporate social responsibility practices.

Sustainable Development Concept	Response to issues
Core Human Resource Philosophy: People-oriented, Shared Endeavors	Employee Health & Safety, Employment Management & Employee Rights Protection, Employee Training & Team Building, and Decent Employee Compensation
Development Concept: Quality growth	Compliance-Oriented Operations and Risk Management; Integrity and Honesty in Business Operations
Global Perspective: Global Operations with Local Insights	Facilitating Industry Advancement and Localization
HSE Concept: Legal & Regulatory Compliance, Safety & Health, and Green Operations	Green and Low-Carbon Products and Services, Energy Conservation and Emission Reduction, Product Quality and Safety
Quality Concept: Meticulous Engineering, Elite-Quality Commitment	Product Quality and Safety, and Digital Transformation

CIMC Group strives to realize the United Nations Sustainable Development Goals by adopting a long-term perspective in assessing and addressing the societal impact of its business activities. We engage in concrete actions, collaborating with various stakeholders to collectively make significant contributions to social development and problem-solving. After thoroughly considering the expectations and concerns of our

stakeholders, we have formulated a comprehensive sustainable development strategy. This strategy takes into account both the risks and opportunities presented by sustainable development and has resulted in the establishment of a mid-term sustainability plan for CIMC. At the core of this plan, we consider the four major pillars of ESG. Incorporating ESG considerations, we demonstrate robust ESG governance capability by outlining clear plans and actions across each dimension of E (environmental), S (social), and G (governance).

CIMC Sustainable Development Strategic Blueprint (2023-2027)



Implementing Sustainable Development Strategy ●●●●●●

Over the next five years, CIMC will be guided by its sustainable development strategy, adopting the strategic theme of "accelerating the formation of new growth drivers and vigorously promoting high-quality development." It will systematically balance the rational growth in scale ("quantity") with effective enhancements in quality, aspiring to build a world-class enterprise that is highly respected and characterized by superior quality.

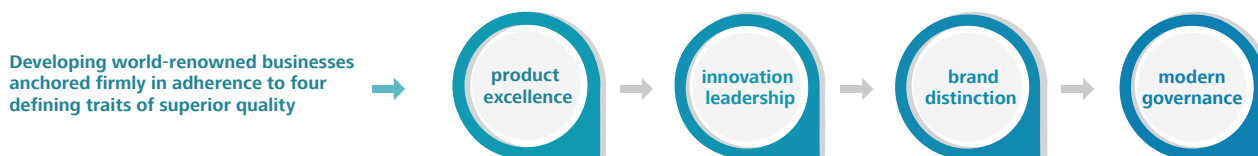
CIMC will continue to consolidate its manufacturing foundations, leverage its scale advantages, and advance its transformation and upgrading. Its objective is to develop a cluster of champion products, thereby consistently cultivating new sources of growth for its core businesses. Additionally, CIMC will proactively explore and expand into strategic emerging businesses, devising innovative product, service, and solution models that will forge new sources of leapfrog growth for the company.

CIMC is resolutely responding to China's peak carbon dioxide emissions target and carbon neutrality vision, attaching great significance to the risks posed by climate change. It's actively engaged in advancing ecological civilization construction and driving high-quality green development. CIMC Enric has identified climate-related risks based on the disclosure framework recommended by the TCFD, developed corresponding risk management processes, selected appropriate parameters and indicators, and set relevant targets.

CIMC will continue leveraging its strengths in equipment manufacturing to create a cluster of champion products, utilizing its status as a listed entity to tap into external strategic resources. It will push forward with disposing of underperforming assets, boosting asset return rates, and refining the quality of its core business asset portfolio. Simultaneously, CIMC is centering its activities on strategic themes to articulate a compelling "New CIMC Story" that serves as a foundation for building the core growth drivers essential to achieving its strategic objectives. In areas where there is a national need, industry gaps exist, and CIMC possesses a competitive advantage, the company will focus on making significant progress: In alignment with the opportunities and demands of the low-carbon energy transition, CIMC is accelerating its business layout in clean energy sectors such as hydrogen, natural gas, and offshore wind power; building on its leading position in cold chain equipment and cold chain logistics, CIMC is driving the restructuring of fresh produce supply chains; simultaneously, the company is dedicated to protecting the environment ("green mountains and lucid waters") and advancing multimodal transport and specialized logistics services based on green transportation capacity; CIMC will intensify the expansion of reusable carrier solutions, enhancing operational capabilities and scaling up the business; relying on the advantages of supply chain aggregation and centralized procurement, the company is developing industrialized steel structure construction services based on mass production, design, and delivery.

CIMC is steadfastly focused on embodying four key attributes of high-quality development – "product excellence, innovation leadership, brand

distinction, and modern governance" – to construct a world-class enterprise. CIMC will prioritize expanding its presence in the domestic market while maintaining a balanced approach to globalization. It will consider acquisitions and mergers alongside asset optimization, ensuring the prudent allocation of financial resources. The company will also strengthen technological innovation and digital infrastructure to advance smart manufacturing, intelligent products, and platform services. CIMC will continuously reinforce its 5S management and ONE model establishment to enhance organizational and human resource capabilities, thus deepening the shared endeavors. Furthermore, it will implement ESG development principles and intensify its focus on product quality and HSE management.



Continually enhancing ESG management ●●●●●●●●

As a responsible corporate entity, CIMC has always been dedicated to fulfilling its social responsibilities to the highest standards and actively promoting social harmony and development. This commitment is not only an inevitable choice for us to navigate market competition and pursue high-quality, sustainable growth, but also a path of responsible operation that aligns with the expectations and requirements of the nation, society, and the public. The "ESG Reporting Drives Management" initiative is a systematic arrangement employed by CIMC to propel sustainable development. Following extended exploration and practical application, we have gradually developed an ESG management and reporting system unique to CIMC, continuously innovating and refining it to elevate the ESG management standards and information disclosure levels across the entire group.

Important Issues /Departments	Board Secretary's Office	Strategic Development Department	Financial Management Department	Human Resources Department	Audit and Inspection Department	Group Office	Department of Legal Affairs	Center for Operational Excellence and HSE	Network Center	Segments
Green and Low-carbon Products and Services								●	●	●
Employee Health and Safety				●				●	●	●
Product Quality and Safety								●	●	●
Energy Conservation and Emission Reduction								●	●	●
Atmospheric Pollutant Emission Management								●		●
Implementing Sustainable Development Strategy	●	●	●	●	●	●	●	●	●	●
Information Security and Privacy Protection									●	●
Integrity and Honesty in Business Operations			●		●		●			●

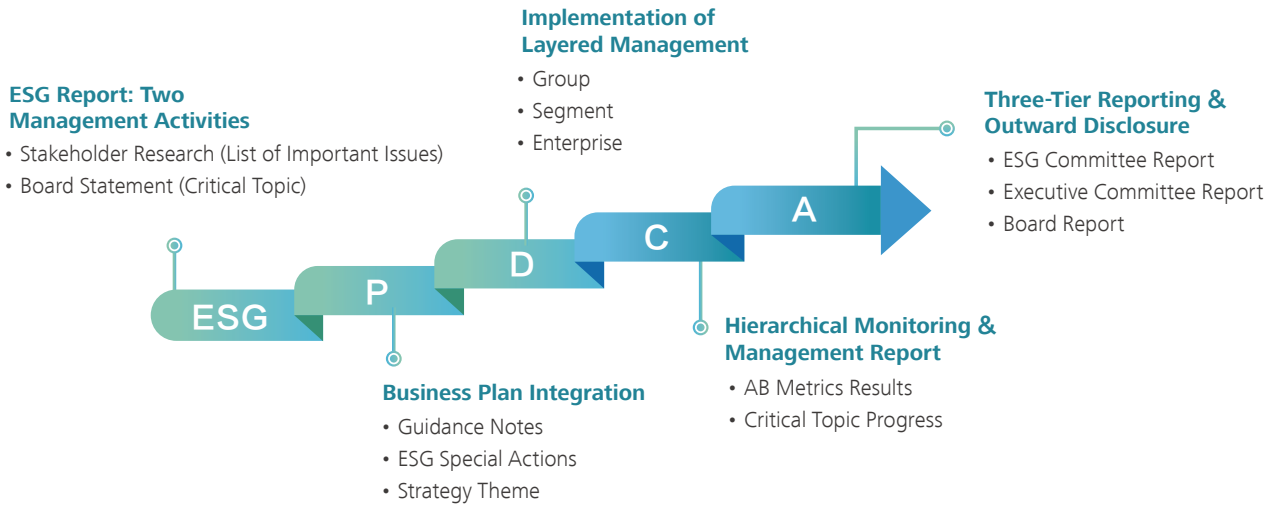
● represents the principal responsible departments
● indicates the collaborative departments

01 Implementing Sustainable Development Strategy, and Anchoring Key Priorities and Objectives

Positioning the "Group Sustainable Development Strategy" as a sub-strategy within the overall corporate framework, we formulate and regularly update the Group's Sustainable Development Strategic Plan, which serves as the guiding blueprint for ESG cascading down from the top management to all levels of the organization. The "Sustainable Development Strategy" clearly defines the group's objectives, pillars, priority issues, and capability assurance for sustainable development during the upcoming period. It further details the mid-term goals and measures for these critical issues, aiming to promote the standardized, systematic, and routine development of the group's ESG efforts. The group has integrated the sustainable development strategy into its overarching strategic planning, incorporating key issues into its annual business plans for effective implementation. Additionally, the group has established a regular review and reflection mechanism for the execution of strategic plans (refer to the diagram below).

02 Implementing a sustainable development governance framework and mechanism to ensure all responsibilities are fulfilled and obligations met

The Board of Directors at CIMC places a high level of emphasis on ESG matters. Under the guidance and directives of both the Board and the Executive Committee, CIMC has successfully established a mature and efficient two-way ESG organizational structure and operating system. The group's Board of Directors is the highest-level authority and decision-making body for ESG matters, with the Board's Strategy Committee serving as the main steering committee for ESG issues. The group's Executive Committee regularly reports on ESG activities to the Board's Strategy Committee and is responsible for managing and reviewing ESG matters. The group's Sustainability Report Leading Group serves as



the management department for ESG & CSR reporting. Both the group and its main business segments have established "Secretariats for the Sustainability Report Leading Group" to handle daily management and drive forward specific tasks related to sustainability reporting. At the group headquarters, various functional departments, along with subsidiaries at all levels, carry out the implementation of various ESG initiatives.

We employ this structure to facilitate a hierarchical and interconnected approach to ESG work across the entire group, following the logic of "Group + Business Segments + Subsidiaries within Business Segments". Each tier takes responsibility accordingly, working together vertically to ensure seamless integration and execution. In 2023, we updated the CIMC Group Guidelines for Sustainability Reports Management.



03 Implementing a working mechanism centered around the management of key issues to drive forward our most pressing priorities

The group continually conducts annual internal and external stakeholder surveys to scientifically identify critical sustainability issues, presenting them in its annual Sustainable Development Report as a response to stakeholder concerns. These findings are formally recognized and prioritized as the Group's key sustainability focus areas for the year through approval by the Board of Directors and articulated in the "Board Statement".

The group has established a mechanism where its business plans directly address the key issues stated in the Board's Statement, ensuring that the Board provides essential input into the ESG management and disclosure activities. Over recent years, there has been a consistent reinforcement of how business segments within the group take on ESG key issues. They have built budgets, work plans, improvement projects, inspections, and monitoring around these critical topics.

04 Implementing an evaluation mechanism that centers on ESG indicators as the core measure for performance

CIMC recognizes the profound significance and value of having an ESG Indicator Handbook as a data standard, akin to the regulatory function accounting standards play for accounting work. In 2023, the group placed a particular emphasis on developing an ESG Indicator Handbook tailored to its tiered management system and the diversified nature of its industries.

Continuously optimizing its proprietary management tool - the group's ESG digital platform, CIMC ensures full coverage of HKEX A&B category indicators, meeting the reporting and verification requirements across different tiers of the group, the business segments, and individual enterprises. Moreover, the platform offers monitoring, alert, and dashboard functionalities.

Based on its past practice of regularly reviewing ESG data across the entire group, in 2023, the company initiated its first "ESG Data Walkthrough Test," which further standardized the compilation of ESG data and improved its ESG information platform.

05 Implementing a tiered reporting framework, using the reporting process to catalyze enhancements in management practices

Based on the ESG operating mechanism and the CIMC Group Guidelines for Sustainability Reports Management, regular reports are submitted to the Sustainability Report Leading Group, the Executive Committee, the Strategy Committee, and the Board of Directors of the group. These reports focus particularly on the progress of the Board's Critical Topic and the results of indicator-based performance outcomes.

CIMC Data Delivery Platform



06 Fulfilling the requirements for building sustainable development capacity, and establishing a capability platform

Year-round, we organize and promote internal and external ESG salons and lectures, and annually host internal ESG training programs, progressively cultivating a pool of talent that is both knowledgeable and responsible in the realm of ESG.



Case NO.02

Annual ESG Training Program – Cultivating a Professional ESG Team

Held in February 2023, the yearly ESG training program brought together more than eighty attendees from various levels of the group, including its business segments and affiliated companies, with tailored lessons presented by outside professional entities.



Case NO.03

CIMC Raffles organized essential knowledge and skills training on ESG management system

In February 2023, CIMC Raffles hosted an essential knowledge and skills training session on ESG management system. The training program spanned over the group's ESG-related requirements and policy dissemination, interpretations of regulations and standards set by the Hong Kong Stock Exchange (HKEX), the China Securities Regulatory Commission (CSRC), and the GRI, as well as the ESG reporting frameworks, external best practice case studies, and introductions to commonly used ESG rating standards and certification bodies in the market.



07 Implementing an accountability mechanism for sustainable development to ensure effective supervision and oversight

The group relies on the CIMC Group Guidelines for Sustainability Reports Management to ensure regulated operations and uses the ESG-related accountability requirements within CIMC's accountability system to guarantee strong oversight. Looking ahead, we will explore and establish more positive incentives to effectively encourage all levels of units to integrate ESG practices into their respective workstreams.

08 Implementing a sustainable development communication mechanism to create and solidify a responsible brand image

CIMC has developed a "1+N" reporting matrix, where annually, the group, its independently listed subsidiaries (CIMC Vehicles and CIMC Enric), and key business segments (CIMC Containers) release separate reports. The reporting system is diverse and comprehensive, consisting of 2 joint "ESG & CSR" reports, 1 ESG report, and 1 sustainability report. These reports present multi-faceted and multi-layered insights into the key responsibility areas and outstanding achievements of CIMC across its various business segments, effectively showcasing the overall corporate responsibility profile of this diversified enterprise from multiple perspectives.

Stakeholder Communication

Stakeholder Communication Mechanism

Actively soliciting the opinions of stakeholders represents a crucial element in ensuring CIMC's sustained and healthy development. We are dedicated to constructing robust internal and external communication platforms, emphasizing the establishment of open and transparent communication mechanisms with our stakeholders. Moreover, we attentively listen to their voices and deliberately incorporate these inputs into our corporate decision-making process.

In 2023, we continue to establish and maintain close ties with stakeholders through diversified channels. Closely engaging with stakeholders allows us to better assess ESG risks, proactively understand, and promptly respond to the expectations and needs of all stakeholders.

Stakeholders	Means of Communication	Expectations for CIMC	CIMC's Response Measures and Achievements
 Employees	<ul style="list-style-type: none"> Online Communication Mechanism Congress of Workers and Staff Employee Training Employee Activities Internal Publications & Intranet Employee Satisfaction Surveys ESG Research Questionnaires 	<ul style="list-style-type: none"> Employee Rights Remuneration and Benefits Career Advancement Occupational Health and Safety 	<ul style="list-style-type: none"> Enhancing Online Communication Platform Legal Employment Contracts and Union Participation Reviewing and Improving Remuneration and Benefits System Conducting Various Training Programs for Talent Development Strengthening Occupational Safety Management and Enhancing Production and Office Environments Conducting Employee
 Government and Regulators	<ul style="list-style-type: none"> Periodic Information Submission Supervision and Inspection Paper Reports (Annual Reports, CSR & ESG Reports, etc.) Mailed by the Group ESG Research Questionnaires 	<ul style="list-style-type: none"> Compliant Operations Fulfillment of Tax Obligations Promoting Local Development Job Creation Information Disclosure 	<ul style="list-style-type: none"> Compliance with Laws and Regulations Enhanced HSE Management to Mitigate Safety and Environmental Risks Supporting Employment for Needy Households
 Investment Institutions /Shareholders	<ul style="list-style-type: none"> Shareholders' General Meeting Company Website and Public Announcements Investor Meet-and-Greet Events Brokerage Firm Strategy Meetings Factory Tours Paper Reports (Annual Reports, CSR & ESG Reports, etc.) Mailed by the Group ESG Research Questionnaires 	<ul style="list-style-type: none"> Operational Performance Company Governance Shareholder Rights and Interests Information Disclosure Business Expansion Improvement of Production Efficiency Asset Quality Improvement 	<ul style="list-style-type: none"> Pursuing High-Quality Growth to Create Value for Shareholders Timely and Accurate Information Disclosure to Ensure Transparency Organizing Various Investor Activities, Including Visits and Research Trips
 Suppliers/ Contractors/ Service Providers	<ul style="list-style-type: none"> Review and Evaluation Meetings Supplier Portal Regular Communication and Exchange ESG Research Questionnaires 	<ul style="list-style-type: none"> Improving Product Quality Synergistic Industrial Development Green Development Strengthening Energy Consumption Management Product R & D 	<ul style="list-style-type: none"> Implementation of Transparent Procurement Practices Signing Long-Term Strategic Cooperation Agreements Participation in Supplier Exchange Conferences
 Customers	<ul style="list-style-type: none"> Online Communication and Exchange Customer Service Centers and Hotlines Customer Visits Customer Satisfaction Surveys ESG Research Questionnaires 	<ul style="list-style-type: none"> Product Innovation Synergistic Industrial Development Responding to Common Prosperity Eco-friendly Production 	<ul style="list-style-type: none"> Online Response to Customer Needs Enhanced Quality Management to Ensure Product Excellence Signing After-sales Service Agreements Regular Customer Satisfaction Surveys
 Research Organizations	<ul style="list-style-type: none"> Company Website and Social Media Company Announcements On-site Visits to the Group's Premises Research & Survey ESG Research Questionnaires 	<ul style="list-style-type: none"> Operational Performance Information Disclosure 	<ul style="list-style-type: none"> Organizing Brokerage Strategy Meetings and Open Days Timely and Accurate Information Disclosure to Ensure Transparency



Industry Associations

- Industry Forums and Conferences
- On-site Visits to the Group's Premises
- Research & Survey
- ESG Research Questionnaires
- Adherence to Industry Norms
- Promotion of Industry Growth
- Catalyzing Industrial Transformation
- Advocacy for Rural Revitalization
- Common Prosperity
- Participation in Industry Networking Events
- Organizing Trade Exhibitions
- Setting Industry Standards



Media

- Media Open Days
- Interviews and Special Coverage
- ESG Research Questionnaires
- Information Disclosure
- Interaction with Media
- Common Prosperity
- Advocacy for Rural Revitalization
- Organizing Media Open Days
- Issuing Press Kits and Inviting Media Visits



Engagement with Local Communities

- Company Website and Social Media
- Organizing Public Welfare Events
- ESG Research Questionnaires
- Community Impact
- Empowering Community Development
- Strengthening Ties between the Group and the Community and the Masses
- Actively Fostering Inter-Enterprise Collaboration and Communication
- Responding to Precision Poverty Alleviation Efforts
- Commitment to Public Welfare Causes



University/College Partnerships

- Campus Outreach and Advocacy Campaigns
- Integration of Industry, Academia, Research, and Talent Development
- ESG Research Questionnaires
- University-Enterprise Cooperation Projects
- Launching an Expanded Array of On-campus Training Workshops
- Enhancing Interaction and Communication

Identification and Management of Important Topics

For six consecutive years, we have engaged independent third-party firms to conduct stakeholder surveys. Taking into account the fact that the 2022 stakeholder engagement survey had a representative participation rate and there were minimal variations in external policy and related environmental contexts, the list of important issues for the year 2023 has remained consistent with that of 2022; the 32 identified issues consist of 3 corporate governance issues, 13 environmental issues, 11 social issues, and 5 market-related issues.

This year, our focus revolves around conducting in-depth research on ten critical issues. These include the eight key issues highlighted in the 2022 Board Statement, namely Employee Safety and Health, Green Products and Services, Energy Conservation and Consumption Reduction, Implementation of Sustainable Development Strategies, Product Quality and Safety, Information Security and Privacy Protection, Atmospheric Pollutant Emission Management, and Ethical and Integrity-Oriented Operations. Additionally, in light of the prevailing policy landscape, we have selected two topics from the materiality agenda - Supply Chain Resilience and Responsible Supply Chain Practices, as well as Climate Change Risks and Opportunities - to form an integral part of this year's rigorous examination. In addition to continuing with our group board director research, our organization is implementing a comprehensive research approach that spans the entire operational chain, covering "the group's Board of Directors, senior executives at the group level (including both the Group Executive Committee and the business segment-specific executives), general managers of front-line businesses, and outstanding employees from these same entities." Through a combination of interviews with corporate executives, conversations with external stakeholders, online survey questionnaires, and focus group discussions, we gather diverse perspectives on the perceived significance of ESG issues and insights into how they view and advise on the sustainability strategy and progress of our group.

Research & Survey Overview

The present research & survey assesses ESG issues from dual vantage points: those of the stakeholders and across various business segments within CIMC. The questionnaire-based survey encompasses a wide array of relevant parties, including: Senior executives and employees at levels of group/business segment/company; government and regulators; investment institutions, shareholders, and analysts; suppliers, contractors, and service providers; customers; academic institutions/research institutions; industry associations/-professional organizations; media; local communities; non-profit organizations/NGOs. In terms of business segments, the research & survey scope encompasses eight key segments as follows: Container Manufacturing; Road Transport Vehicles; Energy, Chemical, and Liquid Food Equipment; Marine Engineering; Airport & Logistics Equipment and Firefighting & Rescue Equipment; Logistics Services; reusable carriers; Finance and Asset Management.

The survey was disseminated by CIMC to respective departments, business segments, and external stakeholders on September 15, 2023, and the outcomes were collected on September 27, 2023. The research report was finalized in October, following which, per the established ESG workflow mechanisms, it underwent preliminary review by the ESG Report Leading Group, followed by a general review by the President, and ultimately received scrutiny from the Executive Committee in November.

Outcome of Study on ESG Issue Significance for CIMC

01 Issue Review

- Against the backdrop of evolving ESG policies and considering the prevailing market conditions, peer performance metrics, and comparative analyses, our group pinpointed the stakeholders intrinsically linked to our business operations. These parties are then invited to partake in the importance assessment and interviews.
- The ten major ESG issues identified for this year encompass Employee Health and Safety, Green Products and Services, Energy Conservation and Consumption Reduction, Implementation of Sustainable Development Strategy, Product Quality and Safety, Information Security and Privacy Protection, Management of Atmospheric Pollutant Emissions, Ethical and Integrity-Oriented Operations, Supply Chain Resilience and Responsible Supply Chain Practices, and Climate Change Risks and Opportunities.

02 Stakeholder Communication

- The company analytically identified its principal stakeholders and carried out the research through a combination of online surveys and in-depth interviews with the group's top executives and representatives from each business segment.
- A total of 11,686 questionnaires were collected, offering a comprehensive understanding of the internal and external perceptions on the significance of ESG issues.
- We conducted 18 interviews to attentively listen to and consider the suggestions of senior leadership.
- We organized nine focus group sessions to bring together representatives from across all major business segments to engage in exchange and communication.

Recycle questionnaire

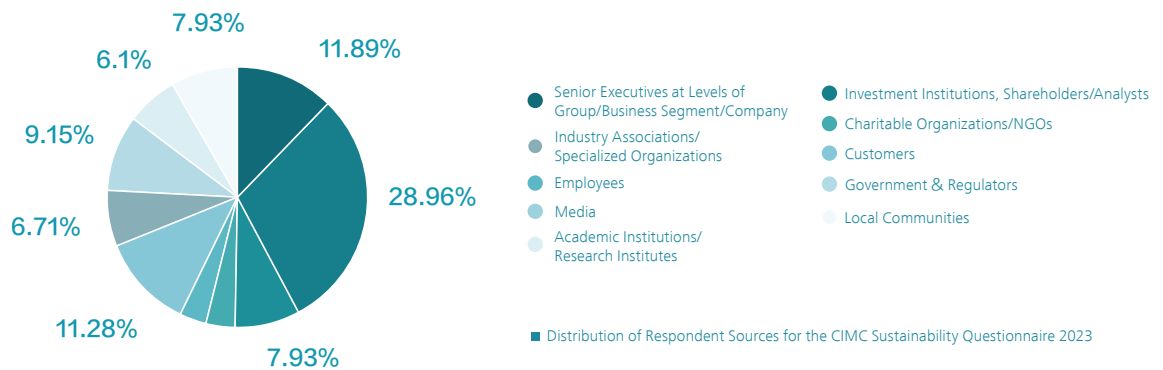
11,686

interview

18

Focus group

9



03 Prioritization of Major ESG Issues

- Through a meticulous review and analysis of the significance ratings provided by both internal and external stakeholders regarding ESG issues, we devised a definitive ranking of materiality for the most pressing ESG concerns that will guide CIMC's priorities over the next five years.
- Green and Low-carbon Products and Services, Employee Health and Safety, and Product Quality and Safety emerged as the triumvirate of paramount concerns that will define the company's most crucial ESG agendas over the next five years.
- Following the shifts in the degree of importance observed in the 2023 stakeholder research for the ten important issues and considering the eight Critical Topic highlighted in the 2022 ESG report's board statement, it is recommended that the 2023 ESG report maintains the eight key issues unchanged but rearranges their sequence as follows: Green and Low-carbon Products and Services, Employee Health and Safety, Product Quality and Safety, Energy Conservation and Emission Reduction, Atmospheric Pollutant Emission Management, Implementation of Sustainable Development Strategy, Information Security and Privacy Protection, and Ethical and Integrity-Oriented Operations.
- Despite the high importance attributed to the issue of supply chain resilience and responsible supply chain, given the current insufficient understanding and the considerable complexity involved in fully embracing this issue, it is advisable to incorporate them into the mid-term ESG strategic plan for sustained attention over the long term. For now, the company will engage in external benchmarking and implementation research on this issue without including it among

the top-tier ESG focus areas in the 2023 Board's ESG statement.

- The eight key ESG issues outlined in the 2023 Board Statement will be incorporated into the 2024 Business Plan's overarching operational theme description, strategy themes, and dedicated ESG initiatives. Regular reviews and checks on the execution status will take place within the course of everyday management.

Prioritization of Major ESG Issues of the Group

Sort	Issues	Categories Affiliation	Rank Shift
1	Green and Low-carbon Products and Services	Environmental	↑1
2	Employee Health and Safety	Social	↓1
3	Product Quality and Safety	Social	↑2
4	Energy Conservation and Emission Reduction	Environmental	↓1
5	Supply Chain Resilience and Responsible Supply Chain	Social	-
6	Atmospheric Pollutant Emission Management	Environmental	↑1
7	Implementing Sustainable Development Strategy	Governance	↓3
8	Information Security and Privacy Protection	Social	↓2
9	Integrity and Honesty in Business Operations	Governance	↓1
10	Climate Change Risks and Opportunities	Environmental	-

04 Focus Areas for Improvement of Critical Topic

We proactively engage in the diligent execution of key issues. Taking Green and Low-carbon Products and Services as an example, we utilized survey questionnaires, focus group discussions, and interviews to identify the pivotal actions, improvement orientation, and level of importance for each of the Critical Topic.

ESG Critical Topic	Key Measures	Importance Scoring	Distillation of 2023 Stakeholder Research Findings	Research Team's Target Indicators & Action Suggestions Indicator Name (AB Category Prioritized)
Green and Low-carbon Products and Services	Creating a Green and Low-Carbon Product & Service Ecosystem	3.97	<ul style="list-style-type: none"> Ecosystem construction: Embark on interior and exterior exemplar study, and ally with precursory and subsequent associates to establish a green product ecosystem 	<ul style="list-style-type: none"> Conduct product carbon footprint verification, restricted substance checks, or product decarbonization initiatives, along with the number of key suppliers involved B5-21 Number of suppliers certified with Environmental Management System
	Enhanced focus on future market trends	3.95	<ul style="list-style-type: none"> Policy familiarity: Regularly stay updated on national ESG policies, adhering to the latest requirements for central enterprises Benchmarking against international best practices: Compare with top-tier global enterprises, strengthening attention on future markets 	<ul style="list-style-type: none"> Number of regular policy research and trend analysis activities related to green and low-carbon products
	Boosted Product & Service Innovation Capabilities	3.92	<ul style="list-style-type: none"> Forward-looking research: Given the potential for new risks associated with new energy products, it is essential to conduct forward-looking research Green product design: Integrate new materials, new processes and new equipment to reduce overall carbon emissions and meet new customer needs 	<ul style="list-style-type: none"> B6-24 Intellectual Property Management IP metrics for green and low-carbon products (annual patent grants, and annual invention patent grants)
	Optimize planning for green and low-carbon products & services	3.85	<ul style="list-style-type: none"> Conduct product planning: Develop plans for green and low-carbon products and services, including market positioning Green manufacturing: Actively pursue green product certifications 	<ul style="list-style-type: none"> Percentage of green and low-carbon products & services

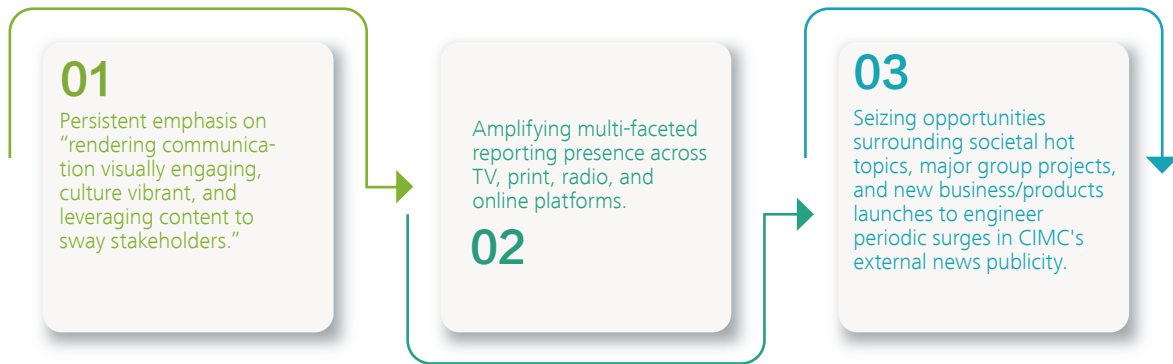
Response and Reflection of the Report on the Evaluation Results of Relevant Importance

Categories Affiliation	Issues	Ranking 2023	Importance	Report Response	Page Number
Environmental	Green and Low-carbon Products and Services	1	Very Important	Building a Reputable Brand through Green Development	072
Social	Employee Health and Safety	2		People-oriented, Shared Endeavors	078
Social	Product Quality and Safety	3		Quality Forges Brand Strength	050
Environmental	Energy Conservation and Emission Reduction	4		Cherishing Resources and Protecting Ecosystems	070
Social	Supply Chain Resilience and Responsible Supply Chain	5		Strategic Cooperation for Brilliant Future	054
Environmental	Atmospheric Pollutant Emission Management	6		Pollution Prevention and Environmental Friendliness	066
Governance	Implementing Sustainable Development Strategy	7		Sustainable Development Management	024
Social	Information Security and Privacy Protection	8		Integrity in Practice, Compliance-Oriented Operation	035
Governance	Integrity and Honesty in Business Operations	9		Integrity in Practice, Compliance-Oriented Operation	035
Environmental	Climate Change Risks and Opportunities	10		Low-carbon Operations, Transformative Development	060
Social	Employee Training and Team Building	11	Important	People-oriented, Shared Endeavors	078
Social	Employment Management & Employee Rights Protection	12		People-oriented, Shared Endeavors	078
Environmental	Clean Production Technology	13		Building a Reputable Brand through Green Development	072
Social	Decent Employee Compensation	14		People-oriented, Shared Endeavors	078
Market	Digital transformation	15		Innovation at the Helm, Navigating Value Growth	042
Environmental	Waste Management	16		Pollution Prevention and Environmental Friendliness	066
Environmental	Clean Energy Opportunities	17		Building a Reputable Brand through Green Development	072
Environmental	Greenhouse Gas Emissions (Carbon Emissions)	18		Low-carbon Operations, Transformative Development	060
Environmental	Sewage Treatment	19		Pollution Prevention and Environmental Friendliness	066
Market	Customer Service Improvement	20		Quality Forges Brand Strength	050
Market	Intellectual Property Protection	21		Innovation at the Helm, Navigating Value Growth	042
Social	Reduced Impact of Operations on Communities	22		Caring for the People's Livelihood	089
Environmental	Recycling of Resources	23	Cherishing Resources and Protecting Ecosystems	070	
Environmental	Noise Management	24	Pollution Prevention and Environmental Friendliness	066	
Social	Advocacy for Rural Revitalization	25	Caring for the People's Livelihood	089	
Governance	Integrity and Honesty in Business Operations	26	Integrity in Practice, Compliance-Oriented Operation	035	
Governance	Compliance-Oriented Operations and Risk Management	27	Integrity in Practice, Compliance-Oriented Operation	035	
Market	Promotion of Industry Growth	28	Related	Leading the Industry, Co-developing Together	058
Environmental	Biodiversity Protection	29		Cherishing Resources and Protecting Ecosystems	070
Environmental	Consumption of Water Resources	30		Cherishing Resources and Protecting Ecosystems	070
Social	Community Public Welfare Activities	31		Caring for the People's Livelihood	089
Social	Localized Operation	32		Caring for the People's Livelihood	089

External Communication and Exchange

CIMC places great emphasis on fostering open and effective communication with its stakeholders. Actively disseminating its message, the company ensures that its corporate values are recognized, thereby contributing to the establishment of a premium, reliable, and esteemed brand image for CIMC. Through its own official WeChat account and we-media platforms such as Douyin, video account, and Bilibili, the group and its business segments and subsidiaries share press releases and repost media reports among relevant interest groups. This strategy has garnered significant attention and positive feedback from online users.

In 2023, CIMC aimed to pursue three major communications objectives. First, it continued to strengthen “its commitment to making its messaging increasingly engaging and its culture more vibrant, striving to influence stakeholders through compelling content.” Second, the group amplified its promotional efforts across all media channels, ensuring that its presence is felt on television, in print newspapers, on radio, and online, leaving a traceable footprint in the digital realm. Third, CIMC seized opportunities arising from societal hotspots, major projects of the group, and introduction of new businesses and products, thereby generating mini-peaks in its external news publicity efforts throughout the year. CIMC’s proactive approach of “actively going global” and “actively bringing in” through its communication practices achieved commendable outreach and enhanced its public image. This strategy has effectively solidified CIMC’s favorable reputation externally, allowing key stakeholders such as investors, customers, and employees to gain a deeper understanding of the authentic CIMC.



Case NO.04

The CIMC session under the "Discover Shenzhen" series event was successfully organized

In December 2023, the “Understanding My Listed Company – Discover Shenzhen” series of events, jointly organized by the Investor Service Center and the Shenzhen Securities Regulatory Administration, featured a visit to CIMC. During this event, the Secretary to the Board of Directors at CIMC, engaged in profound exchanges with an observer delegation composed of investors, financial journalists, and analysts. The occasion showcased CIMC’s relentless pursuit of efficiency and quality excellence.



Case NO.05

Investors Gain On-site Insights into CIMC Raffles, Immersing Themselves in the Vibrancy of the Offshore Industry



Scan the QR code to watch the video

Integrity in Practice, Compliance-Oriented Operation

Compliance and Risk Management



Establishment of Compliant Operation System

The group stringently adheres to the pertinent rules and regulations set forth by bodies such as the China Securities Regulatory Commission, the Shenzhen Securities Regulatory Administration, and the Hong Kong Stock Exchange, thereby establishing and maintaining a robust risk management and internal control system. The group designs, implements, and supervises its risk management and internal control system based on the Basic Norms of Enterprise Internal Control jointly issued by the Ministry of Finance, China Securities Regulatory Commission, National Audit Office, China Banking Regulatory Commission, and China Insurance Regulatory Commission, as well as their application guide, and the requirements of the Code of Corporate Governance and the Corporate Governance Report under the SEHK Listing Rules, with reference to the "Enterprise Risk Management - Integrated Framework" of the The Committee of Sponsoring Organizations of the Treadway Commission (COSO), ISO31000 "Enterprise Risk Management Principles and Implementation Guidelines" and other guiding documents. The Audit and Inspection Department reports its work to the Board's Audit Committee on a quarterly basis. Subsequently, after reviewing these reports, the Audit Committee provides guiding comments.

In 2023, the group was guided by the principle of "serving organizational strategy, upholding compliance fundamentals, and safeguarding and creating value for the organization." To achieve this, the group focused on three key strategies, i.e., strengthening compliance-oriented risk control, promoting a value-driven risk control integrating business with control, and practicing digital intelligent risk control. In this way, the group continued to cultivate a self-governed risk control environment and implemented a routine, tiered, and categorized flying inspection mechanism. In addition, the group kept on with advancing the identification and cross-sectional remediation of key risks at all organizational levels; accelerating the roll-out and deepening application of digital risk control achievements; piloting the practical implementation of core elements within the risk control system and broadening the scope of evaluating risk control effectiveness.

Operational risks of the group (examples):

Risk Point

Compliance Risks
Arising in Cross-Border Operations

Risk Control

The group has institutionalized the management principles, mechanisms, and compliance review processes for specific areas, reinforcing the responsibilities of dispatched directors and business entities, optimizing the informatization of compliance management, and continuously enhancing the compliance awareness of personnel at all levels. As a result, a preliminary tiered management system for international business compliance risks has been effectively established.

Performance Outcomes in 2023

The group's international business operations have not yet encountered any material compliance risks that have significantly impeded its cross-border business activities.

Ongoing Improvement of Risk Control System Construction

01

Continuing to cultivate a self-governed risk control environment

- "Key Risk Flying Inspection": Strengthen the dynamic management of both internal and external key risks, progressively implementing the "Key Risk Flying Inspection" initiative across the entire group in phases. Maintain a steadfast commitment to conducting quarterly self-inspections and self-corrections key internal and external risks, thereby driving the closed-loop management of audit findings.
- Continuously Unveiling a Series of Risk Control Guidelines: The organization has released several risk management guidelines, i.e., the "Guidelines for Overseas Investment Risk Control" and the "Guidelines for Risk Control of Government Funded Research Projects"; This systematic effort is gradually forming a grid-like, precision-targeted suite of risk control guidelines (with a total of 18 guidelines published thus far, each accompanied by case compilations, video tutorials, and question banks).

- Regularly circulating risk control information and risk dashboard: In a lively and easily comprehensible manner, the organization disseminates external regulatory policies, laws and regulations, along with exemplary cases of risks, to all levels of the organization;
- Organizing training & learning for the group's risk control team: Facilitate consensus building and enhanced risk management competencies among the organization's risk control personnel. The organization has fostered a vibrant learning environment where knowledge sharing is encouraged and embraced. To date, 17 comprehensive risk control awareness sessions have been conducted, reaching over 1,200 core executives and business experts.



02 Enhancing key risks identification and targeted mitigation

- Undertaking a special initiative on overseas enterprise risk governance: Complete the identification of key risks in pilot enterprises, benchmark against domestic and international best practices, and systematically review the end-to-end control mechanisms for overseas investment management.
- Collaborating on a financial risk control initiative in conjunction with business operations: Propose a treasury risk management system framework and strategic blueprint, facilitating the development of a comprehensive lifecycle risk management platform for capital.

03 Expediting the roll-out and application intensification of achievements in digital risk control

- Digital risk control project: Keep on with carrying out digital risk control projects, embedding some models in key risk areas into the business system, and initially realizing pre-warning and in-process interception of risks. Following years of exploration and experimentation, the digital risk control models at CIMC have undergone continuous refinement, expanding their coverage across an increasingly diverse range of domains; these advancements promise to significantly enhance the organization's ability to anticipate and mitigate potential risks.



External Recognition and Praise

•In the 2023 edition of the "Dingge Award" Digital Transformation Pioneers List, the group's internal control digital transformation case was honored with the "2023 Model of Internal Control Transformation Award," while the General Manager of the Audit and Inspection Department was bestowed the title of "Chief Risk Officer of the Year 2023;"

•At the 2nd Digital Audit Forum, the "CIMC Digital Risk Control Transformation Practice" project was awarded the "Outstanding Case" prize in the audit model domain, while the CIMC digital risk control team was invited to become "Digital Governance Array Think Tank Experts" at the China Academy of Information and Communications Technology.



Integrity and Honesty in Business Operations

As a critical agenda item for the Board of Directors, we formulate control strategies and key measures for our core businesses, committed to continuously enhancing our internal control, audit, and inspection systems. Through regular monitoring of potential violations, we strive to safeguard and uphold the legal rights and interests of our stakeholders, including investors, employees, customers, and suppliers, thereby fostering an equitable business environment that promotes fair competition. The group's Audit and Inspection Department regularly reports on the group's risk management activities to the Board's Risk Management Committee and Audit Committee, seeking their opinions and recommendations on risk management matters, inclusive of commercial ethics risks.

Strong Emphasis on Managing Commercial Ethics

CIMC consistently adheres to the principles of governing the enterprise according to law and operating with honesty and integrity. In line with these guiding philosophies, we continuously undertake anti-corruption efforts based on the following institutional frameworks: CIMC Employees Code of Conduct; CIMC Inspection Regulations for Management Cadres and Staff in Sensitive Positions; CIMC Regulations on Integrity in Professional Conduct for Management Cadres and Staff in Sensitive Positions; CIMC Management Measures for Inspection Complaints and Reporting, etc. CIMC stands resolutely against any form of unfair competition, particularly commercial bribery. We rigorously adhere to anti-bribery, extortion, fraud, and anti-money laundering laws and regulations, placing great emphasis on the development and management of sound business ethics. We strictly comply with integrity standards and have strengthened internal inspection to prevent corruption and bribery at every point.

In the logistics sector, activities related to antitrust and fair competition are actively pursued:



Case NO.06 | Update and revision of antitrust policies by CIMC Wetrans

To further standardize and strengthen antitrust compliance management within the logistics segment, effectively mitigate antitrust compliance risks, and enhance preparedness for unexpected inspections by antitrust enforcement agencies, the logistics segment updated and revised the CIMC Wetrans Antitrust Compliance Handbook. Key enhancements include the addition of specialized guidance on concentrations of undertakings, integrating pertinent compliance elements related to such concentrations into investment decision-making or execution processes, thereby reducing associated compliance risks.



Creation of a Strong Ethical Culture

In 2023, we continued to undertake extensive efforts to strengthen internal anti-fraud measures and galvanize societal forces in promoting integrity and ethical conduct:

1、Emphasizing education and ongoing promotion of ethical conduct

Internally, we leveraged the "CIMC Inspection" official WeChat account to disseminate anti-fraud updates, case compilations, and pre-holiday reminders on integrity and ethical conduct to the entire group. We also communicated the nation's "strict regulation, zero tolerance" regulatory stance, sharing both internal and external typical cases, as well as the group's red lines and bottom lines. In 2023, a series of risk control trainings were conducted for employees in core and sensitive positions, reaching a total of 8,947 participants.

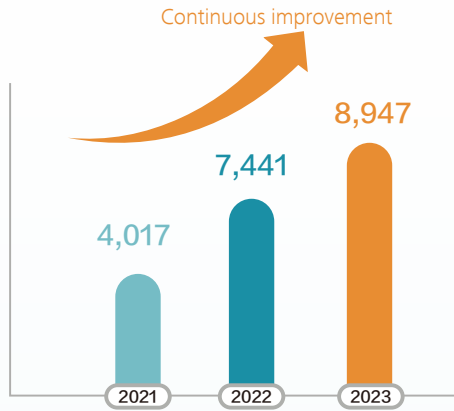


2、Strengthening mechanisms for integrity and ethical conduct to preserve a fair business environment

The group's Employee Code of Conduct explicitly outlines provisions regarding integrity and ethical conduct, and the group annually organizes the signing of Integrity Commitment Letters by employees in sensitive positions, thereby reinforcing their awareness of the professional red lines concerning bribery and other forms of misconduct. In 2023, the group continued to advance the mechanism of requiring key/sensitive positions to obtain risk control certifications before assuming their roles. As a result, 88 newly appointed directors and supervisors from the group and its subsidiaries participated in professional guidance learning and examinations, achieving a remarkable certification pass rate of 95%.

Promoting the signing of Sunshine Procurement Agreements with suppliers, advancing the online management of sensitive operations such as engineering and procurement, rigorously preventing and resisting all forms of commercial fraud and unfair competition practices, and imposing penalties accordingly.

Number of anti-corruption related training personnel



Probationary training and guidance

Induction Training for New Employees

The Company offers induction training to new employees, comprising online courses and regional offline events for new employees. One of the probation objectives for new employees requires them to complete mandatory online courses and corresponding online assessments within two months of joining, using the CIMC Mobile Learning Platform and following the guidance provided by the learning map. Additionally, new employees holding a personal rank of BC or higher must also, during their probationary period, complete the study and certification of the pertinent "Red Line" rules as outlined in the Management Regulations for Onboarding Certification ("Red Line" Rules Section) of CIMC's Core Talent.

8 mandatory courses

- Journey through CIMC Corporate Culture
- Comprehensive Guide to CIMC HR
- The Group's Expense Reimbursement Scheme
- CIMC Lean ONE Management Handbook
- Office Safety
- Safe Practices for Daily Commutes and Business Trips
- CIMC Basic Information Security Knowledge
- Risk Control Fundamentals Every CIMC Employee Should Know

CIMC Mobile Learning Platform

[PC Version]

https://simo2.tlb.com/

User name: 8-digit employee ID of the group

Password: Startup password

Navigation path: Login - Learning map - CIMC Headquarters Online Courses for New Employees

It is recommended to use IE browser for course studies. For first-time operation, you may need to install the FLASHP plugin; if assistance is needed, please contact the Data Network Center (at extension 2000).

[Mobile Version]

① Work - Application - CIMC mobile learning - All applications - Learning map

② Scan the QR code on the right using WeChat, and after logging in, locate the Learning Map.

Online courses primarily rely on the PC version, while some courses are accessible via mobile devices.

The CIMC Mobile Learning Platform boasts a wealth of course resources, offering not only mandatory courses for new employees but also dedicated learning topics specifically designed for group newcomers, along with other diverse courses. Employees are allowed to choose and engage in courses based on their job requirements and personal interests.

3. Implementing accountability measures to heighten compliance awareness among executives

The group diligently implements and enforces its accountability system, regularly compiling and reporting the volume and types of accountability events involving employees across various levels. This rigorous approach ensures that responsibility is consistently questioned in cases of dereliction, and stern consequences are imposed, thereby heightening the compliance consciousness among managerial staff and fostering a risk control environment where both red line and bottom line are recognized and respected. We maintain an unwavering stance of "zero tolerance" towards fraudulent activities, with the findings of audit and inspection serving as a critical basis for the appointment, promotion, and performance appraisal of our executives. In cases where severe violations of discipline or regulations are uncovered, such transgressions will be treated as an "automatic disqualifier".

4. Expanding channels for reporting and vigorous investigation of reported matters

the group established a comprehensive whistleblowing system encompassing employees, suppliers, customers, and other stakeholders, featuring multiple reporting channels such as the group's official website, WeChat official account, email, telephone, and written correspondence. This system accepts both anonymous and named reports. The whistleblowing channels are managed by dedicated personnel to ensure that every valid report receives 100% follow-up and appropriate action. Moreover, we attach great importance to the establishment and maintenance of an anonymous reporting mechanism, having formulated regulations for the protection of whistleblower information. During the course of any investigation, utmost confidentiality is observed regarding the information involved, and it is strictly mandated that both the investigated entity and the subject of the report refrain from retaliating against the whistleblower. Any instances of retaliation, once detected, will be met with stern disciplinary action. In 2023, the group received a total of 32 whistleblower reports, primarily concerning employee misconduct and violations. All 32 reports were meticulously investigated and verified, with appropriate measures taken to address each case. Notably, no litigation cases involving significant fraud were encountered within the year.

Reporting investigation verification
100%

5. Advancing the evolution of anti-fraud consortia and opposing commercial bribery

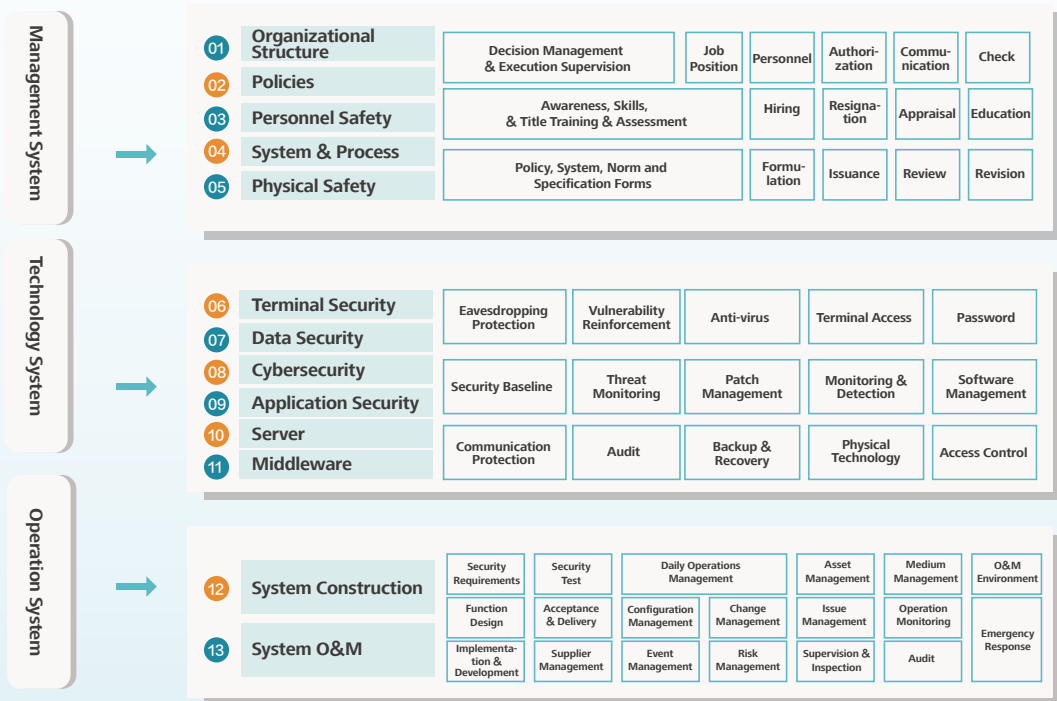
As one of the principal founding members of the Chinese Enterprise Anti-Fraud Alliance, CIMC actively participates in the development of the alliance's anti-fraud management system. For three consecutive years, the group has been invited to deliver keynote presentations at the National Anti-Fraud Alliance's annual symposium. CIMC's innovative efforts in fostering a culture of integrity and its robust approach to combating fraud have earned significant external recognition and praise. In December 2023, CIMC was elected as the President Organization of the Enterprise Anti-Fraud Alliance.

Information Security Protection

In 2023, Information Security and Privacy Protection were elevated to a key agenda item for the group's Board of Directors. Leveraging our ongoing digital transformation and the advancement of IT-OT integration, we systematically established an Information Security Management System (ISMS), a Technology System, and an Operating System, collectively serving as a vigilant shield for the security of our business system. A particular emphasis was placed on the stringent protection of customer personal data and the enhancement of process-wide data security management.

Information Security Management Strategy

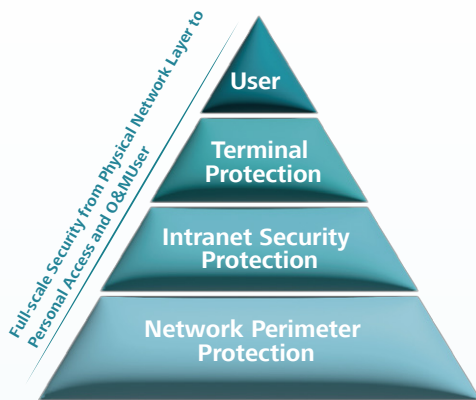
The group places great emphasis on enterprise information security management, rigorously abiding by and enforcing national laws and regulations related to information security, including the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, and the Personal Information Protection Law of the People's Republic of China. The group is actively engaged in carrying out cybersecurity level protection assessment, with critical applications such as its official website, mobile platforms, and integrated platforms having successfully undergone and obtained the required grade protection certification. The group guarantees the security of customer privacy and corporate operation data, assuring the stable operation of business systems without any information security incidents. The information security management is structured around a tiered system with top-level accountability, adhering to the principle of "Who supervises is responsible, who operates is responsible, and who uses is responsible." This principle guides the systematic implementation of information security and compliance responsibilities from the headquarters down to business segments and enterprises, fostering a culture of accountability at every level.



Measures for Information Security Supervision

At the level of information security management, the group has established a standardized system for group-wide informatization, streamlining administration, mitigating risks, and formulating and refining regulations governing data security and personal information protection, thereby further enhancing the construction of the group's information security management system. The group guarantees the security of customer privacy and corporate operation data, assuring the stable operation of business systems without any information security incidents. Through internal network defense exercises, the company is empowered to confidently face the cybersecurity inspections conducted by local regulatory authorities.

At the operational level of information security, the group employs a range of measures, including internal audits, regular vulnerability scans, and network defense exercises, to proactively identify potential risks and promptly rectify them, thereby enhancing the organization's capacity to respond effectively to information security risks. The Board of Directors conducts annual oversight of information security risks. In response to significant events such as the Network Defense Campaign of Shenzhen and other major activities, we annually undertake a comprehensive Network Defense Exercise, integrating our 7*24 Information Security Operations capability, to ensure the prevention of any Information Security incidents. In relation to third-party vulnerabilities, the server operating systems undergo monthly patching.



Hierarchical Information Security Protection System



Security Monitoring

Monitor attacks 24/7 through systems, security devices and detection tools, view exception alarms, logs, behaviors, etc., and give report to the analysis group.



Analysis & Judgment

Judge whether the attack events detected through monitoring are genuine attacks, analyze the cause of the event, the method of attack, the attack path, and the scope of the attack, determine the response plan, and send the confirmed attacking IP to the handling group.



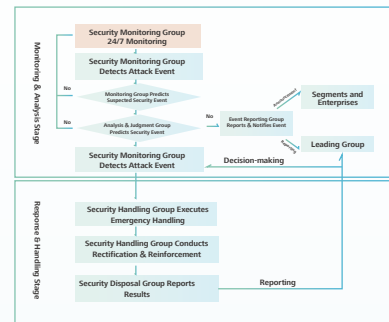
Response & Handling

Take measures such as blocking the attack and taking the system offline, and comprehensively investigate and clean up the system accounts and backdoor programs created by the attacker within the system.



Tracing & Counteractions

Identify the source IP address of the attacker through the information left behind by the attacker, and further trace the source of attack host, attacker and attacker organization.



Cybersecurity Monitoring, Analysis, & Emergency Response Process

Information Security Objectives and Results

During the reporting period, the group enhanced its information security management capabilities, defensive strength, and operational proficiency, having successfully achieving the objective of safeguarding the information security of its business operations and data; the group recorded zero complaints related to consumer information leaks, received no formal grievances from regulatory authorities regarding instances of customer privacy breaches, and experienced no major information security or compliance incidents. Throughout 2023, the group continued its internal Network Defense Campaign, encompassing the Group Headquarters, Segment Headquarters, and core enterprises, covering the majority of the group's business operations. The campaign achieved a 100% remediation rate for intrusion risks, with the time taken to resolve issues decreasing by 40% compared to the previous year, and server and application risks declining by 62%. The group also conducted regular information security training sessions, covering topics ranging from technical aspects to laws and regulations, culminating in classroom tests. A total of 13 online and offline training sessions were completed (comprising 19 distinct courses), with over 350 participants engaging in the learning process.

At the technical level of information security, the group further fortified its hierarchical information security protection system. The key achievements for year 2023 include the establishment of a new NGSOC, the completion of a capability-building project, the formation of a 7*24 Information Security Operations capability, and the realization of security operation and maintenance integration and closed-loop treatment.

Intrusion Risk Remediation

100%

Server & Application Risk Down Year-on-Year

62%

Improving Global Logistics

CIMC Group upholds the core value of “Innovative Exploration,” recognizing technological innovation as the very lifeline of the company’s existence and advancement. We actively respond to United Nations Sustainable Development Goals 12 and 17. In 2023, the group continuously developed and refined its innovation and technology system, vigorously promoting patent research and development, and the industrialization of research outcomes. The group also strengthened the maintenance and management of intellectual property rights, harnessing innovation as a powerful long-term driver for the sustainable development of both the enterprise and the industry. We are intensifying our focus on future market trends, further enhancing the innovation capabilities of our products and services, and optimizing the planning of green and low-carbon offerings. We prioritize product quality, ensuring the delivery of superior outputs by meticulously overseeing the quality and safety of products across all segments. We are attentive to technological innovation, constructing a high-caliber innovation system and innovative technology models. We emphasize intellectual property protection, safeguarding the legitimate business interests of the group. We value supply chain management, intensifying the scrutiny of suppliers and advocating for a green supply chain. Lastly, we are deeply concerned about our customers, diligently striving to enhance the quality of customer service.

Related issues	Our actions	Our achievements	Our future efforts	Response to SDGs
Product Quality and Safety (Critical Topic)	In 2023, a normalized mechanism was established, resulting in the formulation of the CIMC Guidelines for Establishing Model Enterprises	Four of our companies received prestigious provincial government quality awards	Standardized quality management, promoted all-staff engagement, and continually improved product quality	12. RESPONSIBLE CONSUMPTION AND PRODUCTION 
Science and Technology Innovation	Building an advanced innovation system and mechanism to continually enhance core technological capabilities	One additional product recognized as a single champion by the Ministry of Industry and Information Technology;- Four additional enterprises designated as state-level “Little Giant” Enterprises characterized by “specialization, refinement, uniqueness, and innovation”; Seven additional provincial and ministerial-level Science and Technology Progress Awards garnered	Persistent intensification of R&D investment, and concentration on critical core technology breakthroughs	
Intellectual Property Protection	Establishing a novel strategic approach centered on “forging a robust Intellectual Property-centric enterprise and brand, attaining distinctive competitive advantage”	One additional China Patent Award secured; Two new entities recognized as National Intellectual Property Demonstration Enterprises	Persistent reinforcement of the efficacy and intensity of patent protection	
Customer Satisfaction	Refining complaint mechanisms, and augmenting customer service channels	Catering to customer requirements; the weighted average satisfaction across all segments of the group stands at 93.5%	Ensuring satisfaction levels do not dip below 95% for each individual segment	



Innovation at the Helm, Navigating Value Growth

Diversified Product Innovation

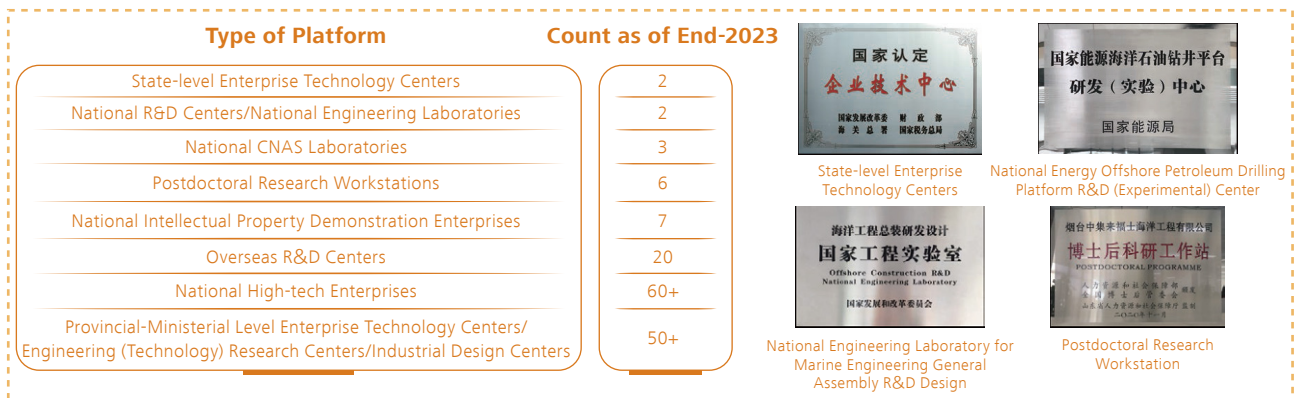
Cultivating an Ecosystem of Technological Innovation

CIMC is guided by the core values of “Innovative Exploration,” steadfastly adhering to an industrial development positioning that aligns with national needs, addresses industry shortcomings, and capitalizes on CIMC’s strengths. This approach gives rise to a “large platform underpinning, small task forces innovating” system for champion product development. The group’s “large platform” advances the deployment and implementation of the 5S Strategic Framework, concurrently establishing a resource-sharing and capability-enhancing platform. The segments and enterprises, functioning as agile and efficient “small task forces,” serve as the principal agents of technological and managerial innovation, assuming accountability for champion product development.

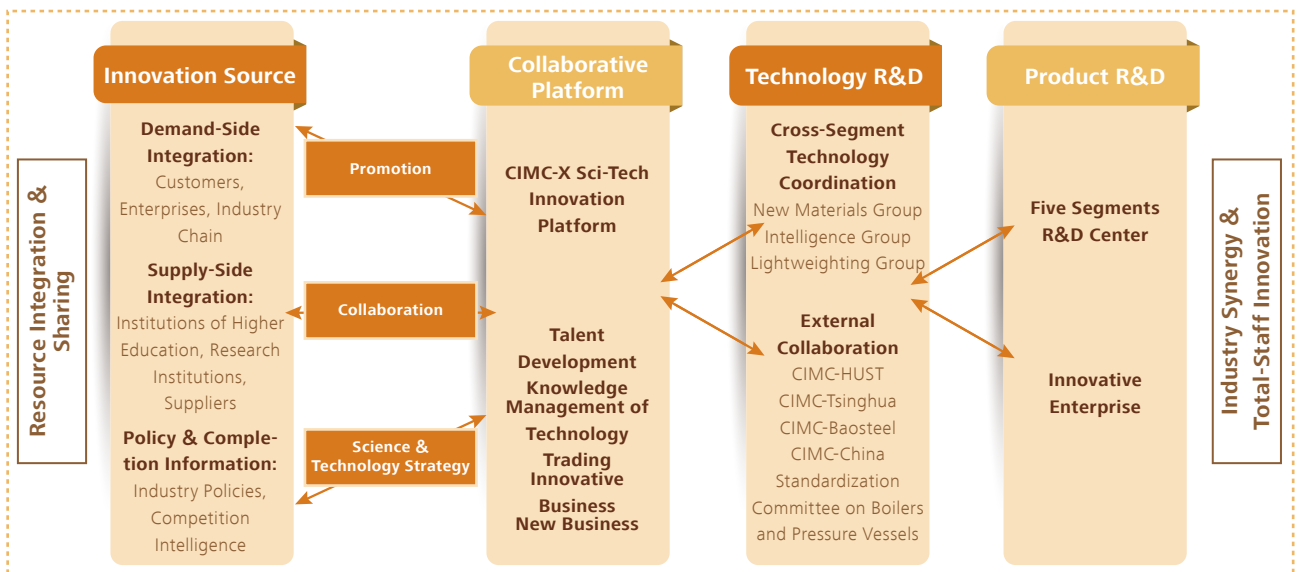
Cultivating a High-quality Innovation Platform

CIMC boasts a host of national-level innovation platforms, having forged a tripartite R&D center organizational and operational system that partitions responsibilities among the group, segments and enterprises. This system embodies a “unified planning, distributed R&D, distributed manufacturing” model for product and technology innovation, an open “large-platform-supported, small-task-force-driven” innovation operation framework, and an “independent innovation + collaborative R&D + acquisition-based importation” open innovation mechanism.

Details of CIMC Innovation Platform



CIMC Open Innovation Organization



CIMC Industry-university-research Industry Chain Cooperation Platform



CIMC persistently advances the establishment of an “omnipresent, universally shared” open innovation platform, empowering the group’s “Equipment + Services + Finance” transformation and upgrading strategy through a series of optimization measures for the innovation ecosystem, to explore a new model of “Industry-Research” collaboration that evolves into “Industry-Research-Finance” cooperation.

CIMC Global R&D Platform: Overseas R&D Centers



CIMC's R&D centers are distributed across nearly 14 countries and regions worldwide, with more than 20 overseas R&D centers, over 4,000 overseas employees, and over 300 foreign technical experts

CIMC established an interactive R&D system spanning the globe, setting up 20 overseas R&D centers/institutes in countries and regions such as North America, Australia, and Europe, engaging over 300 foreign experts, conducting core technology R&D, and fostering interactive R&D with China-based R&D centers to propel technological upgrading.

Manifesting Business Innovativeness

CIMC adheres to invigorating itself through innovation, consistently increasing R&D investments, and concentrating on making breakthroughs in core technologies, having given birth to a series of cutting-edge innovations that have repeatedly shattered industry records, spearheading industry changes in technological innovation, digitalization, and green development. The group’s R&D investment amounts to RMB2,444,553,000, a further increase in the operating income; and the compound growth rate of R&D investment in the past five years reaches 13.2%. CIMC remains steadfast in its pursuit of “champion products,” “global lighthouse factories”, and “green factories,” continuously elevating its quality standards and imbuing CIMC quality with higher and deeper significance. As of December 31, 2023, four additional enterprises designated as state-level “Little Giant” Enterprises characterized by “specialization, refinement, uniqueness, and innovation”, with the total hitting 13; 2 additional enterprises are rated as National Intellectual Property Demonstration Enterprise, amounting to 7; China Patent Excellence Awards gained 1, tallying 18; Provincial and Ministerial-Level Science and Technology Progress Awards registered an increment of 7, totaling 39; and the National Intelligent Manufacturing Demonstration Factory for the year 2023 was awarded to 1 entity (Qingdao Cold Containers). In 2023, 1 entity was recognized as a National 5G Factory (Ningbo CIMC). As of March 2024, the Group had accumulated 8 Ministry of Industry and Information Technology Single Champion Products.

Forging Core Competencies for Product Upgrades

The group solidifies its global leadership position, refining its traditional product portfolio. In the realms of logistics and energy equipment and services, encompassing container operations, tank container vanguards, chemical businesses, energy equipment, industrial foodstuffs, airport equipment, and drilling platforms, we persistently shine, effectuating intelligent product upgrades, furnishing society and clients with premium offerings.

In 2023, a string of remarkable achievements ensued - CIMC Tianda’s world-first remotely unmanned boarding bridge (L4) successfully completed its operational duties. CIMC Enric developed China’s inaugural phosphine-hydrogen mixed gas bundle-type container. CIMC Sanctum triumphantly self-developed China’s maiden 40-foot liquid helium tank container, shattering foreign technological monopolies, thereby ensuring helium resource provision for China’s semiconductor and other industries.





Case NO.07

CIMC Enric Successfully Delivers China's First Phosphine-Hydrogen Mixed Gas Bundle-Type Container

In April 2023, CIMC Enric successfully delivered China's first phosphine-hydrogen mixed gas bundle-type container. The bundle-type container was independently developed by CIMC Enric. The bundle-type container delivered can store 13 m³ of gas, equivalent to the storage capacity of 200 small cylinders, significantly reducing the operational costs of gas companies and meeting the substantial gas demand of the semiconductor industry.



Case NO.08

The "Seventh-Generation Ultra-Deep-water Drilling Platform (Vessel) Innovation Project" Successfully Passes the Pre-Acceptance Inspection

In May 2023, the pre-acceptance meeting for the "Seventh-Generation Ultra-Deep-water Drilling Platform (Vessel) Innovation Project," a high-tech ship research project undertaken by CIMC Raffles under the auspices of the Ministry of Industry and Information Technology, was convened in Yantai. The project successfully tackled major issues impeding the industry's development in China, including "three ship types, four key common technologies, and three indigenous auxiliary equipment developments." It significantly enhanced the fundamental commonality research capabilities of ocean engineering equipment.



Case NO.09

CIMC Tianda's World-First Remote Unmanned Automatic Boarding Bridge Comes Online

In September 2023, the world's inaugural remotely unmanned automatic boarding bridge (L4) independently researched and developed by CIMC TianDa successfully completed its inaugural passenger flight support mission at Tianfu Airport.



Business Innovation Expansion, Cultivating Premium Brands

We are developing strategic emerging businesses, cultivating emerging business formats with a certain scale and strategic development potential, poised to form chain-like development. Extending advantageous equipment and services, focusing on several development themes, the "New CIMC Story" endows CIMC with new momentum for future development. These include clean energy, cold chain and fresh produce supply chain restructuring, multimodal transport and specialized logistics, reusable carriers, and prefabricated steel structural building services.

Hydrogen Product Applications:



Case NO.10 | **CIMC Hydrogen Facilitating Hong Kong Buses' Entry into the Hydrogen Era**



Scan the QR code to watch the video



Innovative PV Product Applications:



China's Inaugural Semi-submersible Offshore Photovoltaic Power Generation Platform Comes Online, Propelling Semi-submersible PV into the Deep Sea



Scan the QR code to watch the video



Intelligent Products & Applications:



CIMC Femto Delivers First Batch of Intelligent Welding Robots to Industry Leading Clients



Scan the QR code to watch the video



Inter-Intra Collaborative Innovation

CIMC, building upon its prior industry-academia-research and industrial chain technology collaborations, intensified external technology cooperation, establishing joint R&D platforms with top-notch domestic universities/colleges and strategic partners. These platforms have given rise to collaborative research topics in new material applications and product intelligence, with 7 such platforms established at the CIMC level.

CIMC organizes monthly seminars on Exceptional Operations and Technological Innovation, inviting industry-renowned experts to share best practices and benchmark approaches in technological innovation and outstanding operations, introducing external perspectives and viewpoints, further actualizing the group's strategic theme of "accelerating the formation of new growth drivers and vigorously promoting high-quality development." In 2023, a total of 11 sessions were held, each attracting over 200 participants.



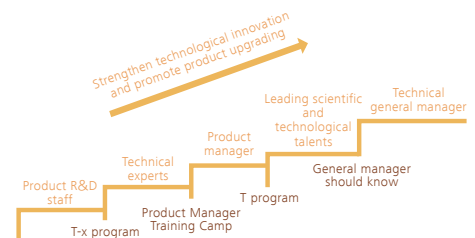
Case NO.13 | The Tenth Edition of CIMC's Science & Technology Festival Concluded Successfully, Attracting Thousands via Onsite Attendance and Live Streaming

In November 2023, CIMC hosted its tenth annual Science & Technology Festival. The event served as a platform for summarizing and launching technological achievements, facilitating technical exchange, and cultivating an innovative culture, thereby fostering an atmosphere conducive to technological innovation, invigorating the scientific community, and promoting the research and application of forward-looking technologies such as new products, novel techniques, advanced materials, and innovative processes. It further reinforced the paramount role of innovation in driving the overall development of CIMC.



Training of S&T Innovation Talents

CIMC has gradually established a five-tiered pathway for the development of scientific and technological talent, with initiatives such as the T Plan for leading scientific figures, the TP Plan for product managers, and the T-x Plan for technical experts contributing to the robust structuring of its technology talent pipeline. In 2023, CIMC inaugurated the Product Manager Training Camp project, successfully completing two rounds of training for 68 individuals, systematically enhancing their professional expertise and managerial capabilities. This endeavor drives technological innovation and product upgrading, and supports the creation of market-leading offerings.



Bountiful Harvest of Innovation Achievements

Adhering to the philosophy of "Industry Serving the Nation," CIMC has built an advanced innovation system and mechanism, continually enhancing its core technological prowess. By the end of 2023, CIMC boasts a portfolio of 31 star products, with multiple offerings and technologies ranking globally supreme, having realized the transformation from "Made in China" to "Created in China".

In 2023, under the strategic theme of "Accelerating the Construction of New Growth Momentum and Focusing on Promoting High-Quality Development," CIMC relentlessly pursued innovation and expansion. As of the end of 2023, 13 enterprises have been designated as state-level "Little Giant" Enterprises characterized by "specialization, refinement, uniqueness, and innovation", including 4 new comers. As of March 2024, the group had accumulated 8 Ministry of Industry and Information Technology Single Champion Products.

CIMC boasts a portfolio of

31 star products

As of the end of 2023, **13** enterprises have been designated as state-level "Little Giant" Enterprises characterized by "specialization, refinement, uniqueness, and

innovation", including **4** new comers.

As of March 2024, the group had accumulated

8 Ministry of Industry and Information Technology Single Champion Products.



Case NO.14

CIMC Ascends to the Prestigious First-Ever "2023 Global Top 50 Large Enterprises for Open Innovation" Rankings and Earns Inclusion in the "Chinese Enterprise Case Study Base"

CIMC, armed with a comprehensive ecosystem for scientific and technological innovation and a rich array of groundbreaking achievements, has ascended to the esteemed "Blue Whale 50 - Global Top 50 Large Enterprises for Open Innovation" rankings and been selected as one (one of 12 nationwide) of the inaugural "Chinese Enterprise Case Study Bases" by the China Academic Degrees and Graduate Education Development Center, Ministry of Education. Since 2019, CIMC has embarked on the "CIMC Open Innovation Ecosystem Construction," harnessing the power of sustained technological innovation to develop an ecosystem and open innovation platform, having yielded a wealth of groundbreaking achievements.



2023 Global Top 50 Large Enterprises for Open Innovation



Enterprise Case Study Base Certificate



Case NO.15

In the China Commercial Vehicle Black Tech Competition, CIMC Qiangguan Claimed Dual Distinctions

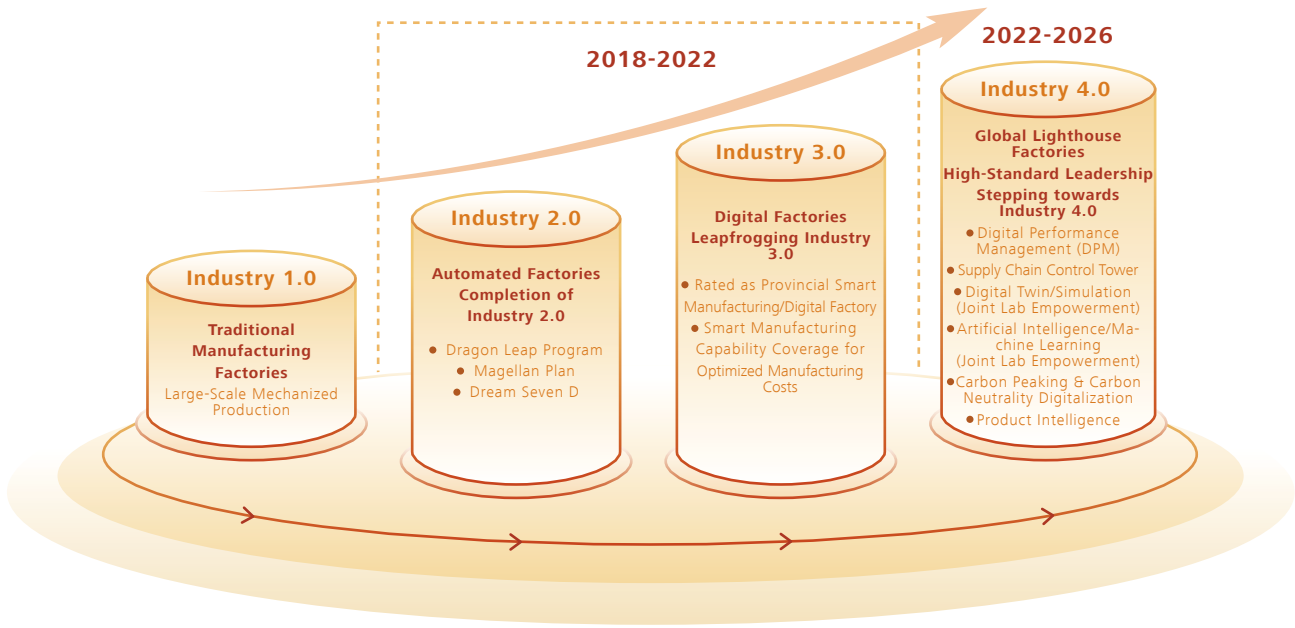
In December 2023, the Second China Commercial Vehicle Black Tech Competition Awards Ceremony and China Commercial Vehicle Technology Conference were concurrently held during the Automechanika Shanghai. CIMC Qiangguan's cutting-edge next-generation stainless steel liquid tankers - Future Tank and electric concrete mixer semi-trailer each garnered the "Safety Technology Innovation Award" and "Energy Conservation Technology Innovation Award," respectively.



Novel Industrialization

Cultivating Exemplary Operating Model Enterprises for High-Quality Development

CIMC proactively aligns itself with national and societal development strategies, tailoring action plans congruent with national progress based on the group’s unique circumstances. We view digitalization and intelligentization as pivotal means for transitioning towards advanced industrialization, steadfastly adhering to the strategic direction of smart manufacturing upgrades. Through comprehensive deployment and pilot promotions, we are comprehensively embarking on the journey towards new industrialization, steadily transforming and upgrading our manufacturing practices. CIMC remains committed to its strategic path of smart manufacturing upgrades, diligently refining the CIMC Intelligent Manufacturing Action Plan. With a broad global perspective, we undertake top-level design for the group’s comprehensive advancement, charting the blueprint for CIMC’s innovative development.



Profound integration of informatization and industrialization at high echelons

Since 2018, CIMC has vigorously pushed forward the convergence of IT and OT, focusing on digital exemplars, empowering transformative leaps in smart manufacturing and green growth. Major business segments across CIMC have been laser-focused on automation upgrades, exemplified by initiatives such as the Dragon Leap Program for containers, the Super Magellan Plan for vehicles, and the Dream Six and Dream Seven Programs for energy. Leveraging enhanced automation capabilities at core enterprises, the group endeavors to establish national and provincial benchmark intelligent manufacturing or digital factories. Among these 30 core enterprises, Qingdao Cold Containers was recognized as a National Demonstration Factory for Intelligent Manufacturing, while Ningbo CIMC forged the industry's first 5G fully connected factory for containers nationwide, with an additional 14 enterprises attaining provincial status as intelligent or digital manufacturing facilities. These demonstration enterprises aspire to set high standards, aspiring to become Global Lighthouse Factories in their pursuit of Industry 4.0 excellence. Both the Group and its subsidiaries have undergone certification for the Integration of IT and OT Management System, equipping employees at all levels with the methodology of "Intelligent Transformation and Digital Upgrade". This has provided robust support for high-quality informatization construction, utilizing the IT-OT integration framework to consistently cultivate novel capabilities, thereby ensuring continuous, qualitative growth for the company.

- Qingdao Reefer Container was recognized as a National Demonstration Factory for Intelligent Manufacturing, becoming the first CIMC enterprise to receive this distinction.
- Luoyang Lingyu attained AAA-level certification for the Integration of IT and OT Management System from the Ministry of Industry and Information Technology.
- Huajun Vehicle and TianDa Airport were included in the National List of Green Supply Chain Management Enterprises.
- Yangzhou CIMC, along with eight other enterprises was selected as National Green Factories.



Case NO.16

Ningbo CIMC's 5G Fully Connected Factory was named in the MIIT's Industrial Internet Pilot Demonstration List

In March 2023, Ningbo CIMC's "5G Fully Connected Smart Container Manufacturing Factory" was successfully included in the 2022 Industrial Internet Pilot Demonstration List. Building upon its existing digital foundation, the Ningbo CIMC factory integrates 5G technology, comprehensively consolidating information across the business chain. This has led to the creation of several innovative scenarios, such as 5G+Smart Painting and 5G+RGV, driving the automation upgrade of traditional container production.



Other novel industrialization achievements from various segments within CIMC are as follows:



Vehicles Segment

Vigorously constructing "Lighthouse" factories, establishing a premium green low-carbon manufacturing system.



Energy & Chemicals Segment

CIMC Tank's tank container production line and equipment intelligent upgrade, focusing on the special tank green flexible lighthouse factory construction project, comprehensively launching the development of new special tank production line equipment; a brand-new set of washboard, manhole flange TIG robot workstations has been developed and delivered for trial production and mass production. Based on laser vision real-time tracking technology, it realizes real-time tracking welding of complex spatial curve trajectories.



Airport Segment

CIMC Tianda Logistics, in collaboration with Yuhu Cold Chain, constructed a 120,000-tonne cold storage facility in line with international standards, achieving full temperature zone coverage inclusive of ultra-low temperature cold storage. This marks the first comprehensive temperature-controlled cold chain warehousing and trading center in Guangdong Province – a future-oriented, highly information-oriented, automated, and low-carbon cold chain solution.



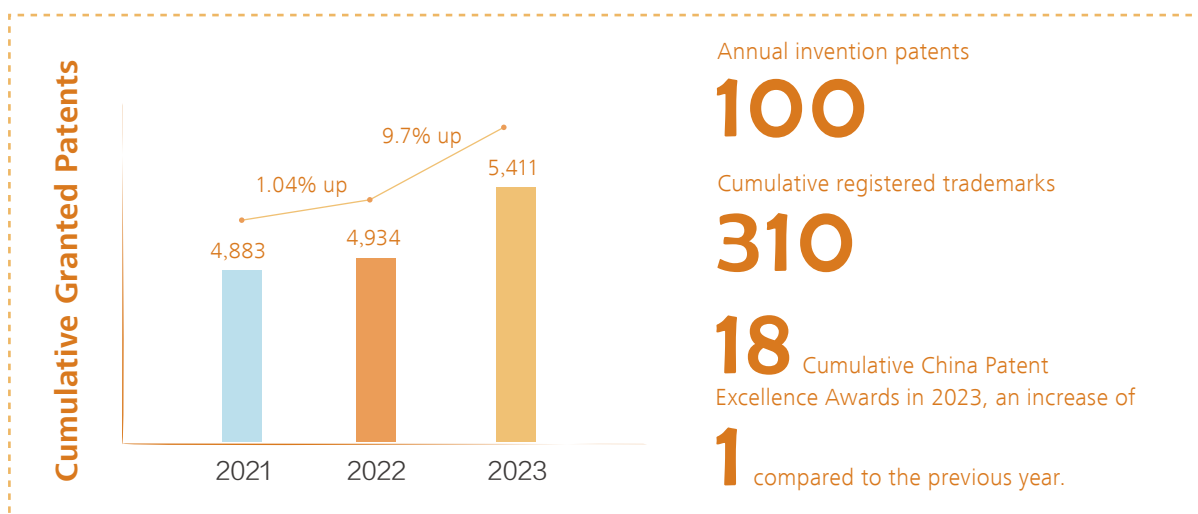
Intellectual Property Management

The Group places great emphasis on the administration and maintenance of intellectual property rights, focusing on the protection and utilization of high-value patents. In business operations, we strictly adhere to relevant IP laws such as the Patent Law of the People's Republic of China and the Trademark Law of the People's Republic of China. We have revised and improved the CIMC Patent Management System, thus realizing comprehensive management of IP creation, protection, utilization, management, and risk control. Within CIMC, star products or champion products undergo a comprehensive patent information intelligence analysis at least once every three years to effectively safeguard the company's intellectual property rights and prevent adverse impacts resulting from infringement of third-party IP.

In 2023, CIMC added 1 China Patent Award and 2 National Intellectual Property Demonstration Enterprises to its accolades, which reflects the fruits of the Group's adherence to the "Quality-Oriented Patent Growth" IP work policy. To enhance the quality of patent applications and strengthen the efficacy and rigor of patent protection, we employ an intelligent patent management platform, rigorously control the patent approval process, and reinforce patent training and advocacy to solidify the foundation for quality-oriented patent growth. The Group has achieved phased results in major cases such as the CIMC Energy trademark and trade name rights protection, having effectively safeguarded the Group's legitimate commercial interests.

In 2023, we closely focused on our Group's star products and key R&D projects, adopting a fresh approach centered on "building a strong enterprise and brand through intellectual property, realizing differentiated competitive advantage." This strategy was incorporated early into the Group's annual strategy theme for 2023, providing robust support for growth in pilot segments and corporate operations. In 2023, TianDa Airport was honored with the title of National Intellectual Property Demonstration Enterprise. By the end of 2023, a total of 7 CIMC companies had received this distinction.

Intellectual property rights or awards obtained by the Group in 2023 are listed as follows:



Quality Forges Brand Strength

Product Quality and Safety

Product quality and safety are critical board-level topics at CIMC, where we maintain a customer-centric approach with a mission to “provide high-quality and dependable equipment and services for the logistics and energy industries.” We regard product health and safety as the essence of product responsibility, consistently striving for continuous improvement to offer clients safe, reliable, high-quality, and effective products and services.

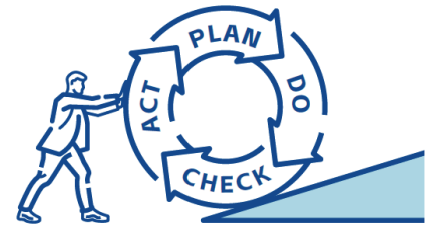
Emphasis on Implementing Quality Philosophy

Product quality is the very foundation of CIMC. We place great importance on product quality and safety, emphasizing the philosophy of “Meticulous Engineering, Elite-Quality Commitment”:

核心价值观

CIMC中集
中國文化標系2023版

持续改善
工作 = 作业 + 改善



01

Quality is the lifeblood of an enterprise, encompassing both product quality and work quality, which form the very foundation for enterprise existence and growth;

02

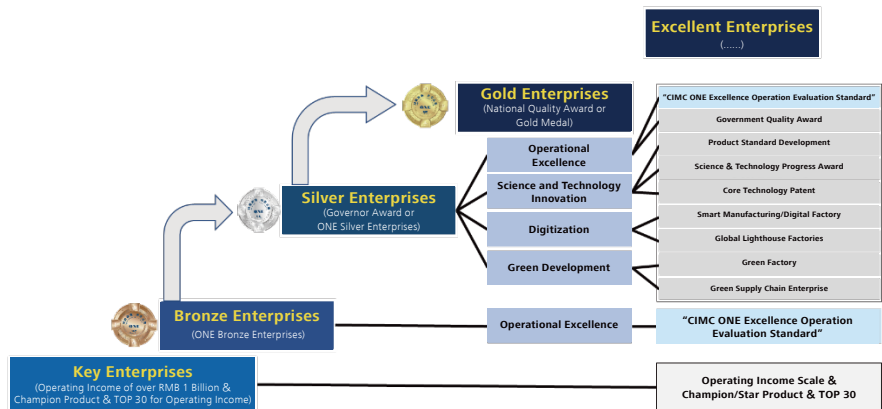
Meticulous Engineering is the core guarantee of Champion Quality. By upholding the spirit of meticulousness and continuous improvement, we inspire and harness the collective wisdom of our workforce. Utilizing advanced methods, technologies, and equipment such as lean and digitalization, we continuously enhance product and service quality, having earned the respect of clients and society;

03

Champion Quality represents CIMC’s highest pursuit of excellence. Oriented towards customer needs, guided by high standards, and aiming for Champion Quality, we create Champion Products, forge brand value, and lead the industry towards high-quality development.

Promoting Mechanism for High-Quality Enterprise Development

CIMC’s product quality management and improvement are underpinned by a mature organizational structure: A multi-layered governance hierarchy based on the principle of “layered management,” comprising the Group’s Board of Directors, Executive Committee, respective Business Board, functional management departments, and the 5S Strategic Control System. In 2023, a normalized mechanism was established, resulting in the formulation of the CIMC Guidelines for Establishing Model Enterprises. Guided by the Excellence Performance Criteria, we have established the CIMC ONE Excellence Operation Evaluation Standard, to promote evaluation among our Core Manufacturing Enterprises (with over RMB 1 billion yuan revenue, featuring Champion/Star products, and among the TOP 30). This generates score improvement plans, with continuous efforts to cultivate model enterprises excelling in operations, technological innovation, digitalization, and green development – achieving excellence through superior processes.



● Pursuing High Standards to Forge the World Champion Product Cluster: The ONE Model ●

Guided by the Excellence Performance Criteria, we have established the CIMC ONE Excellence Operation Evaluation Standard, to promote evaluation among our Core Manufacturing Enterprises (with over RMB 1 billion yuan revenue, featuring Champion/Star products, and among the TOP 30). This generates score improvement plans, with continuous efforts to cultivate model enterprises excelling in operations, technological innovation, digitalization, and green development – achieving excellence through superior processes.

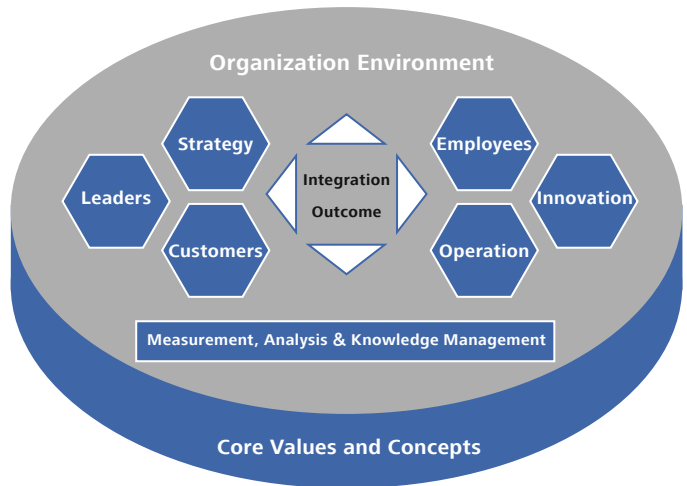


Certificate for the Fifth Tianjin Quality Award

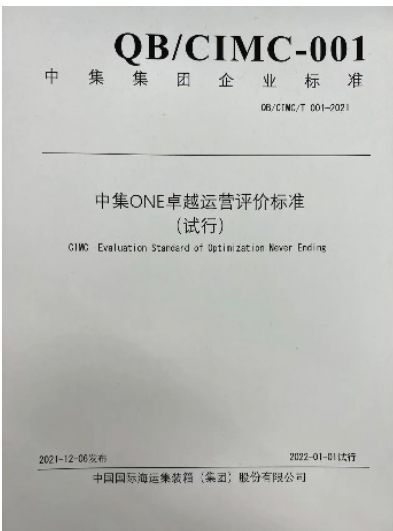
In product safety management, CIMC is guided by the “Excellence Performance Criteria” to continually benchmark against Toyota’s TPS, UTC’s ACE, Danaher’s DBS, and Huawei, among others. This has led to the creation and ongoing refinement of the CIMC Lean ONE Model (Optimization Never Ends), tailored to the realities of Chinese enterprises and CIMC specifically. The model encompasses a suite of tools and methods, including modules such as “Quality Created Within Processes,” and embodies the core value of “Continuous Improvement.” The Lean ONE Model now extends to 100% of CIMC’s Core Manufacturing Enterprises. Through the application of modules like “Quality Created Within Processes,” each segment and enterprise establishes policy objectives for quality management that span all levels (company, department, work shift/team), standardizing quality control, fostering whole-organization participation, and promoting continuous improvement in product quality, alongside the cultivation of a quality talent pipeline. From 2010 to 2023, an average of 153,800 “Creative Efforts” was recorded annually. By the end of 2023, four CIMC companies had been awarded prestigious Provincial Government Quality Awards.

Provincial Government Quality Awards

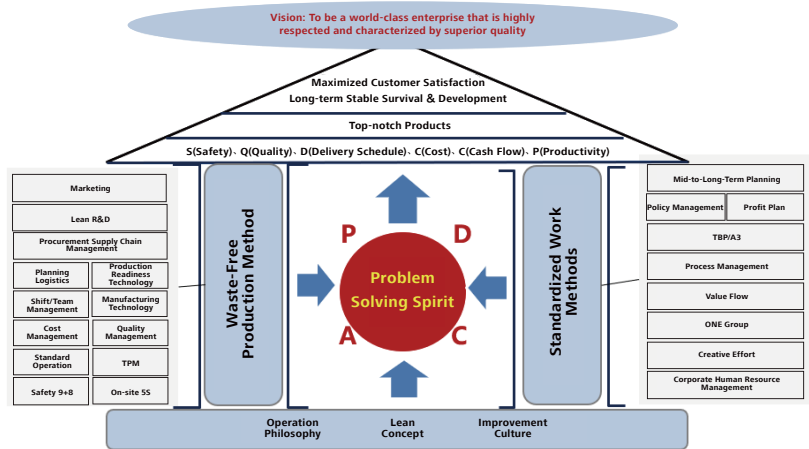
Award-Winning Organizations	Awards
CIMC Ruijiang	Anhui Provincial Government Quality Award
Jingmen Hongtu	Hubei Provincial Changjiang Quality Award
Tianjin CIMC	Tianjin Mayor’s Quality Award (Provincial Level)
Qingdao Reefer Container	Shandong Quality Award



• CIMC ONE Excellence Operation Evaluation Standard Model Diagram •



• Evaluation Criteria •



• CIMC Lean ONE Model •

Conducting Product Quality Safety Activities

Business Segments within CIMC also actively address product quality and safety issues, undertaking a series of activities in 2023:

Energy & Chemicals Segment

Member companies under CIMC Enric conduct quality activities, steadfastly upholding their social commitment to “Guaranteed Quality for Customer Satisfaction,” working to create a secure and reassuring consumption environment for clients. They diligently embody the quality philosophy of “Rejecting, Not Producing, and Not Delivering Defective Products.”



Case NO.17 | Implementation of Special Activities under the State Administration for Market Regulation Decrees No. 73 and No. 75

Shijiazhuang Enric Gas Equipment Co.Ltd. established a Special Equipment/Industrial Product Quality Safety Management Task Force, appointing a Quality Safety Director and 17 Quality Safety Officers responsible for different quality control systems. Through the implementation of relevant mechanisms, potential quality safety issues can be effectively identified and rectified, thereby guaranteeing the product quality safety of the company.



Case NO.18 | Chief Quality Officer Initiative

In April 2023, Jingmen Hongtu produced a video titled “Chief Quality Officer Speaks on Hongtu - How the ONE Quality Module Elevates Hongtu Product Quality,” to promote the Hongtu brand. By summarizing the advanced practical experiences of Chief Quality Officers, this initiative showcases how the CQO system contributes to fulfilling corporate quality responsibilities, enhancing quality management capabilities, upgrading product and service quality, and boosting overall quality competitiveness.



Container Segment

Mobilized quality experts to conduct thorough inspections across all container manufacturing facilities and provide comprehensive feedback and actionable recommendations for improvement; proactively drove sustained factory enhancements, focusing on rectifying weaknesses and thereby elevating the overall quality of finished products; implemented targeted improvement initiatives at underperforming factories, rigorously monitoring progress and effectively addressing any identified shortcomings. Two divisional factories were bestowed with prestigious provincial government quality awards in 2023.



Vehicles Segment

Organized a Quality Month campaign featuring training sessions, essay contests, proposal evaluations, knowledge competitions, and topic-focused project presentations, to foster enhanced product quality and employee awareness thereof. Adopted digitalized quality management, fostering interdepartmental collaboration to continually refine MES system functionalities, encompassing quality data recording, transmission, utilization, analysis, and improvement, thereby boosting overall quality management efficiency and effectiveness.



Airport Segment

Tianda Airport systematically incorporated and applied lean quality module methodologies in line with its unique product and service offerings. Employees came to fully embrace their role as the primary custodians of product quality, fostering heightened confidence in both maintaining and enhancing product quality.

Customer Service and Satisfaction

Across all segments and enterprises, strict adherence is observed to relevant national and local laws and regulations, with corresponding customer support and service procedures established. Efforts are consistently intensified in crucial areas such as enhancing customer satisfaction, refining complaint resolution mechanisms, and offering distinctive services, all with the aim of providing clients with comprehensive and seamless service. Simultaneously, we uphold the spirit of continuous improvement by regularly organizing specialized marketing and customer service trainings, thereby steadily elevating the caliber of our products and services.

Client complaints for the year stood at



To safeguard client interests, CIMC’s various segments and subsidiaries have devised product recall management systems tailored to their respective product and service profiles. These systems facilitate prompt investigation of faulty items, ensuring transparent, rigorous, and public rectification of product flaws to minimize potential harm or losses incurred by clients. Additionally, comprehensive marketing and promotion management frameworks have been established to align product offerings with client needs, guaranteeing the accurate dissemination of brand messaging. Throughout the current year, the Group scrupulously adhered to all applicable product safety, health, and advertising regulations in its areas of operation, with no instances of product recalls triggered by health or safety concerns. Client complaints for the year stood at zero, while the weighted average client satisfaction score across all business segments was recorded at an impressive 93.5%.

The weighted average client satisfaction score across all business segments was recorded at an impressive

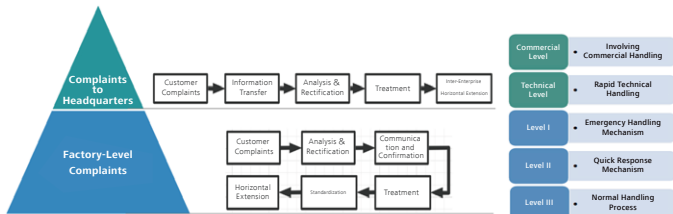
93.5 %



Case NO.19

Establishing a Two-Tier Complaint Resolution Framework to Cater to Customer Needs

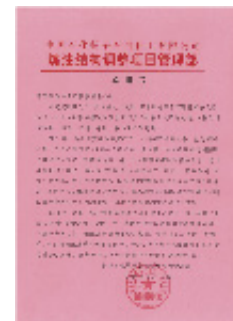
The container segment instituted a dedicated client communication channel at the corporate headquarters for prompt responses and resolutions to client complaints. Additionally, the Group mandated the establishment of customer service channels at subsidiary firms. Through this mechanism, we are able to promptly identify and address customer concerns regarding the products and services offered by our subsidiary entities, thereby enhancing overall customer satisfaction.



Case NO.20

Grateful for Trust, Advancing Together

In January 2024, CIMC Enric Engineering Technology Co., Ltd. received several letters of appreciation and accolades from project owners, achieving a mutual pursuit with the owners through warm and attentive service.



Case NO.21

Gratitude in Heart, Service in Action

In August 2023, CIMC Qianguan initiated its 2023 Summer Service Revisit Campaign. Through this revisit exercise, we facilitated direct, face-to-face engagement with clients, delving deep into their requirements to offer more tailored services.



Case NO.22

The First “Vessel” in BYD’s “Fleet” Crafted by CIMC



Scan the QR code to watch the video



Strategic Cooperation for Brilliant Future

Supply Chain System

The Group formulated the “CIMC Procurement Management System”, progressively implementing and refining management practices across the entire procurement and supplier management lifecycle, encompassing supplier admission, selection, contract negotiation and execution, performance evaluation, and reward/punishment measures. The Group remains committed to business model innovation, extending the service value chain, and integrating upstream-downstream resources. The Group mandates that procurement departments across directly managed and innovative enterprises actively implement supplier environmental and social risk management, mandating the assessment of suppliers’ environmental and social responsibility fulfillment during certification, with the intention of progressively extending this evaluation to encompass all suppliers.

The Group employs a tiered institutional design, leveraging the establishment of the “CIMC Group Procurement Management System” to standardize procurement management and operational requisites across all hierarchical levels within the Group; concurrently, it mandates that all tiers of procurement must enter into integrity agreements with suppliers, and necessitates price comparisons with a minimum of three suppliers. Procurement activities are the responsibility of each respective business segment, with the procurement departments of individual segmental firms tasked with formulating or revising their own procurement management regulations in accordance with the legal and regulatory frameworks of their respective countries and regions, Group-wide management tenets and stipulations, and their own unique circumstances, to govern their internal procurement management practices.

Procurement standards

● Uniform Admission Criteria

The Group offers suppliers a fair and open platform for entry, accompanied by a set of requirements outlining their obligations in upholding legal and regulatory compliance, environmental protection, ethical business practices, occupational safety, and employee health.

● Diversified Procurement Modalities

The Group consistently advocates for the promotion of equitable competition and principled collaboration in sourcing through the adoption of diverse procurement methods, constructing a level playing field for suppliers to engage in fair competition via mechanisms such as bidding, RFQs and competitive negotiations.

Principle of Conflict Minerals

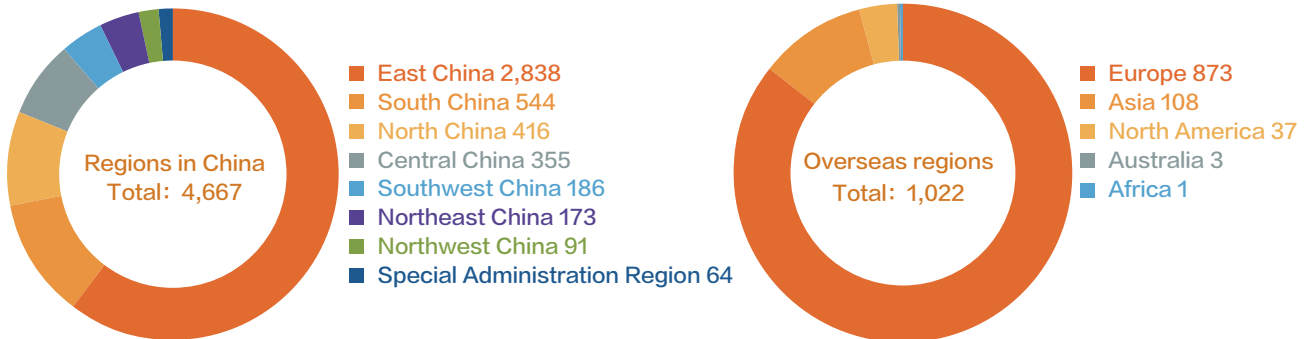
CIMC and its subsidiaries adhere to the principle’s requirements of conflict mineral policy in managing conflict minerals, implementing due diligence reviews of the supply chain, and also demanding that suppliers comply with and execute this conflict mineral management approach, thereby embodying corporate social responsibility.

CIMC recognizes and attaches importance to the human rights and environmental issues associated with conflict minerals, mandating that our suppliers must fulfill their social and environmental responsibilities by opting for and advocating a conflict-free mineral procurement policy, instituting and submitting due diligence reports.

Localized Procurement

In a bid to stimulate the economic development of our areas of operation, and cognizant of the advantages offered by local enterprises in facilitating timely oversight of manufacturers’ production schedules and process quality, our Group’s subsidiary segments will afford preferential treatment to local suppliers, subject to compliance with our supplier management regulations.

The Group boasts a total of 5,689 suppliers, of which 4,667, constituting 82%, are domestic, while 1,022, representing 18%, are international. Breakdown of Suppliers by Region:



Note: B5 Supply Chain Management: Encompasses key suppliers in the Container, Vehicles, Energy & Chemicals, TCB, Offshore, Airports, and Recycled Load Segment, accounting for 82% of procurement spending in these segments.

We have championed the promulgation of procurement policy guidelines, progressively implementing and refining management measures across the entire procurement and supplier management lifecycle, encompassing supplier admission, selection, contract negotiation and execution, performance evaluation, and reward/punishment measures, thereby spawning a suite of exemplary policy guidelines and concrete implementation cases for managing environmental and social risks in the supply chains of each respective business segment:

Vehicles Segment

The CIMC Vehicles Digital Procurement Platform (EPS Platform) has been extensively rolled out at both the headquarters and enterprise levels, with suppliers under headquarters management now comprehensively managed digitally. As of the end of 2023, the EPS Platform had registered 1,354 domestic and overseas suppliers, having achieved information sharing between the Group headquarters and its subsidiaries.

Energy & Chemicals Segment

During our collaboration with suppliers, we require them to disclose environmental information truthfully, enabling us to promptly identify any emergent environmental or social risks and formulate corresponding countermeasures; we periodically evaluate and review suppliers' adherence to environmental and social responsibilities, utilizing the outcomes of these assessments as a critical yardstick for supplier selection and de-selection.

Regarding supplier training, 36% of suppliers underwent annual environmental and social affairs training. The Group collects and analyzes on-site information from supplier audits, consolidates quality issues from incoming material inspections, summarizes lessons learned from quality improvement initiatives, compiles a materials knowledge repository, and empowers industry suppliers, thereby elevating the overall quality capability and management standards of the industry. Throughout 2023, the Group and its subsidiary segments conducted supplier training, such as the Offshore Business Segment Supply Chain Management Center's valve technology and quality promulgation training for cooperating manufacturers, encompassing mainstream partnering firms, spanning a total of 3 sessions, with approximately 50 participants.



Case NO.23 | Transmitting the Supply Chain Value Proposition of "Integrity, Stability, Collaboration, and Mutual Success"

In May 2023, CIMC Container convened the 2023 Supplier Conference in Chongqing, where suppliers took center stage, with CIMC serving as the guiding force. The event was structured around three main themes: The New Normal, New Ideas, and New Opportunities, effectively conveying the theme of "Unifying Efforts to Cultivate New Opportunities, Collaborating for Mutual Success in the Future," fostering resonance and enduring cooperation between suppliers and CIMC.



Co-Creating a Green Supply Chain

The Group is committed to forging robust partnerships with suppliers, extending sustainability principles into the supply chain, and collaboratively driving value chain adherence to societal responsibilities. At the Group level, we communicate our responsible business philosophy to upstream and downstream enterprises through a suite of procurement policies. The CIMC Group Procurement Management System stipulates that when certifying suppliers with significant impact, their HSE and anti-bribery performance must be evaluated, with this scrutiny progressively extended to encompass all suppliers. Each business segment and its subsidiaries continually refine their responsible procurement mechanisms based on their respective business types and product characteristics. Some segments have incorporated factors such as possession of an EIA approval, environmental compliance, investment in community philanthropy, comprehensive employee social insurance coverage, and effective occupational safety management into their supplier review (assessment) forms, procurement contracts, or internal procurement management regulations, thereby fostering the sustainable development of the supply chain. The Group revolves around a green supply chain management strategy to implement green supply chain management. In 2023, CIMC Tianda was inducted into the "Green Supply Chain Management Enterprises," with a cumulative total of 5 firms selected for state-level green supply chains.

No.	Segments	Enterprise Abbreviations
1	Containers Segment	Tianjin CIMC
2	Vehicles Segment	CIMC Ruijiang
3	Vehicles Segment	Huajun Vehicle
4	Airport Segment	Shenzhen CIMC-TianDa Airport
5	Offshore Segment	Yantai CIMC Raffles

Cumulative total of **5** firms selected for state-level green supply chains.



Case NO.24 | CIMC TCB in Action, Building a Supply Chain Development Platform

In April 2023, CIMC TCB announced its participation in the Steel Zero's (an International Climate Organization) Zero Carbon Steel initiative, pledging to source and utilize 50% low-carbon steel by 2030 and achieve 100% net-zero carbon procurement by 2050. Moving forward, CIMC TCB will collaborate with the organization and its member entities to establish a globally influential cooperation platform, drawing in users from the steel ecosystem, jointly contributing to China's "3060" dual carbon targets, and fostering global shared prosperity and sustainable development.



As the responsible entity for implementing supply chain management policies, the Group is actively promoting procurement policy guidelines, systematically embedding detailed management measures throughout the entire procurement and supplier management process, encompassing supplier qualification, selection, contract negotiation and execution, performance evaluation, and reward/punishment mechanisms.

Requirements for Managing ESG Supply Chain Risks in the Group's Supply Chain Management:

01

Based on the analysis by the Group's dedicated ESG & HSE department, if a supplier is deemed to pose significant ESG & HSE risks to the Group, a risk notification may be issued, and in severe cases, a recommendation for revoking the supplier's qualification may be made at the Group level.

02

For suppliers with substantial impact, their fulfillment of social responsibilities (including ESG & HSE, anti-bribery, etc.) must be assessed during supplier certification. The evaluation of social responsibility fulfillment is progressively extended to cover all suppliers.

03

After passing certification, suppliers must sign a Sunshine Cooperation Agreement (or Declaration) to become qualified suppliers. Qualified suppliers are included in the List of Qualified Suppliers.

The Group's subsidiary segments continuously advance supplier environmental and social risk management, promoting the development of a green supply chain and preventing supply chain risks:

Containers Segment

Suppliers are required to ensure that the products they provide comply with relevant national environmental protection management laws and regulations and national occupational health and safety management system requirements throughout the production, assembly, and usage processes. Performance scoring is employed to motivate suppliers to operate compliantly and pursue green, sustainable development.

Offshore Segment

Benchmarking against peer supply chain resources, the Offshore segment is building a supplier system capable of aligning with the company's business development, nurturing strategic partners from a long-term perspective, and achieving sustained "win-win" outcomes. In light of the current state of supply chain for the offshore industry, the Offshore segment continues to develop a lean and information-based supply chain management model.



Case NO.25 | CIMC Enric incorporates social responsibility into procurement contracts

CIMC Enric incorporates safety, environmental protection, and sustainable development requirements into procurement agreements signed with suppliers, mandating that suppliers adhere to relevant management regulations as specified. Supplier social responsibility commitments are also published in the SRM system for reference and implementation by all suppliers.

用卖方产品而对第三方构成侵权，其责任均由卖方承担，且由卖方承担举证责任。

16. 健康，安全，环保条款

卖方已充分理解健康、安全及环保（HSE）对买方的重要性，并承诺遵守有关健康、安全及环保方面的法律法规，以及买方的HSE相关规定，满足买方关于HSE的要求，否则买方可据此解除本合同。卖方设备/材料到达买方现场后，卖方所供设备/材料的包装物由买方现场按照相关规定负责收集整理回收，涉及危险废弃物的委托有资质的第三方进行回收处理。

买方提供卖方工作人员因工作原因进入买方工作场地的便利。

卖方人员因工作原因进入买方工作场地，必须遵守买方的纪律规定，否则出现的任何伤害卖方人员人身及其他的事故责任将由卖方承担，并且由于卖方原因引起的买方及第三方人员的人身安全及其他一切事故的连带责任，引起的一切直接、间接的损失均由卖方完全承担。

17. 培训与调试（本合同不适用）

17.1 对于货物为设备的，卖方应对买方及买方指定的第三方进行机组操作人员的培训，

Leading the Industry, Co-developing Together

As a leader in multiple industries, CIMC actively participates in the formulation of industry standards or norms, vigorously promotes the transformation of R&D achievements, and actively drives the healthy and sustained development of the industries in which each business segment operates. As of the end of 2023, the Group has participated in the development of approximately 170 international, national, and industry standards in product areas such as containers, special vehicles, energy and chemical equipment, and airport facilities, with 69 officially released national or industry standards. The Group and its affiliated companies have joined a total of 57 associations, holding positions such as Chairman, Director, President, and Vice President in 45 of these associations, making positive contributions to the development of both the associations and their respective industries.

As of the end of 2023, the Group has participated in the development of approximately

170

69 officially released national or industry standards

The Group and its affiliated companies have joined a total of

57

 associations

Holding positions such as Chairman, Director, President, and Vice President

in **45** of these associations



Case NO.26

CIMC Container releases a group standard for the quality specifications of powder coatings used in container bodies

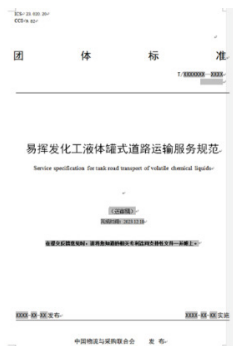
Key technologies for the whole-container powder coating application, incorporating robotic painting and automatic spray pattern optimization, enable balanced production in the coating process, uniformity of the paint film, and consistency of quality, thus meeting the demands of high-paced manufacturing.



Case NO.27

CIMC Vehicles contributes to the drafting of the Group Standard "Specifications for Road Transport Services of Volatile Chemical Liquid Tankers"

The standard is compiled by the Technical Committee for Group Standardization under the China Federation of Logistics & Purchasing, with joint contributions from the Hazardous Chemicals Logistics Branch of the China Federation of Logistics & Purchasing, Wuhu CIMC Ruijiang Automobile Co., Ltd., the Research Institute of Highway under the Ministry of Transport, and the Zhejiang Academy of Special Equipment Science, among other organizations.



Case NO.28





At the 2023 Global Logistics Technology Conference, CIMC TianDa won three prestigious awards for its integration of digital intelligence and innovative leadership

The 2023 Global Logistics Technology Conference was held in Haikou. CIMC TianDa Logistics, with over 30 years of deep expertise in the automated storage and retrieval systems industry, boasts a diverse portfolio across various sectors, having successfully completed more than 600 large and medium projects. CIMC TianDa Logistics was honored with the "2023 Logistics Technology Innovation Case" award and the "2023 Recommended Brand for Logistics Technology Equipment" award.



Tackling Climate Change

“Green Ecology” is one of the main indicators of China’s economic and social development during the “14th Five-Year Plan” period. At the same time, the Chinese government is actively participating in global environmental governance, promoting green and low-carbon transformation of the economy, and unswervingly fulfilling its international commitments to tackle climate change. Based on its own business practice, CIMC adheres to national sustainable development policies and advanced practices at home and abroad. It has accelerated the elimination of equipment with high energy consumption and high pollution, actively researched and introduced clean production technologies and processes, and vigorously developed and promoted green environmental products and services. The Group responds positively to the UN Sustainable Development Goals 6, 7, 12 and 13, making positive contributions to tackling global climate change and promoting ecological civilization.

Related issues	Our actions	Our achievements	Our future efforts	Response to SDGs
Green products and services (Critical Topic)	While driving our own ongoing green and low-carbon operational transformation, we are enhancing R&D and delivery of green, low-carbon products: Seizing the historical opportunity presented by the “dual carbon” goals and diverse market demands, we are accelerating the development of clean energy businesses such as hydrogen, natural gas, and offshore wind power, and promoting multimodal transport and specialized logistics services built upon green capacity.	To date, the Group has seen 36 of its enterprises earn Green Factory certifications, with 79 having passed ISO14001 Environmental Management System certification; carbon footprint assessments have been completed for a dozen-plus product lines, and we have successfully supplied bamboo flooring, clean energy equipment and offshore wind power equipment, etc.	We will sustain the rigorous enforcement and comprehensive execution of the Green Development Plan of CIMC, remaining steadfastly devoted to conducting green, low-carbon operations; steadfastly cultivate a green and low-carbon product and service ecosystem, continually refining plans for green and low-carbon offerings.	12. RESPONSIBLE CONSUMPTION AND PRODUCTION 
Energy conservation and carbon reduction (Critical Topic)	Set emission reduction targets, strengthen energy consumption data analysis, develop and introduce energy-saving processes, promote energy-saving and carbon reduction demonstration projects, conduct corporate carbon audits and product carbon footprint certification, and create more green low-carbon products and services.	Apply the energy and carbon data dashboard platform; 24 rooftop photovoltaic projects have been completed; A batch of demonstration projects such as energy-saving transformations for air compressors have been implemented; Pilot projects for creating nearly zero-carbon enterprises are advancing; Carbon footprint certifications of over ten products have been achieved cumulatively; Deliver more green low-carbon products.	Implement the “Energy Conservation and Carbon Reduction” thematic action plan, contentiously conduct research on dual carbon policies, promote energy-saving and carbon reduction improvements in enterprises, organize and implement pilot demonstration projects for energy conservation and carbon reduction, and actively seize the “dual carbon” opportunities to develop more green and low-carbon products.	13. CLIMATE ACTION 
Air pollutant emission management (Critical Topic)	Upgrade processes to reduce air pollutant emissions.	The total exhaust emissions of the Group decreased by 5.68% compared with the previous year.	Target a 2% reduction in exhaust emissions intensity per billion yuan by 2025 (based on 2020 levels).	
Water resource management	Continue to promote the use of advanced energy-saving and environmental protection technologies and equipment, and organize the implementation of technological transformations such as energy efficiency improvement and cleaner production in traditional manufacturing.	No significant risks of water shortages identified.	Continue to actively explore innovative methods.	6. CLEAN WATER AND SANITATION 
Opportunities in clean energy	Vigorously develop and manufacture green products.	24 units have already applied rooftop photovoltaic power generation, with an increase of 7 units compared to the previous year. The proportion of green electricity in the entire Group is close to 9%.	Continue to increase clean and efficient energy sources such as natural gas and photovoltaic power generation.	7. AFFORDABLE AND CLEAN ENERGY 



Low-carbon Operations and Transformational Development

Global climate change has become one of the most significant challenges facing humanity in the 21st century, and it is extremely urgent to take actions to tackle climate change. The Group actively responds to the national goal of carbon peaking and national vision of carbon neutrality, using corporate efforts to tackle climate change, promote ecological civilization construction, and drive high-quality green development. In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Group outlines our efforts and future plans in tackling climate change.

Tackling climate change

Governance

In terms of governance, the Group has established an ESG governance structure to comprehensively cover ESG-related work, including tackling climate change. Take CIMC ENRIC as an example, its governance structure includes tackling climate change. Having the highest responsibility and decision-making authority for ESG matters, the Board of Directors is responsible for monitoring climate-related risks and opportunities; Reviewing the company's disclosures related to sustainable development including ESG reports and climate reports; The Sustainable Development Committee supervises and reviews ESG (including climate risks and opportunities) trends and issues, holds regular meetings at least once a year and proposes relevant work arrangements related to climate risks and opportunities to the Board of Directors in due course. In addition, CIMC ENRIC has established a climate-related compensation mechanism linked to the compensation assessment results of directors and senior management.

Strategy

The Group's Steering Group for Sustainable Development Report has in-depth exchanges with the Strategic Development Department and its subordinate enterprises, giving full play to the Group's current business advantages based on geographical distribution and future strategies, jointly analyzes and identifies the climate risks faced, actively identifying and seizing opportunities from them, establishes development strategies such as green mountains and rivers based on areas where CIMC has advantages, and launches green low-carbon products and services.

Direction 1: Safeguarding green mountains and rivers, and promoting multimodal transport and professional logistics business based on green power.

Accelerate the promotion of integrated operations, improve the "river, sea, air, rail, and land" multimodal transport combination products, and provide customers with rich logistics solutions.

Accelerate the construction of domestic customer service networks, deepen the construction of domestic multimodal transport hubs, continue to improve the layout of global network of multimodal transport hubs and the building of destination capacity, and provide global customers with more stable localized logistics services with longer value chain.

Direction 2: Seizing the historical opportunities of "carbon peaking and carbon neutrality" and diversified market demands, and accelerating the layout of clean energy businesses such as hydrogen energy, natural gas, and offshore wind power.

Hydrogen energy: With midstream storage and transportation equipment, upstream electrolyzer equipment and downstream complete sets of equipment as the core, continuously strengthen technical barriers, build an integrated solution of "production, storage and transportation+", accelerate the realization of the development structure of hydrogen production mainly from renewable energy supplemented by by-product hydrogen, promote the efficient storage, transportation and utilization of hydrogen energy, and deeply cooperate with demonstration projects of source, network, load, storage and utilization.

Offshore wind power: Based on manufacturing, bridge upstream and downstream, and enhance the service capabilities of the industrial chain: further enhance the scale production and manufacturing of wind turbine installation vessels, offshore booster stations, wind power towers and jackets.

Risks and opportunities

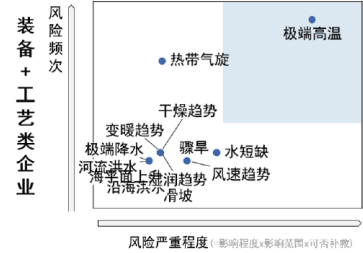
CIMC attaches great importance to the research on climate risks, and its subsidiary CIMC ENRIC analyzes and summarizes the current risk and opportunity topics, and compiles a list of climate risks and opportunities, including physical risks, transformation risks and climate opportunities.

Climate risks

Category		Financial impact
Physical risks	Acute	Increased operating and management costs; Revenue loss due to operational interruptions;
		Increased operating and management costs; Decreased revenue in the event of major natural disasters leading to shutdowns and production stoppages.
	Chronic	Increased operating and management costs.

Physical risks

Taking the equipment + process enterprises of CIMC ENRIC as an example, for physical risks, extreme high temperature has the highest priority in affecting business continuity among all surveyed enterprises. Although enterprises are often affected by tropical cyclones, CIMC ENRIC takes preventive measures in advance, resulting in minimal impact on the enterprise.

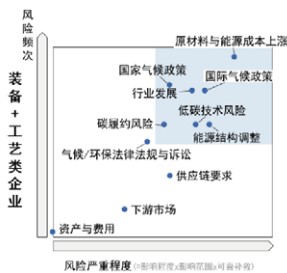


Category		Financial impact
Transformation risks	Policies and laws	Increased operating and management costs; Short-term increase in asset expenditure.
	Technology	Increased R&D costs; Accelerated depreciation of high-energy-consuming equipment; Decreased revenue.
	Market	Increased production costs, and decreased revenue.
	Reputation	Non-operating expenses.

*Only some of the identified risks are listed.

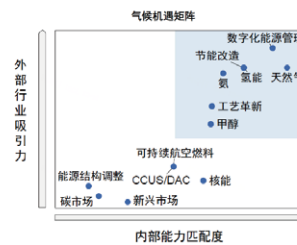
Transformation risks

As for the transformation risks, due to the influence of multiple external factors, enterprises need to pay attention to the transformation risks caused by policies. Rising raw material costs, risks associated with low-carbon technologies, adjustments in energy structure, and risks related to carbon compliance are currently the key concerns for CIMC ENRIC. Additionally, continued attention to the development of the natural gas industry and increased efforts in the research and development of other clean energy businesses are necessary to ensure an orderly transformation before the plateau period.



Climate opportunities

By improving resource efficiency and saving costs, adopting low-emission energy sources and developing new products and services, CIMC ENRIC achieves new growth while addressing risks.



Scenario analysis

CIMC ENRIC has made scenario analysis, and evaluated various climate risks and opportunities of the company through multi-dimensional data such as greenhouse gas emissions data, asset locations, business characteristics and financial indicators of these member companies, along with risk scenario parameters.

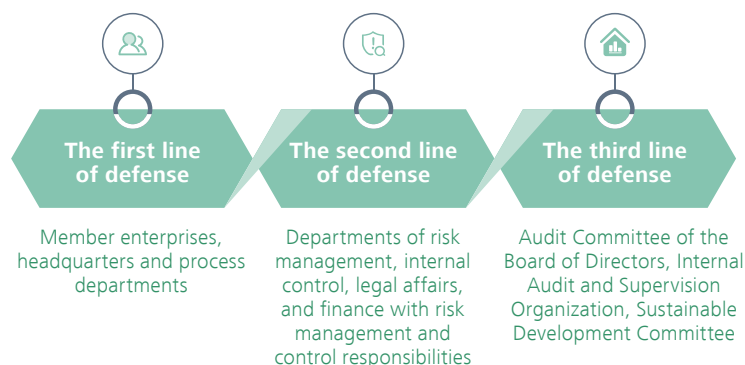
内部情景减 排路线	IEA 气候情景	碳排放核算		额外所需碳 减排 ^① (MtCO2e)	碳减排成本(或碳 收益) ^② (百万元)	转型风险在估价 值 ^③ (OVAR, %)
		2050年净零排放情景 (NZE2050)	2050年净零排放情景 (NZE2050)			
激进路线	2050年净零排放情景 (NZE2050)	低排放情景	1.59	-0.55	202.47	1.8321
	宣布承诺情景 (APS)	中国排放情景	3.39	-2.37	217.82	1.9711
	既定政策情景 (STEPS)	高排放情景	5.63	-4.61	203.22	1.8389
合理路线	2050年净零排放情景 (NZE2050)	低排放情景	1.59	0.53	30.38	0.2749
	宣布承诺情景 (APS)	中国排放情景	3.39	-1.28	128.03	1.1586
	既定政策情景 (STEPS)	高排放情景	5.63	-3.51	151.65	1.3722

Risk management

According to the characteristics of the industry which the Group is in and the actual conditions, the response to climate change has been incorporated into the overall risk management process of the enterprise. For example, CIMC ENRIC, a subsidiary of our company, has identified and assessed the management process for climate-related risks. In response to the identified climate-related risks, CIMC ENRIC has developed emergency plans, clearly defined mechanisms for responding to sudden extreme weather events, and actively conducted emergency drills to enhance the response speed and emergency response capabilities, ensuring prompt and effective handling of various emergencies.

Risk management framework

CIMC ENRIC has established three lines of defense for business risk management and control, and incorporates climate change-related risks into consideration to realize full participation in the company's risk management and control.



Risk management process

CIMC ENRIC achieves a closed-loop risk management process through "risk identification - risk assessment - prioritization of risks - risk response - optimization and improvement".

Risk identification

CIMC ENRIC implements a risk control strategy focusing on prevention. This is achieved through workshops and interviews with business leaders and risk managers of subsidiaries, as well as by inviting internal and external stakeholders to participate in surveys. As a result, the physical risks and transformation risks faced by the company can be identified more comprehensively and objectively.

Risk assessment

In terms of risk assessment, CIMC ENRIC evaluates the expected impact and possibility of individual risks one by one to identify and confirm the most relevant physical risks, transformation risks and business opportunities for the company. The assessment considers the severity of the risk, the likelihood of occurrence, and the opportunities scored.

Severity of the risk

Impact degree: It indicates how deeply the transformation risk has affected CIMC ENRIC, such as the proportion of asset losses, customer churn rate, revenue decline ratio, etc.

Scope of impact: It indicates the extent to which the transformation risk affects CIMC ENRIC, such as the number of subsidiaries affected and the proportion of business affected.

Remediation feasibility: It indicates whether the transformation risk, if it occurs, can be eliminated or mitigated by effective measures.

Likelihood of risk occurrence

Occurrence probability: It indicates the occurrence probability of the transformation risk, such as more than once a year, once every ten years, etc.

Risk response

Based on the results of risk identification and assessment, CIMC ENRIC analyzes the root causes of risks and develops or adjusts risk management strategies accordingly to avoid or reduce risks. The company formulates targeted response measures and solutions for existing risk scenarios, such as special emergency plans for natural disasters and emergency response procedure guidelines. CIMC ENRIC also periodically reviews the nature and severity of risks, ensuring effective risk control.

Indicators and Targets

To measure the progress of climate change, it is crucial to select appropriate parameters and indicators and establish corresponding targets. Based on the actual conditions, CIMC has identified the indicators related to monitoring environmental, social, and climate-related risks and discloses relevant data annually. Additionally, we require all subordinate segments to determine their respective improvement values based on industry requirements and development stages. The content includes indicators such as water usage, volatile organic compound emissions, reduction rates of hazardous waste intensity, environmental and energy management system certification rates, etc. This is aimed at accelerating the upgrade and replacement of pollution prevention and control facilities to ensure that the governance capabilities meet the standards. To strengthen compliance with hazardous waste management, we strictly adhere to comprehensive lifecycle process control. This involves continuous efforts in energy conservation, emission reduction, and carbon reduction. We also emphasize compliance with national environmental protection laws and regulations, implement the main principle of “accelerating the construction of new growth drivers and promoting high-quality development”, and embrace the HSE concept of “compliance with laws and regulations, safety and health, and green operations”. Based on the Group’s green development plan, targets and indicators, we conduct annual environmental targets management for subordinate segments and subsidiaries.

◆ Energy Conservation and Carbon Reduction

Energy conservation and consumption reduction are key issues for the Board of Directors in 2023. We focus on various energy indicators and targets of the Group, guiding member enterprises to prioritize the use of environmentally friendly materials, renewable resources, clean energy, and energy-saving equipment. We encourage member enterprises to adopt various measures such as replacing old with new, improving energy efficiency, refining processes, tapping potential for efficiency improvement, strengthening maintenance, reducing losses, and using energy scientifically to continuously seek energy-saving improvement space and build resource-saving and environmentally friendly enterprises.

In terms of energy conservation and carbon reduction, we promote implementation and value creation through the following eight directions:

<p>01 Research on the strategic planning for sustainable development together with the group’s strategic planning Guidance of sustainable development strategies</p>	<p>05 Development of carbon peaking and carbon neutrality standards for products and services Industry standards</p>
<p>02 Mechanisms for expanding and promoting special projects for energy conservation and carbon reduction (such as air compressors) horizontally Cost reduction and efficiency improvement</p>	<p>06 Carbon footprint of star products Understanding the carbon status of products</p>
<p>03 Carbon peaking and carbon neutrality planning Guidance of the planning</p>	<p>07 Training and pilot projects promotion of climate change issues Compliance</p>
<p>04 Identification of CCER projects for voluntary emission reduction Monetization of carbon reduction</p>	<p>08 Nearly zero-carbon factories declaration Seeking government policies</p>

Furthermore, various business segments within the group advocate for energy conservation and carbon reduction demonstration projects, carrying out low-carbon initiatives. Several products from our major business segments have obtained carbon footprint certification, laying the foundation for steadily achieving comprehensive carbon management across the entire group.



CIMC-Transpack Carbon Footprint Certification

In the future, the Group will increase investment in international certification and green supply chain. While improving its green manufacturing capability, it can also contribute to the industry in strategies for low-carbon material, dual-carbon standards and norms, carbon emission/footprint certification capabilities and low-carbon logistics.



Case NO.29

Signed a cooperation agreement with Yantai Municipal Government to jointly build the Zero Carbon Intelligent Manufacturing Industrial Park.

On the morning of June 11, the signing ceremony of a comprehensive strategic cooperation agreement between Yantai of Shandong Province and CIMC and the unveiling ceremony of CIMC Zero Carbon Intelligent Manufacturing Industrial Park were held in Yantai, marking that Yantai and CIMC entered a new stage of comprehensive upgrading of cooperation. CIMC Zero Carbon Intelligent Manufacturing Industrial Park is located in Laishan District, Yantai, and is jointly built by Laishan District Government and CIMC Raffles, with a planned area of 2 square kilometers.



Case NO.30

The Greater Bay Area Logistics Industry Chain Low Carbon Salon was successfully held.

CIMC and SGS jointly held the first "Greater Bay Area Logistics Industry Chain Low Carbon Salon" in Shenzhen. With the theme of "Focusing on Low-carbon, Connecting the World with IoT", the salon brought together numerous leading enterprises from upstream and downstream of the logistics industry chain, as well as over 150 industry leaders, experts, and scholars to discuss how to achieve green and low-carbon targets in the logistics industry chain.



Case NO.31

Established the Group's "Energy and Carbon Data Dashboard", dug deep into the value of energy and carbon data, and promoted energy conservation and carbon reduction in key areas.

CIMC continues to consolidate the ESG data foundation, and evaluates and externally certifies the bottom-up "carbon accounting system". Based on this data foundation, a "Energy and Carbon Data Dashboard" covering the group, segments, and enterprises has been established. Routine energy conservation and carbon reduction analyses are conducted quarterly at the group and segment levels. The Group has organized the establishment of a collaborative work platform for energy conservation and carbon reduction, and held the first experience sharing session to promote case studies and facilitate energy conservation and carbon reduction in key areas.





Case NO.32 | Construction of rooftop distributed photovoltaic power generation project in the container segment

The container segment of the Group continued to accelerate the promotion of rooftop distributed photovoltaic projects of the enterprise, and increased the consumption and proportion of clean energy. In 2023, the container segment added 16 MW of new installed photovoltaic capacity, and by the end of 2023, the total installed photovoltaic capacity increased to 36.5 MW, an increase of 76% over the end of the previous year.



Forestry carbon sink

CIMC is deeply aware of the significance of forestry carbon sinks, which has both ecological and economic benefits. They serve as a crucial pathway for carbon removal, contributing significantly to achieving carbon neutrality. Furthermore, they represent an essential medium for realizing the value of ecological products, offering vast potential for market value enhancement and development. Forestry carbon sink projects were among the earliest initiatives in China and remain one of the most significant carbon sink projects in the country. With the backdrop of carbon peaking and carbon neutrality targets, the value of forest and grassland carbon sinks will be further highlighted. Currently, forestry carbon sinks benefit from favorable policy conditions, and the restart of CCER (China Certified Emission Reduction) is expected to further enrich the trading channels of forestry carbon sinks. To this end, we have initiated related work in areas such as bamboo forest utilization and mangrove carbon assets research

- CIMC Eco Material Supply Co., Ltd. visited Yunnan Investment Forestry and Pulp for exchanges, aligning its “bamboo + plastic” and billion-dollar new material business segments with the industrial layout of Yunnan Investment Forestry and Pulp.
- Guided by the “star drive” strategy, Jiaxing CIMC has successfully developed a high-performance sound-proof floor for high-speed trains through continuous innovation, which has been widely used in various models of high-speed trains in China.



Case NO.33 | CIMC Raffles appeared in China Wood and Bamboo Industry Green and Low Carbon Development Forum.

Expert engineers from CIMC Raffles Offshore Science and Technology Group delivered a keynote report on “High-value Application and Transformation of New Bamboo and Wood Materials”, sharing exemplary cases of high-value transformation applications of new bamboo and wood materials in marine green power engineering—the research and application of bamboo-based composite materials for offshore floating photovoltaic platforms such as “Jilin No.1.”



In the future, CIMC will strive to seize the development opportunities of forestry carbon sinks. We will continuously explore aspects such as the development of CCER forestry carbon sink projects, pilot projects for forestry carbon sink trading, strengthening publicity and training, and establishing links between upstream and downstream of forestry carbon sinks. We aim to enhance the management level of forestry carbon sinks in CIMC and make contributions to achieving carbon peaking and carbon neutrality targets.

Pollution Prevention and Environmental Friendliness

The Group encourages the use of environmentally friendly raw materials and clean production technologies. We also promote upgrading and renovating pollution control facilities to enhance the efficiency of pollutant control, thereby continuously reducing pollutant emissions.

As a large-scale production-oriented enterprise, the Group attaches great importance to and strictly abides by environmental protection and pollution prevention laws, regulations, and standards in the areas where it operates, including but not limited to the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes, and Water Pollution Prevention and Control Law of the People's Republic of China.

Based on the Group's environmental protection management policy, each business segment and its subordinate enterprises have formulated management systems such as environmental protection and resource conservation management system, environmental facilities operation and management system, hazardous waste management system, and environmental factor identification, evaluation and control procedures, as well as emergency plans for sudden environmental incidents.

All enterprises of the Group strictly implement self-monitoring related work according to laws and regulations, keep relevant ledgers and ensure information disclosure. Enterprises formulate corresponding pollutant monitoring solutions according to the types of pollutant discharged by pollution sources, Self-monitoring Technology Guidelines for Pollution Sources-General Rule (HJ819-2017) and relevant industry guidelines. These solutions also comply with the requirements of emission permits, environmental impact assessment approvals, and other documents to ensure accordance with the actual emission of pollutants by pollution sources. The self-monitoring solutions specify monitoring indicators, frequencies, and methods, compliance with emission standards, and standard limits for pollutants discharged. The information is publicly available on the national information platform for permitting of pollution discharges. Additionally, qualified third-party testing agencies are commissioned to regularly monitor wastewater, waste gas, noise, and other pollutants.

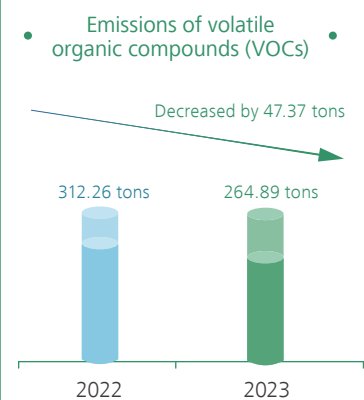
◆ Air Pollutant Emission and Management

The air pollutant emission and management are a key issue for the Board of Directors of the Group. The main air pollutants emitted by CIMC in its production and operations include volatile organic compounds (VOCs) and particulate matters.

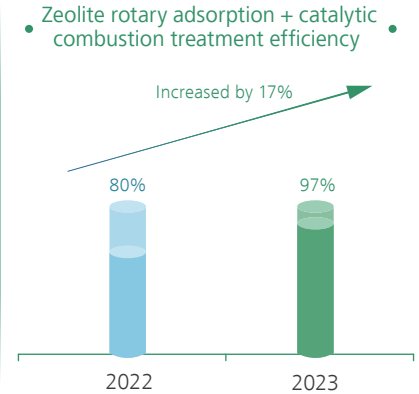
We strictly abide by applicable laws, regulations, and standards such as the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution. Each member enterprise has established corresponding exhaust gas emission management systems, clarifying the requirements and responsibilities of relevant departments and management personnel. In accordance with the requirements of pollutant discharge permits and local regulatory requirements, they monitor exhaust gas emissions, conduct regular maintenance and inspections of exhaust gas treatment facilities and equipment, and ensure that the concentration and total amount of exhaust gas meet national and local standards. The Group and its business segments regularly track the emissions of enterprises by setting HSE targets, speeding up the upgrading of pollution prevention and control facilities, ensuring that the governance capacity meets the standards, and conducting HSE inspections and audits on subordinate member enterprises.

All relevant member enterprises of the Group strictly follow the requirements of relevant laws and regulations and firmly implement the requirements for collection and treatment of air pollutants. Some member enterprises have installed on-line monitoring systems at VOCs emission outlets to monitor the emissions in real time and ensure stable compliance with VOCs emission standards.

The Group adopts a combination of alternative sources and end-of-pipe treatment, actively develops or introduces clean production technologies and efficient exhaust gas treatment technologies, and encourages emissions better than standards, thus reducing volatile organic compounds (VOCs) emissions, and reducing the impact on the atmospheric environment. In 2023, the main measures taken by the business segments and subsidiaries of the Group to reduce air pollutant emissions include:




Business segment	Improvement measures
Container Segment	<ul style="list-style-type: none"> At the Xinhui base, dust hoods are used to cover the welding concentrated area. By utilizing the natural updraft of high-temperature fume and the negative pressure suction of fans, welding fume is tightly controlled within the coverage area for centralized collection. The collected fume is treated through plate filters to achieve emission standards.
Energy and Chemical Segment	<ul style="list-style-type: none"> According to the characteristics of the stations, CIMC Safeway formulates differentiated measures for welding fume collection and treatment. Mobile fume collection and treatment facilities are equipped; Collection rooms are prepared with supporting fume collection facilities. After treatment, the collected fume is discharged up to standard.
Offshore Engineering Segment	<ul style="list-style-type: none"> Yantai Raffles upgrades its treatment process from “activated carbon adsorption + catalytic combustion” to “zeolite rotary adsorption + catalytic combustion.” The treatment efficiency can be increased from the current 80% to over 97%, achieving low-concentration emissions of 50 mg/m³. It is estimated to reduce VOCs emissions by 4.6 tons and hazardous waste by 16.2 tons per year. Yantai Raffles removes the painting process in the pre-treatment workshop, expected to reduce discharge of exhaust pollutants by 5.47 tons/year, including a reduction of 0.24 tons/year of dust and 5.23 tons/year of VOCs.
Recycled Load Segment	<ul style="list-style-type: none"> Dalian CIMC Logistics has added 6 sets of facilities for grinding dust treatment, which can reduce dust emission, and 7 sets of facilities for welding fume treatment, which can significantly reduce welding fume emission. Ruiji Logistics is transforming mobile welding fume cleaning into integrated welding fume treatment, with 3 sets currently under construction.



The Group has repeatedly stressed the importance of “environmental compliance” and required its subordinate enterprises to strictly implement all measures during the heavily polluted weather control. Relevant enterprises under the Group fully recognize the significance of emergency management during periods of heavily polluted weather. They attach great importance to this aspect and have formulated “Implementation Plan of Emergency Response to Heavily-polluted Weather” as required, established targeted responses to different levels of early warning, and set up special emergency response team to ensure rapid response, early warning and response. Furthermore, they organize internal themed publicity, emphasizing the full implementation of the plan.


Case NO.34 | Deep Treatment of Waste Gasin Wuhu Ruijiang

To address the issue of exhaust emissions from the paint room, Wuhu Ruijiang implemented a treatment process of filter cotton + activated carbon adsorption + catalytic combustion in 2023, effectively reducing VOCs emissions by 90%. Additionally, Wuhu Ruijiang carried out deep treatment of exhaust emissions from the drying of mixer trucks in the first phase, and employed a three-stage filtration method, resulting in an 80% reduction in nitrogen oxides and VOCs emissions.



Case NO.35 | VOCs Emission Reduction Retrofit at Ningbo CIMC

Ningbo CIMC invested RMB 3.6 million to implement advanced and efficient Regenerative Thermal Oxidizer (RTO) technology for VOCs treatment. With a processing capacity of 60,000 cubic meters per hour, the treatment achieves an efficiency of ≥99%, effectively reducing VOCs emissions.



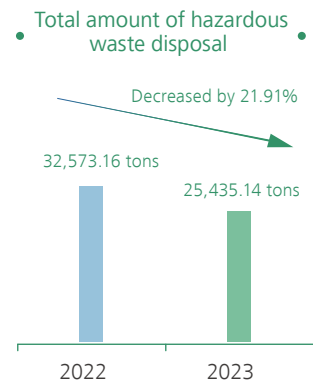
Waste Management

The Group strictly abides by applicable laws, regulations and standards such as the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Waste. It has established corresponding waste management systems, clearly defining the requirements for the storage, transportation, and disposal of waste, thereby achieving comprehensive process control.

The harmless wastes generated in the production and operation of CIMC mainly include waste metal, waste wood and household waste. Household waste is uniformly and regularly treated and transported by local environmental sanitation departments. Other harmless wastes are mostly reused in the factory or handed over to suppliers and professional recycling service providers for recycling. The hazardous wastes generated in the production and operation of CIMC mainly include waste paint slag, waste paint bucket, waste engine oil, waste chemical reagent, waste activated carbon, filter cotton, waste oily rag and sludge from sewage treatment station.

For hazardous wastes, all member enterprises of the Group set up hazardous waste storage warehouses in accordance with regulatory requirements, and strictly implement the requirements for transportation and disposal, ensuring that waste is handed over to qualified units for compliant processing. Additionally, the Group adapts to changes in external policies and regulations, as well as the operational circumstances of enterprises, by establishing or improving waste collection and storage facilities. General waste is primarily recycled for reuse, while other waste, such as household waste, is regularly collected and disposed of by local sanitation departments.

Meanwhile, aiming at "minimizing the use of new resources and maximizing the recycling of current resources without any waste", the Group promotes all of its enterprises to actively explore how to realize reduction, innocuity and recycling of hazardous waste. In 2023, all segments and the subordinated enterprises continued to promote reduction and recycling of hazardous waste based on their business and product characteristics. Through production line upgradation and process improvement, the Group implemented green demonstration projects such as promoting the use of recycled barrels to reduce the discard of paint barrels, reducing the moisture content of sludge through drying, and upgrading sewage treatment facilities. The efforts to minimize hazardous waste have yielded positive results. Total amount of hazardous waste disposal of the Group in 2023 decreased by 21.91% compared to 2022.



In 2023, the main measures to reduce waste emissions carried out by all segments and subordinate enterprises of the Group included:

Container Segment

The container segment continued its efforts in reducing paint sludge through drying and promoting recyclable packaging for water-based paints. These initiatives aimed to minimize or eliminate the generation of hazardous waste, resulting in a reduction in the amount of hazardous waste. Over the past three years, the intensity of hazardous waste disposal per 10,000 yuan of output has decreased by approximately 50%.

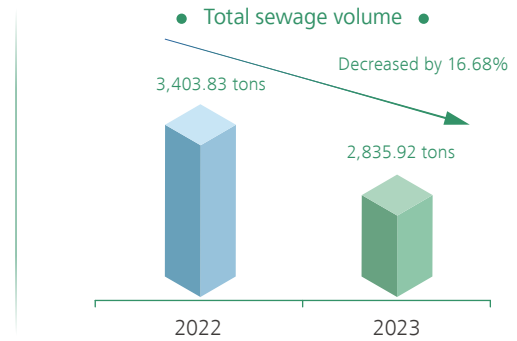
Offshore Engineering Segment

The offshore engineering segment continued to promote the management of "empty barrel plan" for paint barrels, strictly controlled the generation of waste paint barrels, achieving a year-on-year decrease of approximately 60.3% in the generation of waste paint barrels per ten thousand liters of paint produced.

Wastewater Management

The Group strictly abides by applicable laws, regulations, and standards such as the Water Pollution Prevention and Control Law of the People's Republic of China. Its subsidiaries have formulated a wastewater discharge management system, to monitor the operation and maintenance of wastewater treatment facilities, and actively promote smart wastewater treatment equipment and online monitoring technology for water quality to ensure that the concentration and total amount of pollutant discharge meet national or local standards.

Wastewater discharged by CIMC during its production and operation mainly includes industrial waste water, such as waste water from cutting waste steel in pre-treatment workshop, oily waste water generated during component machining, terminal outfitting and ship trial, washing waste water generated during ship trial, and domestic sewage generated from office and living areas. In 2023, the Group's total sewage volume decreased by 16.68% compared to the previous year. For details, please refer to the "ESG Performance Table" in this report.



In 2023, the Group's divisions took efforts to reduce sewage discharge. Some member enterprises introduced new sewage treatment equipment and optimized sewage treatment processes, achieving zero discharge of wastewater.

Business segment	Improvement measures
Container Segment	<ul style="list-style-type: none"> In the container segment, wastewater treatment stations are set up within the factory. Through combined treatment processes such as coagulation-sedimentation, flotation, Fenton oxidation and biochemical systems, pollutants in the water are removed, and industrial wastewater is recycled for use in production processes. Currently, 67% of enterprises have achieved zero discharge of industrial wastewater.
Energy and Chemical Segment	<ul style="list-style-type: none"> The MVR acid cleaning wastewater treatment equipment has been put into operation in Nantong Energy, reducing the discharge of heavy metals and total nitrogen in wastewater. CIMC Sanctum put into operation the treatment facilities of penetration test and dyeing wastewater, which effectively improved the quality of reused water; The treatment facilities for wastewater from gas mechanical grinding are upgraded and modified to improve the effluent quality and reduce the load of sewage treatment station.

◆ Noise Management

The Group strictly abides by applicable laws, regulations and standards such as the Law of the People's Republic of China on Noise Pollution Prevention and Control. It has established a noise emission management system, systematically identifying and assessing noise sources, and conducting regular monitoring of noise levels. At the same time, specific corrective measures are formulated for identified noise sources. Various technologies and processes for noise reduction and noise protection are vigorously promoted.

Sources of noise pollution of the Group mainly include lifting, cutting, grinding, operation of air compressor, and operation of power generator (if the site is not accessible to power supply) in the production process, and earthwork, as well as operation of motor vehicles, and operation of fans and water pumps at the wastewater treatment station, and other processes. To address the noise from different sources, enterprises of the Group have taken different control measures:

- For the vibration generated by the operation of the equipment, the equipment with low noise and low vibration was purchased, and the equipment was installed with absorbers; And for air compressor, box-type centrifugal air compressor was selected. The air inlet was equipped with a muffler, and the storage cylinder was coated with damping sound absorption material.
- For the noise-generating equipment, separate soundproof rooms were provided, and certain workshops adopted full sealing measures.
- For other scattered noise sources, soft liners were installed in key noise-generating areas; Flexible joints were used for water pipe connection.

Case NO.36 | Noise Reduction through Isolation of Sand Blasting Machine at CIMC Yangshan

Taking inspiration from best practices of external enterprises, CIMC Yangshan installed 2.5-meter soundproof walls on both sides of the passage, resulting in a decrease in noise levels and creating a favorable working environment.



Cherishing Resources and Protecting Ecosystems

CIMC actively responds to the call of China to develop CIMC into a resource-saving enterprise, identifies resource saving as an important element in the corporate development, and dedicates itself to promoting the low-carbon, circular and intensive production mode to maximize the resource utilization. In business operation, considerations are given to reducing the consumption of resources, minimizing the impact on the ecological environment and protecting the stability of the ecosystem in all aspects of the whole life cycle, such as design, manufacturing, packaging and logistics of products.

◆ Energy and Resource Utilization

The Group and its segments actively responded to the call for energy conservation and emission reduction, promoted key energy-saving projects, and actively explored new energy-saving technologies such as optimizing the operation through air compressors, phasing out high-energy-consuming processes, and substituting raw materials.

The Group actively explored to promote energy conservation through digital management systems. For example, based on the environmental policy of "adjusting the energy structure and increasing the proportion of green energy" in China's "14th Five-Year Plan", and the requirements of the Group's green development plan and the characteristics of business development, CIMC Raffles actively implemented the technical transformation plan, and reduced the proportion of petrochemical energy in the Company's energy structure. We conducted intelligent transformation and networking of electricity meters in factories to achieve real-time monitoring of electricity consumption, and integrated relevant system data for analysis to identify abnormal points, thus achieving the purpose of energy saving through management optimization, multi-machine joint control, technical transformation of equipment, and process change. Examples are air energy saving through optimization of compressors, sanding process and painting process.

In June 2023, CIMC Sanctum purchased green wind power in response to the national call for energy conservation and emission reduction, and obtained corresponding emission reduction quotas, aiming to reduce greenhouse gas emissions, and enhance the sustainability of enterprise development.



Case NO.37

Energy Saving and Consumption Reduction Measures of Haiyang Base in Offshore Engineering Segment

At the CIMC Raffles Haiyang base, various measures have been taken such as the establishment of inspection teams, energy conservation promotion campaigns, standardization of pipe fittings, visual inspections on-site, and the implementation of local responsibilities. Activities such as leak detection and control have been conducted to minimize on-site waste, while efforts have been made to strengthen management for reducing emissions at the source. Additionally, clean production technologies have been introduced to promote the application of energy-saving and emission-reducing equipment in new projects.

The Group incorporated resources and energy consumption into its management indicators, guided its member enterprises to give priority to the use of environmentally friendly materials, renewable resources, clean energy and energy-saving equipment. It constantly sought opportunities for energy efficiency improvements, aiming to build resource-saving and environmentally friendly enterprises.

Water Resources Management

We strictly observe related laws and regulations in jurisdiction where we are operating, including the Water Law of the People's Republic of China, the Energy Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China. Moreover, guided by CIMC Green Development Plan, we continuously applied advanced energy-saving and environment-friendly technologies and equipment and took a series of technical upgrade measures, including energy efficiency enhancement and clean production, in traditional manufacturing sectors. We also actively respond to the call of China to develop CIMC into a resource-saving enterprise, and identify water resource saving as an important element in the corporate development, so as to maximize the water resource utilization.

The Group consumes water resources in production process, routine office activity of employees and living activities such as catering and bathing, landscaping and fire extinction. All member enterprises of the Group have strictly observed the national and local laws and regulations pertaining to water resources management to ensure compliant use and reasonable utilization of water as well as conservation of water resources. This year, we continue to actively explore innovative methods to achieve planned use, scientific use, conservation and recycling of water. The Group is not aware of any significant risk of water shortage in seeking applicable water sources.

◆ Biodiversity Conservation

According to its own characteristics, the Group combines biodiversity conservation with enterprise operations, works within the scope of business impact, and explores a path of green development that can not only protect biodiversity, but also improve economic benefits and promote social equity. Before the selection of project sites, environmental assessments are conducted, and environmental impacts are taken into consideration. When necessary, evaluations are also conducted for biodiversity conservation in the project areas.



Case NO.38

“Green Action Plan” of CIMC-Transpack for Planting and Protecting Green Lands

In March 2023, CIMC-Transpack successfully carried out the second phase of the “Green Action Plan” for planting and protecting green lands, with nearly 50 employee volunteers participating in the mangrove conservation project in Baishawan Park, Baguang, Shenzhen. Through practical actions, they contributed to protecting green trees and mountains, thus aiding in environmental protection.



Case NO.39

CIMC WETRANS is Making Efforts to Protect the Marine Environment

In November 2023, CIMC WETRANS held a small marathon charity run in Shenzhen Talent Park, aiming to raise awareness to protect coral reefs and the marine environment through practical actions.



Case NO.40

“Sunrise at Dongjiang, Colorful Youth, Building a Harmonious and Beautiful Bay”

In June, 2023, a volunteer service team composed of young employees from Tianjin CIMC Group conducted a beach cleaning public service activity with the theme of “Sunrise at Dongjiang, Colorful Youth, Building a Harmonious and Beautiful Bay” at the nearby Dongjiang Qinhai Park. Tianjin CIMC regularly organizes environmental protection publicity and garbage collection activities at the Qinhai Park to protect the marine environment and promote harmonious coexistence between humans and the ocean.



Building a Reputable Brand through Green Development

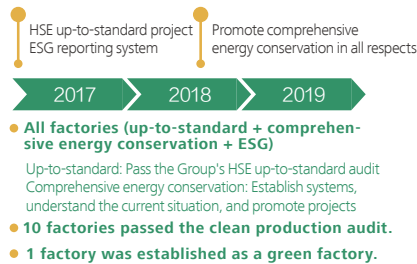
Green Development Plan

The Group adheres to the five new development concepts of “innovation, coordination, green, openness and sharing” and implements the CIMC Green Development Plan. We ensure environmental protection investment in operations, regularly organize environmental inspections, promote green demonstration projects, and carry out clean production initiatives such as “reducing emissions, reducing energy consumption, and reducing hazardous waste” to promote comprehensive improvement in HSE indicators. We continuously improve the environmental protection management system, and integrate the concepts of green, low-carbon and circular economy into the design, research and development, production and promotion of its products and services based on the business characteristics of each segment.

Stage One: Establish HSE up-to-standard factories

Stage Goal: Up to all standards, compliant operation

Achieve environmental compliance, pass the Group's HSE up-to-standard audit, promote comprehensive energy conservation, and establish an ESG data reporting system.



ESG: Establish ESG data collection and reporting system.

Stage Two: Establish green factories

Phase Goal: Breakthroughs in key areas, green production

Promote upgrades and transformations in key areas, and achieve industry-leading levels of green development.



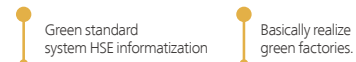
- **70% of factories (bronze medal + clean production)**
- **15 factories were established as green factories.**

ESG: Internal benchmarking and improvement of ESG data

Stage Three: Build a green manufacturing system

Stage Goal: Green operation, system construction

Comprehensively promote green development in all areas, and establish green standards and management systems.



- **70% (silver medal + green factories)**

ESG: External benchmarking and improvement of ESG data

• CIMC's "Three-Sage" Green Development Strategy •

By taking into account the status of achieving relevant indicators and targets for the previous year, industry characteristics and development stage, CIMC formulates the environmental protection management indicators and targets for 2024 to strengthen environmental compliance and accelerate the construction of a green manufacturing system:

- “Zero” major environmental accident and environmental penalty reflects the bottom-line thinking.
- The total emissions of nitrogen oxides and volatile organic compounds decreased by 2% respectively, and the chemical oxygen demand and total ammonia nitrogen emissions decreased by 1.6% respectively.

Environmental Management System

The Group focuses on building an energy-saving and environmentally friendly management system with distinctive Group characteristics, striving to create green, low-carbon, energy-saving and environmentally friendly enterprises.

The Group is gradually improving the ecological and environmental protection management system by reference to the ISO14001 environmental management system and based on its own practical experiences. Through “target assessment, process control and strict accountability”, it implements the main responsibility of enterprise in environmental protection, ensures the compliant operation of the enterprise, and achieves continuous improvement in environmental performance.

The Group has compiled HSE Management Manual, issued CIMC Environmental Protection Management System, built HSE data dashboard platform, improved HSE assessment solutions and accountability systems, promoted intelligent environmental protection management methods, and promoted enterprises to realize standardized environmental management. Segments and enterprises under the Group, based on their environmental management systems and practical experience, implemented the main responsibility of environmental protection, established environmental management organizational structure according to relevant management requirements, formulated environmental management policies and actions, systematically identified and evaluated environmental impacts and risks, and continuously improved environmental management levels, so as to ensure compliant operation of the enterprise, and achieve continuous improvement in environmental performance.

By the end of 2023, no environmental violations that had a significant impact on the Group had occurred throughout the year.



By the end of 2023,

79

enterprises of the Group had obtained ISO14001 environmental management system certification

Implemented

127

environmental improvement projects.

Green Products and Services

Green products and services are the key issues for the Board of Directors. Based on the business characteristics of each segment, the concepts of green, low carbon and circular economy are incorporated into the design, research and development, production and promotion of its own products and services. It actively explores and practices green development.

We strictly abide by the Environmental Protection Law of People's Republic of China, the Law of the People's Republic of China on Promoting Clean Production, and relevant laws and regulations at the place of business, and implement the CIMC Green Development Plan and the CIMC Environmental Protection Work Guide, in an effort to promote enterprises of CIMC to continuously improve the environmental compliance management system based on the industry characteristics and actual operating conditions, and meet the requirements and regulations of new project construction, pollution control and up-to-standard discharge, green and clean production, energy saving and consumption reduction, thus promoting the green and low-carbon development of the CIMC and its enterprises.

CIMC vigorously engages in the research and manufacturing of green products, assisting global customers and society to reduce emissions. CIMC's advanced technologies and products, such as bamboo flooring, natural gas and hydrogen energy equipment, offshore wind power equipment in offshore engineering, improvements in container and vehicle painting processes, and modular construction, are contributing to the reduction of social resource consumption, lowering discharge of pollutants, and driving the transition towards green development. CIMC ENRIC, with a substantial supply of LNG equipment, contributes to both customers and society in promoting the use of clean energy and reducing carbon emissions. CIMC actively respond to the national call for "dual carbon goals" by providing high-quality solutions to support supply chains and social engagement in carbon reduction actions. Our midterm goals are to conduct new carbon footprint assessments on no fewer than three star products annually and introduce at least one new green and low-carbon product or service each year. Following these midterm goals, we will continue to develop initiatives such as establishing a green and low-carbon product and service ecosystem and further optimizing plans for green and low-carbon products and services.



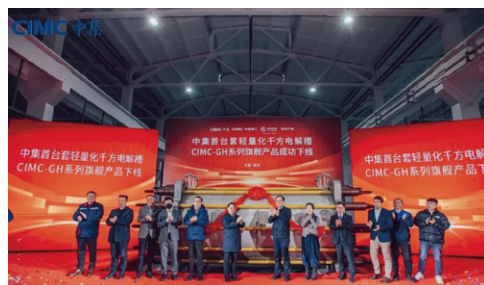
Case NO.41 | CIMC ENRIC Successfully Developed Low-Temperature Anhydrous Ammonia Trucks, Pioneering a New Model for "Green Ammonia" Storage and Transportation

In October 2023, CIMC ENRIC's subsidiary, Shijiazhuang Enric, successfully rolled out the first domestically-produced low-temperature anhydrous ammonia transport truck in China and achieved mass delivery. The low-temperature anhydrous ammonia transport truck delivered this time utilizes a specially designed storage and transportation system, which significantly reduces energy consumption caused by cooling devices during unloading, thereby enhancing loading and unloading efficiency, reducing carbon emissions, and catering to a wider range of application scenarios.



Case NO.42 | CIMC-GH Series Lightweight 1,000-Cubic-Meter Electrolyzer Successfully Launched

In January, 2023, the flagship product of CIMC-GH series of new lightweight 1,000-cubic-meter electrolyzer of "CIMC-GH2", a green hydrogen equipment brand owned by CIMC Offshore Engineering, was launched and the launching ceremony of CIMC Yangzhou Hydrogen Production Equipment Production Base was held in Yangzhou. This alkaline electrolyzer is the first green hydrogen production equipment introduced by CIMC to the market, marking the company's official entry into the race for green hydrogen production equipment.



Management of Key Pollutant Discharge Enterprises

As of December 31, 2023, the Group had a total of 37 key pollutant discharge enterprises. CIMC has attached great importance to the management of key pollutant discharge enterprises. Through the establishment of data collection system and dashboard management, the Group supervised and urged all of its key pollutant discharge units to fulfill their main responsibilities, abide by environmental protection laws and regulations, independently reduce environmental pollution emissions, and disclose environmental information to the public in a timely manner. It also organized environmental protection trainings to empower corporate management. During the reporting period, the Group's accumulated total investment in environmental protection exceeded RMB 214 million. Among them, the key units of environmental supervision invested more than RMB 173 million in environmental protection, and paid environmental protection taxes totaling RMB 639,300 in accordance with relevant laws and regulations.

In 2023, the Group's accumulated total investment in environmental protection exceeded

RMB **214** million.

Among them, the key units of environmental supervision invested more than

RMB **173** million in environmental protection.

Emergency Plan for Environmental Emergencies

In 2023, all the key environmental supervision units under the Group prepared emergency plans for environmental emergencies and filed them with relevant competent departments. All have developed relevant management methods and processes for environmental emergencies, have been equipped with relevant emergency facilities and proper maintenances, and have organized and completed emergency drills for environmental emergencies within the year.

In respect of information disclosure, the Group discloses the information of its key pollutant discharge enterprises every year in the Group's semi-annual financial reports and annual financial reports as required, while all key pollutant discharge enterprises fulfill their responsibility for environmental protection information disclosure in multiple ways, such as the information platform of local environmental protection authorities, their official websites, their WeChat official accounts, and their display boards at the entrance.

Construction of Green Factories

Following the concept of green development, CIMC continuously promotes low-carbon and green manufacturing, comprehensively promotes high-end manufacturing, continuously promotes the use, upgrading and renewal of environmental protection equipment, taking the construction of green factories as the leverage, and actively adopts advanced clean production process and technologies and environment-friendly raw materials. It aims to improve pollutant treatment efficiency and continuously minimize pollutant emissions, unlocking potential for the development of the Group. By the end of 2023, 35 enterprises of the Group had passed the clean production audit certification, and a total of 36 enterprises had passed the "Green Factory" certification (including 19 national green factories), of which 9 enterprises were newly selected as national green factories in 2023.



By the end of 2023,

35 enterprises of the Group had passed the clean production audit certification.

A total of

36 enterprises had passed the "Green Factory" certification.

Among them,

19 enterprises were certified as national green factories.

Among them,

9 enterprises were newly selected as national green factories in 2023.



List of newly selected national "green factories" in 2023

- 1 Enric (Bengbu) Compressor Co., Ltd.
- 2 Dalian CIMC Containers Co., Ltd.
- 3 Shanghai CIMC Yangshan Logistics Equipment Co., Ltd.
- 4 Shanghai CIMC Baowell Industries Co., Ltd.
- 5 Yantai CIMC Raffles Offshore Engineering Co., Ltd.
- 6 Zhangzhou CIMC Container Co., Ltd.
- 7 Ningbo CIMC Logistics Equipment Co., Ltd.
- 8 Longkou CIMC Raffles Offshore Engineering Co., Ltd.
- 9 Yangzhou CIMC Tonghua Special Vehicles Co., Ltd.



Green Finance

This year, CIMC has continuously explored innovative financial fields, reflecting its commitment to pioneering innovation.

1. Successfully Issued Sci-Tech Corporate Bonds

In June and August 2023, CIMC successfully issued two batches of sci-tech bonds, namely, "China International Marine Containers (Group) Co., Ltd. 2023 Third Phase Short-term Financing Bonds (Sci-Tech Bonds)" and "China International Marine Containers (Group) Co., Ltd. 2023 Fourth Phase Short-term Financing Bonds (Sci-Tech Bonds)," raising RMB 2 billion.

2. CIMC was Awarded the "Best Corporate Green Financing Action Award"

In May 2022, CIMC issued the first blue bond in the Guangdong-Hong Kong-Macao Greater Bay Area in the interbank bond market. In November 2023, this bond was selected as "An Excellent Case of High-quality Development in Green Finance in 2023" by the Shenzhen Green Finance Association. CIMC was awarded the "Best Corporate Green Financing Action Award." The bond was rated G-1 by China Chengxin Green Finance Assessment.



Case NO.43

CIMC ENRIC Successfully Developed Low-Temperature Anhydrous Ammonia Trucks, Pioneering a New Model for "Green Ammonia" Storage and Transportation



Green Office

CIMC encourages employees to adhere to the norms of ecological citizenship behavior and vigorously advocates for green office. This includes strengthening energy conservation and environmental protection propaganda, posting slogans for water and electricity conservation, purchasing energy-efficient equipment, promoting green commuting, implementing paperless initiatives, and supporting remote work to promote green and low-carbon concepts.

Implementing Paperless and Remote Work

CIMC promotes paperless office environments through the internal OA office system and the application of the CIMC Mobile iWork app. For example, the "CIMC Mobile iWork" system had activated users reaching 24,000 by the end of 2023, effectively covering office personnel. CIMC advocates for environmentally friendly remote work, promoting network video conferencing services to facilitate communication among employees, and collaboration with clients and suppliers without geographical or time limitations, thereby improving work efficiency. In 2023, it conducted a total of 36,075 network video conferences, with a total duration exceeding 12 million minutes, significantly reducing energy consumption caused by frequent business trips.

The "CIMC Mobile iWork" system had activated users reaching

24,000

It conducted a total of

36,075

 network video conferences

Environmental Training and Education

CIMC actively responds to various green environmental practices and regularly organizes environmental advertisements. We also encourage and support employees to participate in various forms of environmental actions, such as tree planting and garbage collection, and increase employees' awareness of energy conservation and environmental protection through posting slogans for water and electricity conservation and providing comprehensive environmental training. We actively promote green commuting and other methods to practice green and low-carbon concepts.



Case NO.44

CIMC's Participation in the 45th National Tree Planting Day

In March 2023, CIMC and its container segment jointly organized a tree planting activity at the Nanfang CIMC Factory in Fenggang, Dongguan, in celebration of the 45th National Tree Planting Day. Representatives from the group, divisions, and enterprises totaling more than 60 people participated in this event.



Case NO.45

Tree Planting Activity in Luoyang Lingyu

In March 2023, CIMC in Luoyang Lingyu organized a voluntary tree planting activity for party members in the factory. A total of 24 party members from six branches planted 47 osmanthus trees as part of the "Carbon Sequestration in Ecological Environment" initiative.



Case NO.46

CIMC Employees from the Energy and Chemicals Segment Participated in Green and Low-carbon Week




In October 2023, CIMC Enric organized and launched a Green and Low-carbon Week themed "Moving Forward Together and Leading in Low-carbon" along with a charity donation event for supporting education. All employees of the division actively participated in this event, demonstrating their commitment to reducing carbon emissions and contributing to green and low-carbon initiatives through practical actions.

周一 绿色出行，减排又健康



Developing with Joint Efforts

The development of an enterprise relies on the dedication of every employee. CIMC advocates for a core human resources philosophy centered around "people-oriented and shared success," where individuals who are willing, capable, and achieve results are valued. We strive to create a community of shared achievements and shared risks, aligning the direction of corporate development with the aspirations of employees. We uphold the spirit of continuous self-improvement and pursuit of excellence, fostering a culture where both the company and its employees can grow together. As responsible corporate citizens, we are committed to the well-being of society and the local community. We endeavor to create prosperity in the areas where we operate, supporting local economic development and social welfare initiatives. We actively respond to United Nations Sustainable Development Goals (SDGs) of 3, 4, 5, and 8.

Relevant Issues	Our Actions	Our Achievements	Our future efforts	Response to SDGs
Employee Health and Safety (Critical topic)	We focus on the physical and mental health of employees, ensuring workplace safety, and providing labor protection equipment.labor protection equipment.	By the end of 2023, 68 companies have been certified with ISO45001, 77 companies have been certified with standardized safety production.	Achieve zero work-related fatalities and zero new cases of occupational diseases.	3. GOOD HEALTH AND WELL-BEING 
Employee Training and Team Building	Development of the X Plan of Cultivating High-potential Young Talents; Implementation of the Workplace Acceleration Camp program.	The average training hours per person amounted to 142.96 hours, reflecting a year-on-year increase of 82.07%.	Continuously promote the provision of richer and more comprehensive learning content, further improving the talent development system.	4. QUALITY EDUCATION 
Employment Management and Protection of Employee Rights	Clearly define the rights of female employees and strictly implement related leave arrangements such as prenatal check leave, maternity leave, breast-feeding leave, and childcare leave.	Focus on improving the comprehensive qualities of female employees and alleviate the pressure on frontline female workers, including provisions for "parental leave" and "care leave".	Provide female workers with more and more generous Welfare benefits.	5. GENDER EQUALITY 
Employee Decent Compensation	Regularly review and assess the competitiveness, fairness, and motivational status of compensation.	Provide long-term incentives for employees through and employee stock ownership plan.	Continuously adjust and optimize relevant assessment and incentive schemes.	8. DECENT WORK AND ECONOMIC GROWTH 



People-oriented, Shared Success

// Enterprise Culture

Culture can unite and shape staff, and foster company. CIMC has persistently cultivated its corporate culture as a source of soft power over the years, continuously promoting the construction of corporate culture to facilitate its high-quality development. It utilizes culture to build consensus, unleashes its energy, and upholds the fine traditions of corporate culture, inspiring its employees to forge ahead bravely and strive for excellence. In December 2023, it renewed its corporate culture system, deeply interpreting its mission, vision, corporate spirit, and core values, implementing its development philosophy, and adhering to the fundamental principle of "win-win". It strengthened its business synergy and led with high standards for reaching championship quality and creating champion products, so as to forge brand value and achieve high-quality development.

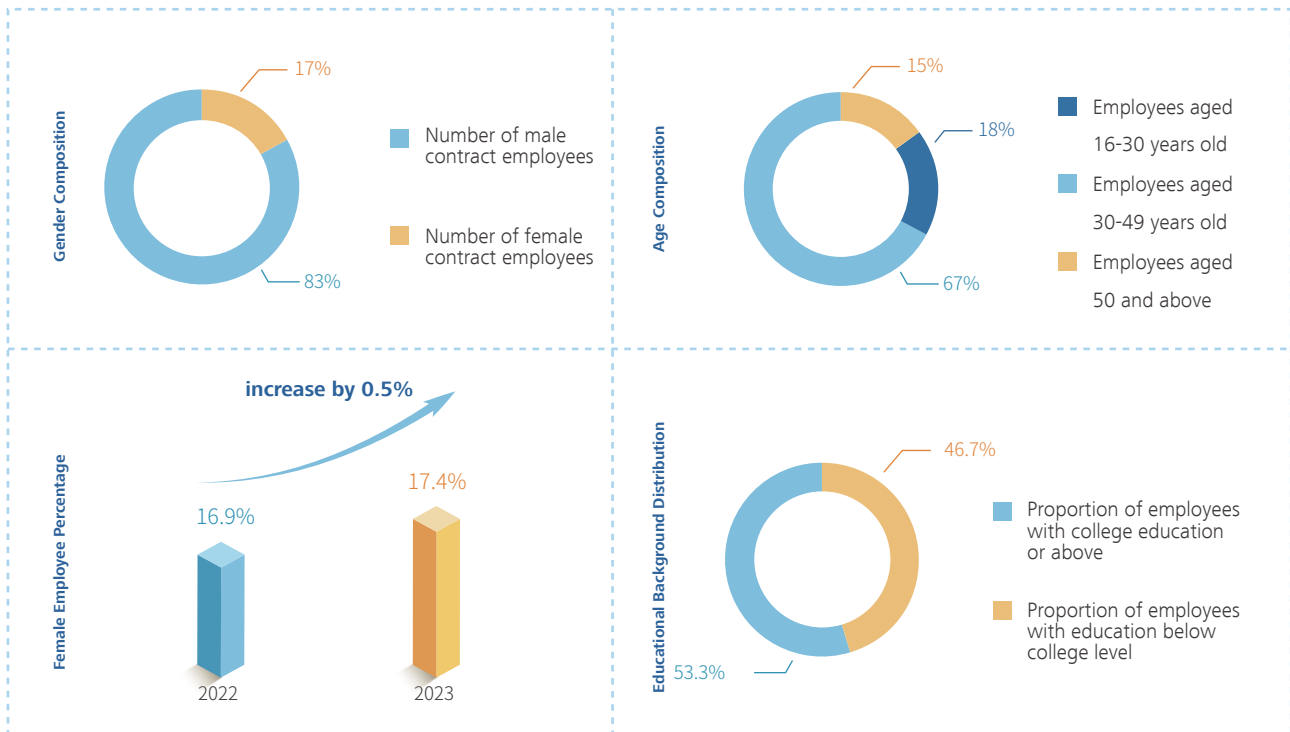


In March 2023, CIMC was honored with the "2022 Advanced Unit in Enterprise Culture Construction in Guangdong Province," jointly awarded by the Guangdong Enterprise Culture Research Association and the Guangdong Market Economy Promotion Association.

// Employee Overview

As of the end of the report, the CIMC total employees worldwide, including contract workers, retired rehired employees, part-time employees, etc., stood at 68,940. Among them, the number of overseas employees outside mainland China is 4,366 (including the Hong Kong, Macao, and Taiwan regions). In terms of contract workers, the proportion of female employees is 17.4%, which increased by 0.5 percentage points compared to the end of 2022, while the proportion of female managers increased by 2.4 percentage points. We pay attention to the mental health of female employees, always safeguard their legitimate rights and interests, and strive to improve their overall quality while actively reducing pressure for frontline female workers. Among contract workers in our group, 53.3% have a college degree or above. We also focus on employment opportunities for disabled individuals, and the number of disabled individuals recruited by our group has exceeded one hundred.

The following is the division of contract employees by category:



// Employee Recruitment

CIMC adheres to the principles of fairness, openness, and impartiality in recruitment, respecting employee diversity, and strictly prohibits discrimination based on gender, ethnicity, age, education level, religious beliefs, disabilities, etc. We are committed to protecting the basic human rights of employees, establishing clear minimum age requirements for recruitment through the recruitment system, and utilizing information technology to accurately verify and eliminate the use of child labor. Based on the development philosophy of diverse, global businesses, CIMC attaches great importance to the diversified construction of talent teams. We have established a scientific and effective talent recruitment and training mechanism, cultivating a skilled and high-quality talent team through diverse recruitment channels, clear recruitment needs, and brand image establishment, etc. In 2023, there were not child labor, forced labor, or other violations of employment and labor standards.



Zhaopin
China Preferred Employer
Of The Year 2023



Liepin
Guangdong Outstanding
Employer Of The Year 2023



Case NO.47

Cooperation Agreement between Xinhui District Veterans Affairs Bureau and CIMC Modular Building System to Promote Employment of Veterans

In July 2023, the Xinhui District Veterans Affairs Bureau signed a “Cooperation Agreement to Promote Employment of Veterans” with CIMC Modular Building System and awarded it the plaque of “Cooperative Enterprise for Employment of Veterans in Xinhui District.”



// Employee Rights Protection

CIMC strictly adheres to the relevant laws and regulations of the operating locations, such as the Labor Law of the People’s Republic of China and the Labor Contract Law of the People’s Republic of China, respecting and safeguarding the legitimate rights and interests of employees. We strictly comply with the Social Insurance Law of the People’s Republic of China and the Regulations on the Administration of Housing Provident Funds, legally paying social insurance, work-related injury insurance, medical insurance, unemployment insurance, maternity insurance, and housing provident fund contributions for employees. We adhere to equal employment, oppose forced labor, and legally pay social insurance for employees while signing labor contracts with them. The contract signing rate for formal employees across the entire group in 2023 was 100%. The group is committed to expanding more enterprise-initiated and optimized employee dedication surveys, assisting companies in customizing personalized survey plans, optimizing survey questionnaires that meet their characteristics and needs, and ensuring the authenticity and effectiveness of the results. Through in-depth analysis of survey data, we identify key factors and provide improvement directions.

The contract signing rate
for formal employees across
the entire group in 2023

was **100%**



Working Hours and Vacation


CIMC stipulates standard working hours in accordance with national laws and regulations and the requirements of the operating locations, and implements a paid leave system. Some subsidiary companies implement comprehensive working hour systems for specific positions based on the characteristics of the manufacturing industry and job requirements, after obtaining approval from the local government, to ensure that the average daily and weekly working hours of employees are the same as the statutory standards. Based on negotiations with employee representatives and trade unions and the principle of voluntary participation by employees, overtime work is arranged for employees based on the actual order situation of the company, and overtime work is compensated according to local regulations or arrangements for compensatory time off. CIMC strictly pays employee wages on time, complies with relevant laws and regulations on statutory working hours and rest breaks, and prohibits forced labor practices. In addition to complying with legal requirements for work hours and vacation, we also provide statutory benefits such as statutory holidays, heat subsidies, and implement humane measures such as additional annual leave.

 **Employee Privacy Protection**

CIMC attaches great importance to protecting the personal privacy of employees. We comply with the Personal Information Protection Law issued by the state, conduct studies on the Personal Information Protection Law, and emphasize management in the protection of employee personal information. We ensure that all employees sign a “Confirmation of Authorization for Processing Personal Information” to protect the security of employees’ personal information. Additionally, we have added a “Confidentiality Measures” section in the “Employee Handbook” to enhance employees’ awareness of protecting personal information. Regular training on personal information protection is provided to employees to enhance their legal awareness and protection capabilities. Each company in CIMC continues to strengthen the personal information security management system. For example, only authorized personnel can log in to view personal information through the HRMS system, and authorized personnel must sign relevant confidentiality agreements.

 **Employment Guidelines**

CIMC adheres to international human rights and labor standards, eliminating all forms of child labor, forced labor, and employment discrimination in both policy and practice. There were no child labor, forced labor, or other violations of employment and labor regulations during the reporting period, and punitive measures are in place for violations of relevant provisions according to applicable laws and regulations.

 **Prohibition of Forced Labor**

All employees of CIMC have clear provisions in their labor contracts regarding their positions, working hours, labor protection, and compensation. We respect employees' freedom of employment and strictly prohibit any restrictions on their personal freedom or forced labor through means such as collecting deposits, withholding documents, or threats. When employees resign, the company will not restrict their choice of new employment for any reason or by any means. For employees with access to trade secrets, we sign non-compete agreements and provide corresponding financial compensation.

 **Reducing Physical Labor Intensity**

We further deepen the concept of “technological innovation and transformation” and vigorously develop technological innovation to reduce the physical labor intensity of employees. For example, China International Marine Containers (Group) Co., Ltd. has launched the “Dragon Plan” to assist in manufacturing upgrades, using technology to improve production automation and simplify production. Through the transformation of automated equipment and the substitution of machinery for some manual labor, we reduce the labor intensity of workers, contributing to their physical health and improving operational safety.

 **Protection of Female Employees**

CIMC has clearly defined the rights of female employees in company regulations and signs protection contracts with them, specifying labor protections during menstruation, pregnancy, childbirth, and lactation. We are committed to promoting gender equality to ensure that female employees receive full attention and opportunities in our organization. The cadre management of the group clearly requires that the management teams of subordinate enterprises should have a gender-balanced composition, and we also focus on the leadership development, training, and honor incentives for female managers.

Digital Transformation of Human Resources

Under the guidance of the “Digital CIMC” strategy, we are comprehensively promoting the digital transformation of human resources.



Case NO.48

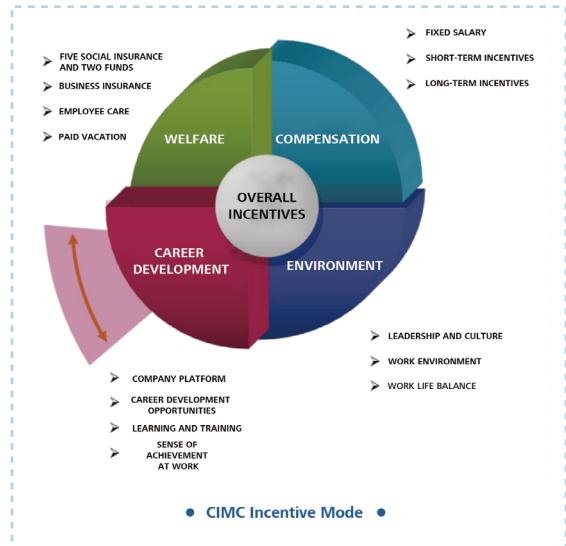
Collaboration with Professional Consulting Firm to Promote Digital Transformation of Human Resources

In August 2023, the kickoff meeting for the CDHR system project of CIMC was held at its headquarters in Shenzhen, marking the official entry of the project into the pilot construction phase. Since talent is the primary resource of an enterprise, CIMC accelerates the transformation and upgrading of management systems and mechanisms through digital means, promoting management digitization and intelligence, and steadily advancing the high-quality development of CIMC.



// Employee Compensation and Benefits

Our compensation management adheres to the principles of “external competitiveness”, “internal equity” and “incentives”, combining precise evaluation and implementing diverse incentives within the company’s compensation framework. The incentive system of sharing benefits and sharing responsibilities has been further enriched. Based on internal and external realities, CIMC regularly reviews and evaluates the competitiveness, fairness, and effectiveness of compensation and adjusts and optimizes relevant assessment and incentive schemes accordingly.



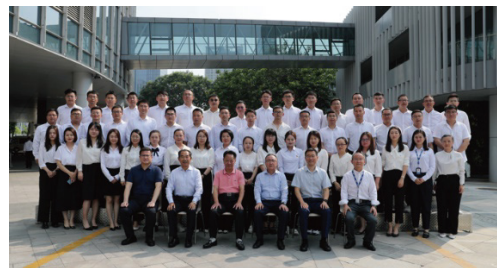
Offshore Segment: Transforming Traditional Inclusive Compensation Structures

The Offshore Segment is implementing personalized compensation and incentive plans tailored to different employee groups to achieve point-to-point incentives. For example, for managerial staff, an annual salary system is implemented, with income linked to organizational performance assessments. The Offshore Sector prioritizes compensation and benefits for high-end professional talents and university graduates, developing attractive and retention-oriented compensation and incentive plans. Additionally, it focuses on key areas such as salary adjustments and talent development.



Case NO.49 | CIMC Organizes the First May Fourth Medal Award Ceremony of the CIMC Youth

CIMC held the first May Fourth Medal Award Ceremony of the CIMC Youth, where its chairman, president, and other leaders personally awarded the recipients. This initiative promotes and establishes benchmarks and demonstrations within the group for valuing talent contributions, thereby enhancing the group’s organizational development and talent management capabilities.



// Employee Development Training

CIMC is committed to talent identification and cultivation, encouraging employees to acquire professional knowledge and skills through practical work experience, enhancing personal leadership, and providing promotion opportunities for those willing and capable.

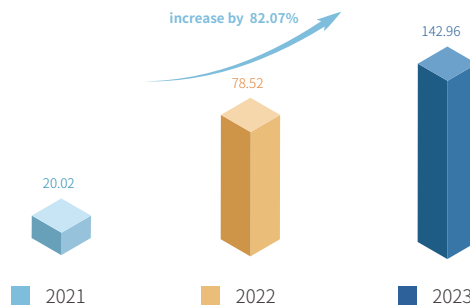
Employee Development and Organizational Institutional Support

The talent development of CIMC is guided by the core belief that “people are the most important for the development of CIMC.” We strengthen the construction of core talent echelons and strive to build a strategic talent supply chain. This involves various aspects such as rapid market-oriented talent replenishment, effective internal mobility, nurturing pathways and ecosystems suitable for their growth and development, providing opportunities for practical experience and training, and matching corresponding incentives and support. These efforts aim to strengthen the construction of core talent echelons and support CIMC in expanding its advantage businesses and achieving high-quality growth.

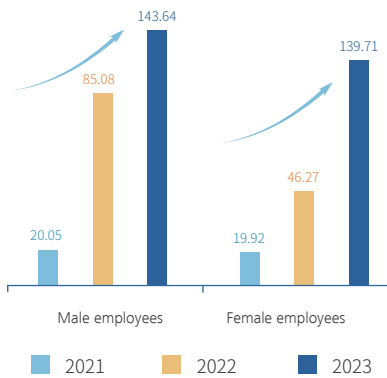


Talent development within CIMC is facilitated by the Core Cadre Talent Management Committee, various business segments, directly managed enterprises, CIMC Human Resources Department, and CIMC Academy, ensuring robust organizational and institutional support. Through an integrated approach encompassing selection, cultivation, and utilization, CIMC ensures the effective implementation of talent development initiatives, with a particular focus on cadre development. This comprehensive strategy guarantees the successful realization of CIMC’s talent strategies.

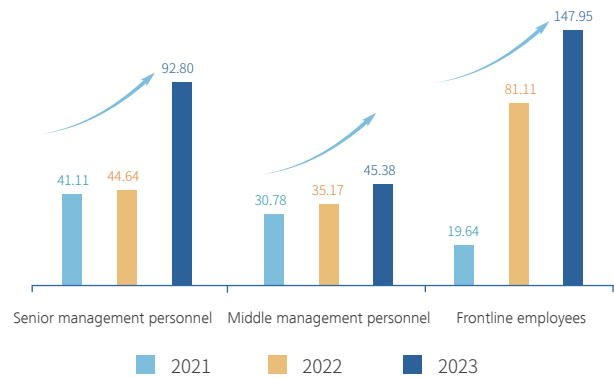
• Per capita training duration •



• Average training duration per person (hours) categorized by gender •



• Average training duration per person (hours) categorized by employee type •



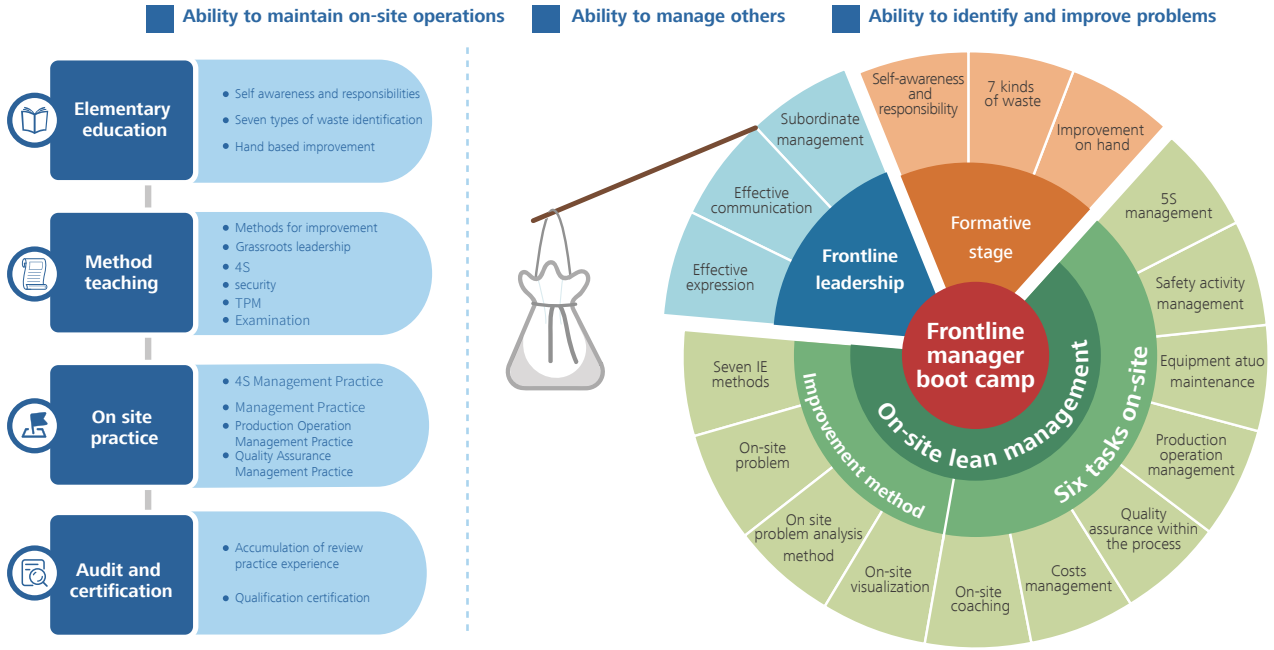
Case NO.50 | The first Group Talent Contribution Award

At the beginning of 2023, the Group started the first selection for the “Talent Contribution Award”, and the outstanding talents were commended at the annual conference in March. Established in the context of the new era and the group’s new strategic stage, the award aims to guide and motivate teams and leaders at all levels to build organizations and talent teams that support business development and functional development of the group.



CIMC employee training:

- The talent development in the production site sequence:** The talent development system at CIMC’s production sites is fairly comprehensive in terms of content and methods, achieving significant empowerment outcomes.
- Talent development for clerical cadre personnel:** The talent development system of CIMC has gradually taken shape. In 2023, there were a total of 17 talent development projects for clerical cadre personnel within the group, cultivating over 1,150 core cadres and key employees across the group, business segments, and enterprises.



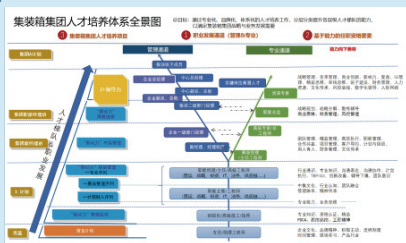
- The X Plan’s high-potential young talent development program aims to promote the rejuvenation of cadres and the implementation of talent pipeline responsibility, constructing an accelerator for cultivating high-potential young cadres within the group.
- The Workplace Accelerator Program focuses on addressing typical work challenges for grassroots backbone employees, enhancing workplace professionals’ comprehensive vocational abilities through three aspects: self-management, results-driven approaches, and fostering collaboration.

Employees training of all segments:

We attach great importance to the competence improvement and training of employees at all levels from the Group to each business segment. We have developed the “Training Management System” for employee training, and based on the business characteristics of each business segment, implemented annual training plan on an annual basis to collect, assess and implement training needs.

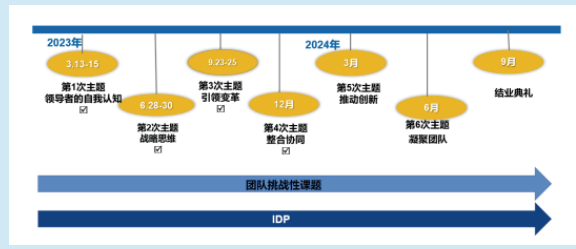
Talent development of CIMC Container

In 2023, the CIMC Container Headquarters further improved its talent development system, gradually forming three major talent development program brands: “Z+ Leadership, New Power Training Camp, and Dragon Plan.” Additionally, skill training for production line blue-collar workers and the development of multi-skilled workers were also implemented.



CIMC Eric high-level executive reserve talent pool construction Leading Blue Action Phase I Class

CIMC Eric initiated the Leading Blue Action, assisting 16 official trainees in acquiring knowledge in four main thematic areas: strategic management, enterprise operation, integrated collaboration, and leadership team.



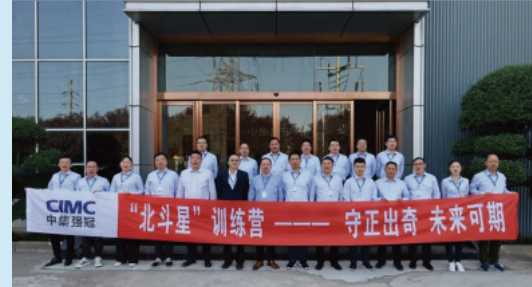
Talent Development of CIMC Offshore

In 2023, CIMC Offshore optimized the overall framework of its employee training system by benchmarking against the group and peer companies. It established "project-based" training plans tailored to different groups of people.



CIMC VEHICLES——Talent Development of CIMC Vehicles Tanker

In 2023, CIMC Vehicles organized talent development and training programs such as the "Succession Plan" grassroots reserve management cadre training camp and the "Polaris" cadre training camp.



// Employee Health and Safety

We continuously monitor the health and safety of our employees, providing them with a comfortable and secure working environment. The Board of Directors pays close attention to employee health and safety, making it a key agenda item for 2023. We focus on the physical and mental health development of employees, strengthen risk control, supervision, and inspection, further enhance the construction of the HSE system, and fully respond to the needs of stakeholders.

A robust HSE management system

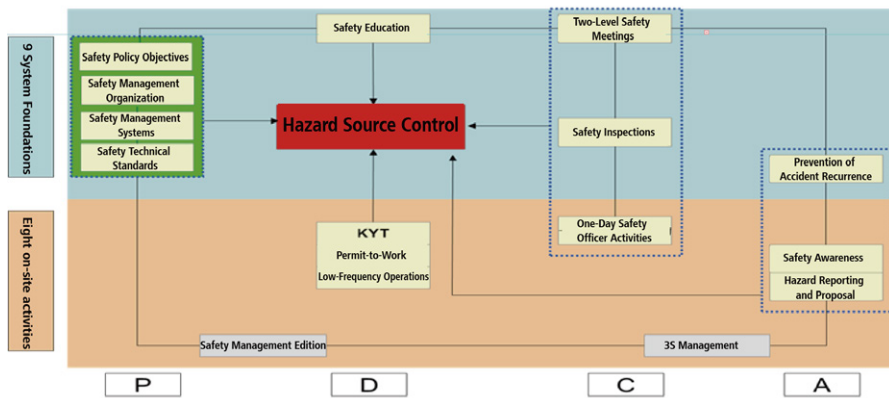
CIMC takes the "People's Republic of China Production Safety Law," the "People's Republic of China Law on the Prevention and Control of Occupational Diseases," and other relevant laws and regulations as the premise, strictly implements HSE-related laws and regulations, firmly establishes the HSE concept of "compliance with laws and regulations, safety and health, and green operation," deepens the implementation of the HSE responsibility system, adheres to hierarchical management at the group and business segment levels, with each segment and enterprise as the operating entity, legally assuming the main responsibility for HSE, strengthening risk control, and fully reinforcing the line of defense for safe production, continuously enhancing the HSE governance system and governance capabilities.

CIMC and its subordinate units have established HSE committees and supervisory management departments at all levels, responsible for overall planning, decision-making, deployment, and supervision of HSE work at all levels. This includes formulating annual HSE policies and target management plans, hearing HSE work reports, researching HSE issues, and making decisions and deployments. Each enterprise strictly implements the principle of "whoever is in charge is responsible" for HSE, establishes a sound organizational structure, strengthens personnel resources, increases investment, progressively strengthens responsibilities, and conducts strict assessments. CIMC incorporates occupational health and safety and environmental protection expenditures into the annual business plan and financial budget. Each level of enterprise fully extracts and uses HSE funds in accordance with regulations to ensure various budget expenditures (such as occupational hazard control and safety production).

1. Strengthen the identification of occupational health and safety risks to enhance the level of intrinsic safety.

Occupational health and safety risk identification and control are the core components of the CIMC's HSE management system. In CIMC's strategic plan from 2023 to 2027, strategic development initiatives and organizational support measures related to health and safety are formulated. Each enterprise has established a management system for identifying, assessing, and classifying safety risks. All employees, from frontline operators to top management, are systematically involved in identifying and assessing all hazardous factors to determine safety risk levels and develop safety measures. Based on the results of risk identification and assessment, enterprises formulate safety investment plans to address and improve key safety risks, reduce risk levels, and enhance the level of intrinsic safety management on-site.

"9+8" Safety Management System Diagram



2. Strengthen the dissemination and implementation of national policies and conduct supervision, inspection, and rectification of hidden dangers in accordance with them.

In 2023, CIMC diligently implemented various HSE policy requirements issued by the Party Central Committee and the State Council. This included initiatives such as the national “Winter-Spring Fire Prevention” campaign, the nationwide special inspection and rectification of major accident hazards in 2023, and the organization and study of relevant requirements and action plans by CIMC and its various segments. Each enterprise conducted benchmarking, reviewed and compiled lists of risk and hidden dangers, and established corresponding action plans.

CIMC evaluates the HSE management level of its affiliated enterprises based on domestic and international experiences and standards. Certification is categorized into four levels: Qualified, Bronze, Silver, and Gold. Each certification cycle lasts for three years. CIMC and its segments are responsible for organizing the evaluation and certification work within each cycle, covering all enterprises requiring certification. Each enterprise must undergo evaluation and certification at least once every three years.

CIMC incorporates occupational health and safety and environmental protection expenditures into the annual business plans and financial budgets. Each level of enterprise extracts HSE funds in full and utilizes them according to regulations, ensuring adequate investment in various expenses such as occupational hazard management and safety production.

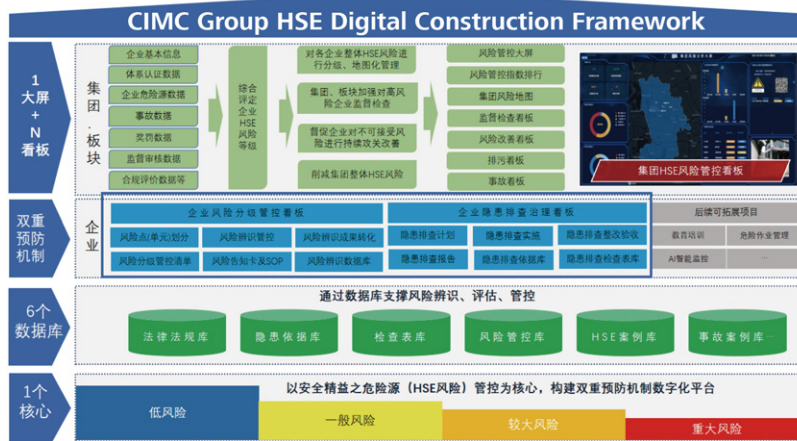
CIMC has integrated a Lean Safety “9+8” module with distinctive CIMC characteristics in on-site operations for over a decade. This module is combined with national safety production standardization construction, dual prevention mechanisms, ISO 45001 occupational health and safety management system, and ISO 14001 environmental management system, integrating and sharing resources. Adhering to the principles of full staff participation and continuous improvement, the management is implemented through the PDCA cycle (Plan, Do, Check, Act), constantly refining execution and enhancing HSE risk control capabilities.

3. Implementing HSE Empowerment Training Programs

CIMC attaches importance to the capacity-building of key enterprise leaders, HSE management personnel, and other management staff. It has formulated and released the “HSE Training Certification Management Measures for Enterprise Key Responsible Persons and Grassroots Management Personnel.” In 2023, CIMC organized 10 sessions of specialized HSE training seminars, with a total of more than 406 leaders and colleagues responsible for HSE from various segments and enterprises participating.

CIMC actively promotes the use of intelligent and informational means to strengthen HSE work, promoting the application of advanced and applicable new technologies, processes, equipment, and materials. It enhances the construction of a dual prevention mechanism and gradually establishes a comprehensive CIMC HSE risk management and control information system. This helps companies gradually achieve clear visibility, effective control, and feasible actions regarding HSE risks.





4. Daily supervision and inspection to identify and mitigate risks and hazards.

CIMC and its subsidiaries employ a combination of inspections, compliance audits, spot checks, special inspections, and routine patrols to promote the identification and remediation of hazards, thereby enhancing enterprise risk management capabilities. In 2023, a total of 112 inspections were conducted across CIMC and its subsidiaries, resulting in the identification of 2,549 issues. As of the end of the year, 97% of these issues had been rectified.

- Actively promoting the transformation of high-risk processes, enhancing the management of occupational hazards on-site, accelerating the implementation of mechanization, automation, and digitalization upgrades, and exploring the achievement of intrinsic safety to create a healthy, safe, and dignified working environment for employees.
- A total of 1,307 research topics have been established to address various types of hazards, including 661 safety topics, 127 environmental topics, and 178 occupational health topics.
- Through initiatives such as promoting research topics and implementing “foolproofing” measures, the number of significant hazards decreased by 373 (a reduction of 10%) compared to the beginning of 2023. Additionally, by upgrading production line processes to improve the working environment on-site and reduce occupational hazards, the number of people affected decreased by 3,136 compared to the beginning of 2023.

The group attaches great importance to emergency management work, urging all levels of enterprises to establish and improve emergency management systems, enhance emergency management organizations, develop emergency plans, and submit them for review and filing by the competent authorities in the places of operation. They organize various emergency training and drills, and ensure the construction of emergency materials, equipment, and teams, aiming to enhance emergency response capabilities.

2,549 issues identified,
97% of which were rectified

this year Significant hazards down by

373 (10% reduction)
compared to early 2023. **3,136**

fewer exposed individuals since the

beginning of 2023.

1,307

targeted research initiatives addressing various hazards

661

safety-focused topics

127

environmental topics

178

Occupational health topics



Number of fatalities due to work-related responsibilities over the past three years (Total count includes global employees)



Number of lost workdays due to workplace injuries among domestic employees (in days)

- 2021:0
- 2022:0
- 2023:0
- 2023:15,364

Note: As of December 31, 2023, the number of fatalities due to work-related responsibilities was based on officially recognized production safety incidents.

// Employee Care, Communication, and Support

CIMC advocates for effective communication between employees and management, placing particular emphasis on communication between frontline workers and the company. In mainland China, enterprises have established trade union organizations in accordance with the Trade Union Law of the People's Republic of China, holding regular workers' congresses to review various system regulations that affect employees' vital interests and ensuring democratic communication. At the end of 2023, CIMC's trade union was awarded the honorary title of "Outstanding Workers' Home of Shenzhen Industry and Transport Union," and the chairman of CIMC's trade union, was honored as an "Outstanding Trade Union Worker in Shenzhen." Additionally, the Tianjin CIMC Trade Union was awarded the title of "Lighthouse Trade Union" in the Tianjin Port Free Trade Zone.

Offshore Segment: Holding Two Large-scale Employee Communication Meetings



In 2023, the Offshore Segment held two large-scale employee communication meetings, addressing and resolving employee concerns through meeting discussions and on-site responses.

Recycled Load Segment: Open and maintain various channels of communication for employees



The Recycled Load Segment actively listens to the voices of employees, regularly holding "Management and Employee" face-to-face communication activities, engaging in sincere dialogues on-site to genuinely listen to the concerns of employees. An online platform, the "Community Forum – Recycled Load Internal Employee Forum," has been established to share authentic thoughts and ideas among employees.

Container Segment: Establish multiple employee communication channels to facilitate two-way communication



In Taicang CIMC, various methods such as workers' congresses, employee forums, and performance interviews are utilized to solicit and adopt employees' opinions and suggestions on company development and management. Through the establishment and daily operation of communication channels, employees actively contribute ideas, and the company actively responds and implements improvement measures.

Energy and Chemicals Segment: Organized special collective contract signing ceremonies, including wage collective bargaining



In July 2023, collective bargaining and signing ceremonies were held for a new round of four special collective contracts, including the "Collective Contract." During the meeting, further responses and attention were provided to issues concerning the concerns of the workers, especially the immediate interests of certain groups of young workers.

Airport Segment: Union's Great Love, United Against Summer Heat



In August 2023, organized by the labor union of Shenzhen CIMC Tianda Airport Equipment Co., Ltd., a summer cooling event was held in the production workshop of CIMC Tianda Industrial Park. A batch of WALOVI herbal tea, towels, heat-reducing medicine boxes, and other supplies provided by the municipal federation of trade unions were distributed to the frontline workers who needed them the most.

The Group attaches great importance to the employees' sense of happiness, sense of gain and sense of security. We:

- Providing annual medical examinations for employees. For special occupations with occupational disease risks, we conduct pre-employment, on-the-job, and pre-resignation medical examinations, and dynamically manage the examination results.
- Care for mental health of employees. Relieving work stress through various trainings and psychological counseling. For instance, the medical clinic at CIMC Nantong has established a counseling room for psychological support and implemented an employee mental health assistance program.
- Care for women's health and welfare. Some companies have set up lactation rooms to provide comfortable resting areas for pregnant women and new mothers.



Case NO.51

CIMC Headquarters International Women’s Day Honor Recognition Ceremony and Women Employees Representative Symposium

CIMC Party Committee and Labor Union held a ceremony to commend outstanding female employees of the Group Headquarters for their contributions, and convened a symposium with female workers’ representatives. Secretary Mai engaged in discussions with outstanding female employee representatives and female labor model representatives, expressing the hope to further strengthen organizational support for female workers, continue to safeguard their rights and interests, and enhance their sense of ownership through a variety of caring activities.



Case NO.52

Jade Rabbit Welcomes the Spring and Celebrates the Lantern Festival

To actively create a festive atmosphere and enrich the cultural life of employees, the CIMC Labor Union held a themed event titled “Making Rice Dumplings and Guessing Lantern Riddles” in February 2023. More than 50 employees from the group’s headquarters participated in the event.



We pay close attention to employees’ lives and advocate for a balance between work and life. We regularly organize various cultural and sports activities, providing employees with a stage to showcase themselves. We actively create a healthy cultural atmosphere, continuously enhancing employee cohesion and sense of belonging.



Case NO.53

“Gathering with Love, Exploring CIMC Stories” Family Day Event



Scan the QR code to watch the video



Case NO.54

Badminton Tournament Event

In December 2023, the CIMC’s trade union system organized the second Badminton Team Tournament, attracting 10 teams from multiple companies in the Shenzhen and Dongguan regions, with over 80 employees participating.



Vehicles Segment

CIMC Vehicles integrates reading with practice to create a sustainable learning enterprise, enhancing the cohesion and centripetal force of the company, exploring employee development opportunities, seeking development paths, and providing internal impetus for the third entrepreneurial wave, continuously fostering a strong atmosphere of “loving to read, reading good books, and reading effectively.”



Offshore Segment

CIMC keeps in mind the obligations that shall be performed as a social citizen, cares for the society and people’s livelihood, actively support public undertakings such as education, culture and health in the regions where we are located, and promote the local economic development and give back to society by leveraging our expertise.



Caring for the People's Livelihood

CIMC keeps in mind the obligations that shall be performed as a social citizen, cares for the society and people's livelihood, actively support public undertakings such as education, culture and health in the regions where we are located, and promote the local economic development and give back to society by leveraging our expertise. In 2023, the CIMC's Headquarters and business segments have carried out 110 public welfare activities. Total donations made by the Group amounted to RMB16.375 million. The number of volunteers involved reached 882 person-times, and the service hours of volunteers reached 5,295.9 hours.

Annual donation amount reached

RMB **16.375** million yuan

// CIMC Charity Foundation

The Shenzhen CIMC Charity Foundation (hereinafter referred to as the "Foundation") is dedicated to the mission of "gathering drops of love to nurture Chinese education" and aspires to become an excellent philanthropic foundation in the corporate sector. The Foundation focuses on educational charity, providing financial support to impoverished students in public universities to help them complete their undergraduate studies and contribute to the development of education in China. In 2023, the Foundation received a total donation of 12.1211 million yuan, including a contribution of 10 million yuan from the CIMC and personal donations totaling 2.1211 million yuan from CIMC employees across the CIMC and its various segments.

Foundation continued its support to 5 universities including Shenzhen University, Shenzhen Technology University, South China University of Technology, Yangzhou University, and Yantai University in 2022. In 2023, it extended its assistance to 2 additional universities, Tianjin University and Ocean University of China. Together, they have helped 690 financially disadvantaged students realize their dream of attending university, with a total scholarship fund of 6.33 million yuan.

// Rural Revitalization

CIMC Group focuses on building exemplary and leading benchmarks, persistently integrating industrial development with rural revitalization as a continuous endeavor, actively exploring the path to promote rural revitalization. For example, in December 2023, Nantong CIMC Pacific Ocean Engineering Co., Ltd. established a cooperative relationship with Yufeng Village Economic Cooperative in Yinyang Town, Qidong City. They appropriately addressed the employment issues of nearby eligible villagers and coordinated various daily management tasks for other villagers to ensure stable, safe, and long-term development for both the rural area and the enterprise. Additionally, CIMC Logistics participated in the 2024 Heartwarming Public Welfare Charity Music Festival in December 2023, contributing to the mental health and growth of rural children.

Give full play to the advantages of the industrial chain and help the industrial revitalization

CIMC actively responds to the national strategies of expanding domestic demand, promoting common prosperity, and rural revitalization. It strengthens cooperation with the government, explores industrial opportunities in rural revitalization, leverages its equipment and service advantages, participates in infrastructure and modern agricultural construction, expands into new businesses, and creates new scenarios. Continuously exploring opportunities in industries such as bamboo chains, freshwater aquaculture, marine proteins, agricultural machinery, cross-border agricultural products, and energy micro-grid networks, CIMC aims to continuously expand its market presence in advantageous sectors.



Case NO.55 | Drops of Love Gather into a River, Nourishing Charity Education

The Group Headquarters organized a live fundraising event for the CIMC Charity Foundation. On April 17th, more than 100 enthusiastic colleagues from the headquarters participated in the event, voluntarily contributing to the CIMC charity cause and contributing to the education sector in China.

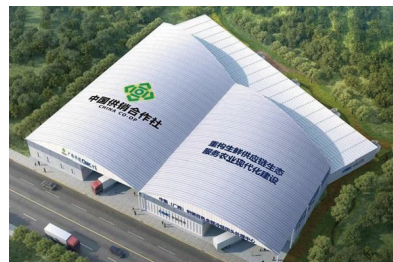


Scan the QR code to watch the video



Case NO.56

Jointly established Comprehensive Cold Chain-based Mango Processing Demonstration Center by CIMC Cold Chain and Guangxi Supply & Marketing.



Scan the QR code to watch the video





Case NO.57

“Starry Pastoral” Series Bulk Feed Trucks Empower Rural Revitalization Development.

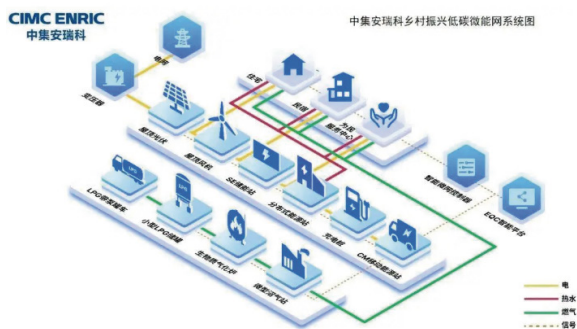
In November 2023, CIMC delivered the “CIMC Linyu” bulk feed transport trucks to empower the thriving development of the local feed transportation industry. Linyu Automobile will continue to support the construction of a strong agricultural country with its “high-end manufacturing, leading green” approach, using CIMC’s strength to promote the high-quality development of the livestock transportation industry, and make contributions to the modernization and upgrading of agricultural and animal husbandry transportation equipment.



Case NO.58

CIMC Enric Rural Microgrid Delivery Injects Green Energy into Rural Revitalization

In December 2023, CIMC Enric successfully delivered the rural microgrid, providing a reliable, flexible, and efficient distributed energy system. This initiative offers cost-effective and secure energy solutions for rural areas, aiming to meet their energy needs more effectively.



Case NO.59

CIMC Fresh Aids Kashgar in Deepening Rural Revitalization

Scan the QR code to watch the video



Case NO.60

CIMC Logistics Participates in “Central Enterprise Consumer Assistance and Cohesion Action”

In November 2023, CIMC Logistics partnered with premium products such as Yunnan Pu’er tea, white tea, Heilongjiang glutinous corn, and Xinhui tangerine peel to participate in the carnival event. These products not only carry the characteristic of supporting agriculture but also boast excellent quality, attracting a large number of citizens to stop by, observe, learn about, and taste them.

// Community charity

CIMC is committed to engaging in social welfare activities. CIMC and its segments participate in actions such as voluntary blood donation, assisting students with financial needs, and donating money and goods, spreading the love and warmth of CIMC employees to every corner.

While pursuing high-quality development, the segments under CIMC do not forget to give back to society, assisting vulnerable groups and contributing their efforts to building a harmonious society.



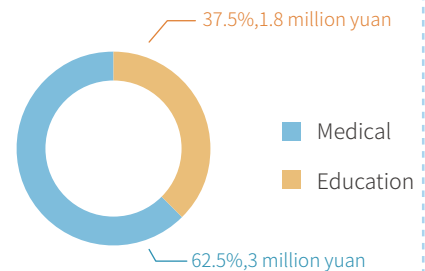
Case NO.61 | CIMC Modular Building System is officially designated as the "Guangdong Provincial Science Education Base"

In March 2023, CIMC Modular Building System participated in the open day event of the Xinhui District Science Expo and was officially designated as the "Guangdong Provincial Science Education Base". CIMC Modular actively carries out various science education construction projects to enhance the scientific and cultural literacy of the public.



Subsidiary enterprises	CIMC in Action
CIMC Jingmen Hongtu	In May 2023, CIMC conducted a "Children's Day" caring and comforting activity, delivering supplies and blessings to children in welfare homes. They provided items such as pure milk, shampoo, shower gel, and a special snack package for Children's Day.
CIMC Safeway Technologies	In February 2024, CIMC Safeway Technologies collaborated with the community to conduct a Spring Festival public welfare assistance and condolence event, visiting and offering condolences to disadvantaged party members and residents in the community, spreading the care and warmth of CIMC Safeway Technologies to the society.

In 2023, CIMC headquarters donated a total of 4.8 million yuan to educational and medical institutions in the surrounding community. Of this amount, 1.8 million yuan was allocated to the education sector and 3 million yuan to the medical sector. The donations were primarily used to support projects such as equipment upgrades and renovations for schools and hospitals in the surrounding community, professional training, and academic research.



Total amount donated by CIMC headquarters (in ten thousand yuan)



Case NO.62 | "Using Little Yellow Duck to Light up the Students' Path to Education"

The CIMC Labor Union and CIMC Charity Foundation jointly launched the "Using Little Yellow Duck to Light up the Students' Path to Education" public donation campaign in the CIMC headquarters campus in January 2024. As of February 22, 2024, a total of 242 donors have contributed, with a total donation amounting to RMB 11,442.88 yuan. This fund will be entirely used by the CIMC Charity Foundation to support impoverished university students.




// Public welfare blood donation

The voluntary blood donation activity is not only a charitable endeavor but also a demonstration of social responsibility and corporate culture. It serves to spread love and further enhance social welfare initiatives. For many years, subsidiaries of CIMC have actively organized and participated in voluntary blood donation activities, establishing a proud tradition of contributing to local communities.

• “Voluntary Blood Donation” - CIMC in Action •

Case NO.63 | Taicang CIMC participates in the “Donate Blood, Share Life” event in Suzhou

In June 2023, Taicang CIMC participated in the “Donate Blood, Share Life” event in Suzhou to celebrate “World Blood Donor Day” on June 14th. Since 2006, it has been actively involved and has been awarded the title of Excellent Blood Donation Unit in the city for multiple consecutive years.



- CIMC Yangzhou Container Base**

In December 2023, the “voluntary blood donation event” was held, marking the nineteenth consecutive year of such activities.
- CIMC-SHAC Special Vehicles**

In February 2023, the CIMC-SHAC Special Vehicles Workers’ Union organized a blood donation campaign titled “Initiative to Strengthen the Guarantee of Blood Supply during the Epidemic.” A total of 21 employees joined the ranks of voluntary blood donors.
- CIMC Safeway Technologies**

In January 2023, CIMC Safeway Technologies organized the event “Employees’ Voluntary Blood Donation, Spreading Love to the Society,” with a total of 102 people successfully donating blood, amounting to over 30,000 milliliters in total.
- CIMC Shijiazhuang ENRIC**

In June 2023, Shijiazhuang ENRIC organized a summary and commendation event for voluntary blood donation.
- Yantai CIMC Raffles**

In February 2023, Yantai CIMC Raffles organized employees to participate in voluntary blood donation activities. According to statistics, a total of 52 employees donated blood that day, with a total donation of over 20,000 milliliters.
- Shenzhen CIMC Tongchuang Chemical Materials**

Shenzhen CIMC Tongchuang Chemical Materials organized two blood donation events in 2023.

// Aid Education with Hot Heart

Our kindness fosters harmony and sustains virtues, bringing warmth to assisted students and spreading positive energy throughout society. CIMC is committed to caring for societal well-being, actively engaging in philanthropy, and collectively promoting talent development initiatives. We serve as exemplary figures in the corporate world, nurturing more students to grow and thrive under the compassionate care of CIMC. These students will undoubtedly contribute back to society and benefit the people in the future.

Case NO.64 | Lighting the Growth Path of Children in Liangshan

In 2023, CIMC Sino Union organized a trip to the “Ayi Tudou” Project in the Daliang Mount, going to Sibiqi and assisting Sibiqi Elementary School in rebuilding modular classrooms, reading rooms, teachers’ offices, washing facilities, and other new teaching facilities.

Case NO.65 | CIMC MBS Participated in Youth Education Assistance Activities in Xinhui District

In March 2023, the CIMC Modular Building System Team actively responded to the call from the Xinhui Volunteer Federation and the Da’ao Town Youth League Committee to participate in the 13th “Nurturing the Youth with Love and United Action” charity sale event. The company mobilized the company’s party branch, trade union, and employees to participate in donation activities, contributing to the education assistance cause.



// Industrially Serving the Country



Case NO.66

CIMC Tianda Safeguards the Asian Games

CIMC Tianda provided Hangzhou Xiaoshan International Airport with 38 boarding bridges and 28 sets of intelligent security inspection equipment, significantly enhancing security efficiency and safety levels. This contribution facilitated convenient and intelligent services for athletes and visitors, ensuring a smooth operation during the Asian Games.



Case NO.67

CIMC Vehicles Terabyte Empowers the FISU World University Games

The cold chain transportation vehicles introduced by CIMC Vehicles Terabyte offer multiple advantages, including efficient insulation, energy conservation, environmental friendliness, and compliance with food safety standards. Recognized by the organizing committee for its outstanding performance, these vehicles provided high-quality logistics services for the FISU World University Games, contributing to the success of the event.



// Driving Local Personnel Development

In 2023, CIMC continued to generate significant tax revenues for the areas where we operate, maintaining strong performance growth and continually enhancing the well-being of the local populace, injecting vitality into regional economic development. CIMC Raffles' deep-water semi-submersible platform, aiding Norway's national oil resource development efforts, has supported DNO, Norway's oil and gas operator, in developing the North Sea Norma exploration area, thereby fostering local enterprise development. In the logistics services sector, focusing on the "Belt and Road" Pan-Asian Railway, CIMC Logistics actively constructs comprehensive intermodal hubs, multimodal transport centers, and bonded warehousing integrated logistics projects, increasing investment in Indonesia, Malaysia, and Vietnam, expanding Indonesian route services, and continuously enhancing digital capabilities to boost efficiency and cost control.



Case NO.68 | CIMC Facilitates the "Xi'an-Tashkent" Full Cargo Air Route

The "Xi'an-Tashkent" full cargo air route has officially resumed operations, providing Uzbekistan with high-quality goods and enriching local commodity markets and varieties, particularly promoting the development of the local electronics and manufacturing industries. Each inbound and outbound cargo flight is expected to carry over 50 tons, contributing to an annual cargo volume increase of 2,500 tons.



Case NO.69 | Close Cooperation with Singaporean Enterprises to Promote Local Development Together

In March 2023, CIMC Raffles traveled to Singapore to attend and organize the "Yantai Offshore Industry Investment Engagement Meeting" and signed two strategic agreements. CIMC Raffles has become an integral part of the Singaporean marine engineering ecosystem, consistently aiding the development of local enterprises to achieve mutual benefits and win-win outcomes.



Outlook for the Future

Over the past forty-one years, CIMC has seized significant historical opportunities granted by the nation and the times, maintaining strategic determination and adhering to the initial aspiration of serving the country through industry. In the journey to make the world recognize and respect “CIMC Manufacturing” and “Made in China,” CIMC has achieved numerous victories, rapidly growing into a leading enterprise in various global industries and becoming a diversified multinational industrial group serving the global market. At the same time, we must recognize that the global economy is still undergoing changes, requiring us to base ourselves on the new development stage, implement new development concepts, and construct a new development pattern. We need to use the new group strategy as our compass, innovation as our sail, stay firm in our beliefs, march forward courageously, and open a new chapter in high-quality development!

Looking ahead, we will continue to adhere to the guidance of the country’s 14th Five-Year Plan and the 2023 Vision Goals, actively embrace new productive forces, seize the initiative for development, adhere to the spirit of self-improvement passed down through generations, maintain faith in overcoming cycles, and pursue excellence ambitiously to achieve high-quality growth. To this end, we will:

- Make Breakthroughs in new quality productive forces. Fully recognize the scientific connotations of new quality productive forces, firmly grasp the major tasks of it, seize opportunities in the new round of technological revolution and industrial transformation, actively occupy new fields and tracks, accelerate the transformation and innovation of development modes, and build a modern industrial system. We will attach great importance to innovation, making technological innovation a core element of developing new quality productive forces, continuously focusing on technology, digital applications, and product research and development, striving to become a leader in innovation along the logistics and energy industry chains in China.
- Implement excellent operations and promote green, low-carbon development proactively. Further integrate ESG key issues into business management, continuously improve the compliance risk control system and ESG management system, and promote the level of ESG management to new heights. Further benchmark “excellent products, outstanding brands, leading innovation, and modern governance,” focus on practical work, and continuously promote excellent operations. Further promote green, low-carbon development, making green and low-carbon development a distinct feature of CIMC’s high-quality development, while better grasping new opportunities for green and low-carbon development.
- Tell the CIMC story of shouldering social responsibility. CIMC will continue to contribute actively to the great cause of rural revitalization, public welfare charity, and common prosperity. CIMC will continue to implement the core human resources concept of “people-oriented for common cause,” build more and larger common cause platforms, and enable outstanding talents of CIMC to realize their life ideals and aspirations while contributing to the cause of CIMC.

The drums of the new journey of comprehensive construction of a socialist modernized country and the march towards the second centenary goal have initiated. Time waits for no one! CIMC will adhere to high-quality development as the primary task of the new era and forge ahead with the focus on practical work. It will strive together with self-reliance and innovation. It will comprehensively advance along the path of high-quality development, aiming to create more value for shareholders and society. By doing so, it fulfills its due role in contributing to the great rejuvenation of the Chinese nation.



Appendix

Report Standard Index Table

Report Framework		Report Standard
Business Philosophy		
Sustainable Achievements in 2023		
Statement of the Board of Directors		
About the Report		GRI Standard 2-1,2-2,2-3
Chairman's Statement		
About Us		
Overview & Performance of ESG Work		GRI Standard 201-1,302-1, 302-3,303-4,305-1,305-2,305-4 , 305-7,306-3,401-1, 403-9,404-1
		HKEX ESG Guide A1.1 , A1.2 ,A1.3, A1.4 , A2.1 ,A2.2 B1.1 , B1.2 , B2.1 , B2.2 , B3.1 , B3.2 , B5.1 , B6.1 , B6.2 , B7.1
Theme I : We Focus On Digital Core Competencies And Build Digital CIMC		
Theme II :We Adhere To Champion Product Strategy And Create CIMC's High-end Business Cards		
Strengthening Responsibility Management	Company Governance and Interactive Communication Sustainable Development Management	GRI Standard 2-6,2-9 GRI Standard 2-14 , 2-22 , 201-2 HKEX ESG GuideA1.5, A1.6 ,A2.3,A2.4, A4.1
	Stakeholder Communication Integrity in Practice, Compliance-Oriented Operation	GRI Standard 2-16,2-29,3-1,3-2 Shenzhen Stock Exchange Guidelines-Protection of Shareholders' and Creditors' Rights and Interests
		GRI Standard 205-2 ,205-3 ,206-1HKEX ESG Guide B6.5,B7.2 , B7.3
Improving Global Logistics	Innovation at the Helm, Navigating Value Growth	HKEX ESG GuideB6.3 GSRI-CHINA 2.0
	Quality Forges Brand Strength	GRI Standard 416-2, 417-2 HKEX ESG GuideB6.4 GSRI-CHINA 2.0-Win-win cooperation
	Strategic Cooperation for Brilliant Future	GRI Standard 308-1,414-1 HKEX ESG GuideB5.2,B5.3, B5.4 GSRI-CHINA 2.0-New
	Leading the Industry, Co-developing Together	
Tackling Climate Change	Low-carbon Operations and Transformational Development	GRI Standard305-5
	Preventing Pollution and Promoting Environment	GRIStandard303-2,306-1,306-2 Shenzhen Stock Exchange Guidelines-Environmental Protection and Sustainable Development
	Treasure Resources, and Preserve Ecology	GRI Standard 302-4, 303-1,304-1 HKEX ESG Guide A2.3 HKEX ESG GuideA3.1
Developing with Joint Efforts	People-oriented, Shared Endeavors	GRI Standard 2-7, 2-8, 401-2, 403-1 , 403-2 ,403-5 , 403-6 , 403-7 ,405-1,406-1 ,407-1 HKEX ESG Guide B2.3 , B4.1 ,B4.2 Shenzhen Stock Exchange Guidelines-Protection of Workers' Rights GSRI-CHINA 2.0 Respecting Human Rights, Labor Contracts and Compensation, Social Security and Welfare, Democratic Management, Employee Communication and Care, Safety Production Management, Safety Production Investment, Occupational Health and Safety, Employee Training and Development
	Heartfelt Commitment to Community Welfare, Perseverance in Benevolence	Shenzhen Stock Exchange Guidelines-Public Relations, Social Welfare, and Targeted Poverty Alleviation HKEX ESG Guide B8.1 GRI Standard 413-1 GSRI-CHINA 2.0 - Community Engagement and Development
Outlook for the Future		
Appendix	Report Standard Index Table	
	Definitions	
	List of Policies and Regulations	
	Industry Associations	GRI Standard 2-28
	Awards and Honors	
Comments and Feedback		

Definitions

Glossary	Definition	Glossary	Definition
Company	China International Marine Containers (Group) Co., Ltd.	Nantong CIMC	Nantong CIMC-Special Transportation Equipment Manufacture
CIMC, CIMC Group, the Group, we	The Company and its subsidiaries	Qingdao Reefer Container	Qingdao CIMC Reefer Container Manufacture Co., Ltd.
ESG&CSR Report, Report	2023 Corporate Social Responsibility & Environmental, Social and Governance Report of CIMC Group	CIMC Yangshan	Shanghai CIMC Yangshan Logistics Equipment Co., Ltd.
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited	CIMC Raffles Haiyang	Haiyang CIMC Raffles Offshore Ltd.
ESG Guide	Environmental, Social and Governance Reporting Guidelines	CIMC Safeway Technologies/Nantong Tank	CIMC Safeway Technologies Co., Ltd.
CIMC Container	CIMC Container Holdings Co., Ltd.	Tianjin CIMC	Tianjin CIMC Container Co., Ltd.
CIMC Vehicles	CIMC Vehicles (Group) Co., Ltd.	CIMC Ningbo	Ningbo CIMC Logistics Equipment Co., Ltd.
CIMC Enric	CIMC Enric Holdings Limited	CIMC Sanctum	Zhangjiagang CIMC Sanctum Cryogenic Equipment Co., Ltd.
CIMC Raffles	CIMC Raffles Offshore Limited	Xinhui CIMC	Xinhui CIMC Container Co., Ltd.
CIMC Wetrans	CIMC Wetrans Logistics Technology (Group) Co., Ltd.	Nantong Energy	Nantong CIMC Energy Equipment Co., Ltd.
CIMC TianDa	CIMC-Tianda Holdings Company Limited	CIMC Cold Chain	CIMC Cold Chain Development Co., Ltd.
Ziegler	Albert Ziegler GmbH	CIMC Eco Material Supply	CIMC Eco Material Supply Co., Ltd.
CIMC Finance Company	CIMC Finance Co., Ltd.	Southern CIMC (Pingshan)	Shenzhen Southern CIMC Eastern Logistics Equipment Manufacture Co.,Ltd
CIMC Modular	CIMC Modular Building System Investment Company Limited	Dongguan Southern CIMC	Dongguan Southern CIMC Logistic Equipment Manufacturing Co.,Ltd.
Taicang Reefer	Taicang CIMC Reefer Logistics Equipment Co., Ltd.	Luoyang Lingyu	Luoyang CIMC Lingyu Automobile Co., Ltd.
Longkou CIMC Raffles	Longkou CIMC Raffles Offshore Engineering Co., Ltd.	CIMC Raffles Haiyang	Haiyang CIMC Raffles Offshore Ltd.
Yantai CIMC Raffles	Yantai CIMC Raffles Offshore Engineering Co., Ltd.	DLCIMC	Dalian CIMC Containers Co., Ltd.
SOE	Sinopacific Offshore & Engineering Co., Ltd.	CIMC Lvjian	CIMC Lvjian Environmental Protection Technology Co., Ltd.
Qingdao CIMC	Qingdao CIMC Container Manufacture Co., Ltd.	TAS	Shenzhen CIMC – TianDa Airport Support Ltd.
Dongguan CIMC Vehicle	Dongguan CIMC Vehicle Co., Ltd.	CIMC Transportation	CIMC Transportation Technology Co., Ltd
Yangzhou Tonghua	Yangzhou CIMC Tonghua Special Vehicles Co., Ltd.	Jingmen Hongtu	CIMC Enric Jingmen Hong Tu Special Aircraft Co., Ltd.
Huajun Vehicle	Zhumadian CIMC Huajun Vehicle Co., Ltd.	Sichuan Chuanxiao	Sichuan Chuanxiao Fire Trucks Manufacturing Co., Ltd.
CIMC Ruijiang (Wuhu Ruijiang)	Wuhu CIMC Ruijiang Automobile Co., Ltd.	Shandong Wanshid	Shandong Wanshida Special Purpose Vehicle Manufacturing Co., Ltd.
Shenzhen CIMC Vehicle	Shenzhen CIMC Vehicle Co., Ltd.	Shenzhen CIMC Architectural Design Institute	Shenzhen CIMC Architectural Design Institute Co., Ltd.

List of Policies and Regulations

ESG indicators	Applicable laws and regulations	Internal Policies
Aspect A1: Emissions	Environmental Protection Law of the PRC	Environmental Protection Management System of the CIMC Group (Trail) Environmental Protection Work Guidelines of the CIMC Group Note: Each sector and subsidiary company has established relevant HSE systems and management methods.
Aspect A2: Use of Resources	Environmental Protection Tax Law of the PRC	
AspectA3: Environment and Natural Resources	Law of the PRC on the Prevention and Control of Environmental Noise Pollution	
Aspect A4: Climate Change	Law of the PRC on the Prevention and Control of Environmental Water Pollution	
	Air Pollution Prevention and Control Law of the PRC	
	Soil Pollution Prevention and Control Law of the PRC	
	Marine Environment Protection Law of the PRC	
	Law of the PRC on the Prevention and Control of Environment Pollution Caused by Solid Wastes	
	aw of Water of the PRC	
	Energy Conservation Law of the PRC	
	Law of the PRC on Environmental Impact Assessment	
Aspect B1: Employment	Labor Law of the PRC	Employee Performance Management System Employee Remuneration and Benefits Management System Employee Relationship Management System Employee Code of Conduct Employee Attendance and Leave Management System
Aspect B4: Labor Standards	Labor Contract Law of the PRC	
	Employment Promotion Law of thePRC	
	Social Insurance Law of the PRC	
	Special Rules on the Labor PRC	
	Provisions on Special Protection of Minor Workers	
	Minimum Wage Regulations	

ESG indicators	Applicable laws and regulations	Internal Policies
Aspect B2: Health and Safety	Labor Law of the PRC Production Safety Law of the PRC Law of the PRC on the Prevention and Treatment of Occupational Diseases Fire Control Law of the PRC Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents Interim Provisions on the Investigation and Control of Safety Accidents Regulation on Work-Related Injury Insurance Regulations on Work Injury Insurance Provisions on the Administration of Occupational Health at Workplaces Classification and Catalogue of Occupational Diseases	HSE Policy and Target Management Scheme of the CIMC Group Health, Safety and Environmental Incident Reporting, Investigation and Handling Policy of the CIMC Group Event Accountability Measures of the CIMC Group Management Measures for HSE Compliance, Review and Certification of the CIMC Group Nine Plus Eight Lean Safety Management System of CIMC Note: Each sector and subsidiary of the company has established relevant HSE systems and management methods.
Aspect B3: Development and Training	Labor Law of the PRC	Standard Leadership Management Regulations of the CIMC Group Event Accountability Measures of the CIMC Group Management Regulations of Core Talents On-job Certification of the CIMC Group ("Red Line" Rules) Employee Manual Implementation Guidelines on Cadres and Employees Post Practice of the CIMC Group Training Management System of the CIMC Group. CIMC Academy: Management Methods of Group-level Internal Lecturer Management Measures for Internal Lecturers at CIMC
Aspect B5: Supply Chain Management	Contract Law of the PRC The Bidding Law of the PRC	Containers: Supplier Management Procedure; Procurement Business Management Regulations, etc. Vehicles: Regulations on the Administration of Centralized Procurement Business; Regulations on the Administration of Centralized Procurement Material Supplier, etc. Energy and Chemical: Purchase Management System of CIMC Enric Holdings Limited; Procurement Tender Management System of CIMC Enric Holdings Limited, etc. Airport: Procurement Management Procedure; Regulations on Procurement Outsourcing Process Management, etc.
Aspect B6: Product Liability	Cyber Security Law of the PRC Data Security Law of the PRC Personal Information Protection Law of the PRC	Information Safety Management and Accountability System of the CIMC Group Emergency Response Management Specification for Information Security Incidents of the CIMC Group Regulations on Information Security Management for User Computers of CIMC Group Industrial Internet Security Management Specification of CIMC Group Application Software Security Management Specification of CIMC Group, etc.
Aspect B7: Anti-corruption	Company Law of the PRC Anti-Unfair Competition Law of the PRC	Employee Code of Conduct of the CIMC Group Event Accountability Measures of the CIMC Group Regulations on Honest Operation for Cadres and Personnel in Sensitive Posts of the CIMC Group Supervision, Complaint and Reporting Management Methods of the CIMC Group, etc.

Industry Associations

Associations	Participants (positions)
China Federation of Industrial Economics	The Company (Chairman of the presidium)
China Enterprise Confederation and China Enterprise Directors Association	The Company (vice president)
China Business Council for Sustainable Development	The Company (director)
China Listed Companies Association	The Company (vice president)
China Transportation Enterprise Management Association	The Company (vice president)
Communication Committee of China Institute of Internal Audit	The Company (vice president, Association director)
Chinese Institute of Certified Public Accountants, Risk Control and Audit Branch	The Company (vice president)
Patent Protection Association of China	The Company (vice president)
China Chamber of Commerce for Import & Export of Machinery & Electronic Products	The Company (vice president)
China Association of the National Shipbuilding Industry	The Company (vice president)
China Association for Quality	The Company (director)
Guangdong Provincial Society of Mechanical Engineering	The company (vice president)
Guangdong Association for Enterprise Internal Control	The Company (vice president, experts committee director and managing director)
Shenzhen Association of Listed Companies	The Company (president)
Federation of Shenzhen Industry	The Company (member)
Federation of Shenzhen Industry	The Company (member)
Global Ocean Capital Promotion Council of Shenzhen	The Company (vice president)
Shenzhen Society of Mechanical Engineering	The Company (managing director)
China Container Industry Association	The Company (president)
China Federation of Logistics and Purchasing Cold Chain Logistics Professional Committee	CIMC Containers (vice director)
China National Container Standardization Technical Committee	CIMC Containers (committee member)
China Association of Automobile Manufacturers	CIMC vehicles (vice director)
China National Automobile Standardization Technical Committee	CIMC vehicles (committee member)
China Chemical Equipment Association	CIMC Jingmen Hongtu (managing director)
China Chemical Equipment Association	CIMC Sanctum (director)
China Industrial Gases Industry Association	Shijiazhuang CIMC Enric (vice director)
China Shipbuilding Industry Association	Yantai CIMC Raffles Offshore Engineering Co., Ltd. (director)
China Machinery Industry Federation	CIMC TianDa (member)
China Financial Corporation Association	The Company (member)
China Interbank Market Traders Association	The Company (member)
China Federation of Logistics and Purchasing Pharmaceutical Logistics Branch	CIMC Leng Yun (Beijing) Supply Chain Management Co., Ltd. (vice director)
China Federation of Logistics and Purchasing Medical Device Supply Chain Branch	CIMC Leng Yun (Beijing) Supply Chain Management Co., Ltd. (vice director)
China Petroleum and Chemical Industry Federation	CIMC Ruijiang Automobile Co., Ltd. (member)
China Construction Metal Structure Association Building Steel Structure Branch	CIMC Modular (vice director)
China Federation of Logistics and Purchasing Logistics Equipment Professional Committee	CIMC Transportation Technology Co., Ltd (vice director)
China Chemical and Physical Power Industry Association	Suzhou CIMC LC Logistics Technology Co., Ltd. (member)
China Rubber Industry Association	CIMC Intelligent Pallet Co., Ltd. (managing director)
China Federation of Logistics and Purchasing Pallet Professional Committee	Shenzhen CIMC Intelligent Pallet Co., Ltd. (vice director)
China Photovoltaic Industry Association	Shaanxi CIMC Supply Chain Technology Co., Ltd. (member)
China Chemical Industry Association	CIMC Transportation Technology Co., Ltd (member)
China Commercial Federation	CIMC Epooling Technology Co., Ltd. (member)
China Refrigeration and Air Conditioning Industry Association	CIMC-Tianda Jirong Aviation Air-conditioning Co., Ltd (member)

Note: Only industry associations participated by the group, sectors, and part of enterprises are excepted.

Awards and Honors

External ESG Rating (excerpts only)

Rating agency	Company	2023 Rating
Hang Seng Corporate Sustainability Index	CIMC	A
Refinitiv	CIMC	55.7 points (B -)
FTSE Russell	CIMC	1.6 (as of March 2024)
Sustainalytics	CIMC	41.53 (lower score, better performance.)
S&P Global ESG Scores	CIMC	35 (2022 scores)
CNI index ESG	CIMC	AAA
CRHC	CIMC	AA (6.82)
QuantData	CIMC	AAA
SusallWave	CIMC	AA
Wind ESG	CIMC	A
Sino-Securities Index	CIMC	A
SynTao Green Finance	CIMC	A-
CCXI	CIMC	A
Wind ESG	CIMC vehicles	A
QuantData	CIMC vehicles	AA
MSCI ESG	CIMC Enric	AA
Wind ESG	CIMC Enric	AA



The Group's major titles and awards for social responsibility and investor relations in 2023:

Issued by	Titles/Awards
China Business Council for Sustainable Development	Tied for 1st in the list of Top 100 Chinese Enterprises for Sustainable Development
China Enterprise Confederation	2022 Outstanding Green and Low-carbon Development Practices by Enterprises
Securities Times	Chinese Top 100 ESG Listed Companies
Stockstar	ESG New Benchmark Enterprise Award
China Securities Journal	ESG Bull Award Top 100
Caijing Magazine	2023 Longevity Award - Sustainable Development Green Award
Cailianpress	ESG Vanguard Award
Sustainable Development Economic Guide	Golden Key - Leading Enterprises in SDG
Southern Metropolis Daily	Innovative Practices in Green and Low-carbon Development
Listed Companies Association of Guangdong-Hong Kong-Macao Greater Bay Area	Greater Bay Area "ESG Leadership Award"
The Time Weekly	2023 Listed Companies ESG Model Enterprise Award
Financial World	2023 Outstanding ESG Practice Cases
Shenzhen Research Association for Corporate Governance	Top 20 in Green Governance in the Greater Bay Area
Global Times Online and State-Owned Assets Report Magazine	2023 Best ESG Practice Cases in China
CCXI & Phoenix TV	Top 100 ESG Enterprises in the Greater Bay Area in 2023
Easyboard ESG+8	2023 "Value 100"
China Economic Information Society	Xinhua CB-ESG 2023 Top 100 ESG Listed Companies in China
Daily Economic News	2023 China Listed Companies Brand Value Ranking 52nd Overall



(Only showing partial award photos)

Organization Structure for Report Preparation

Leading Panel Group Steering Group for Sustainable Development Report
 Preparation Team Secretariat of Group Steering Group for Sustainable Development Report
 Representatives of ESG reporting in each function of the Group Representatives of ESG reporting in each segment, directly managed enterprise and innovative enterprise

Comments and Feedback

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For any violation of the Code of Professional Ethics by the Group's employees or organizations, please contact the Audit and Supervision Department of the Group	5198@cimc.com
For details of Sustainability Management and Sustainability Report, please contact the Sustainability Reporting Leadership Panel of CIMC Group	ESG&CSR@cimc.com

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Environmental considerations in report publication

Paper: Printed on environmentally-friendly paper

Ink: Eco-friendly ink to minimize air pollution

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