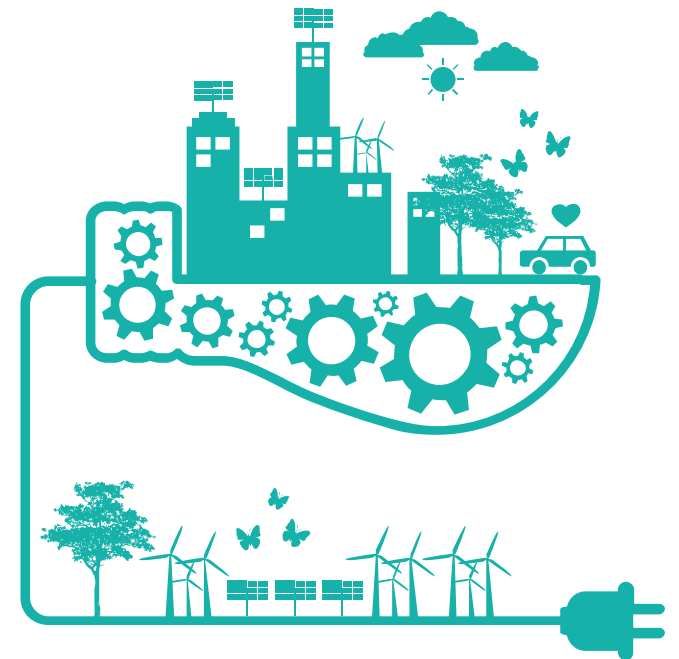


# 2017

## Corporate Social Responsibility Report



## About the report

### Objectives of report

This report aims to display the performance of the company in the practice of corporate social responsibility in 2017 and perform the concepts, practice, performance of the corporate social responsibilities to the company, and conduct honest and effective communication with interested party.

### Report time range

From January 1, 2017 to December 31, 2017, some parts may be beyond such a time frame if necessary.

### Organization scope of report

This report considers Tianneng Power International Limited as subject, covering its all branches.

### Reference standard of report

Environment, Social and Governance Reporting Guide from HKSE  
Guidance on Social Responsibility (ISO26000) from International Organization for Standardization  
Sustainability Reporting Guideline (G4) from Global Reporting Initiative Organization  
Ten Principles of the United Nations Global Compact (GC)  
Guidance on Social Responsibility GB/T36000-2015, Guidance on Preparation of Social Responsibility Report GB/T36001-2015, and Guide on Classification of Social Responsibility Performance GB/T36002-2015 from General Administration for Quality Supervision and Inspection and Quarantine, Standardization Administration of China.

### Data declaration of report

All data in this report derived from annual reports, formal documents and statistical reports of the company. Most data mainly involved 2017, and partial data involved previous years. All currency amounts involved in this report are denominated in RMB, except otherwise specified.

### Report assurance

The Board of Directors of this Company and all its Directors guarantee that there are no fraudulent disclosures, misleading statements or material omissions in this report and shall be individually and jointly responsible for its truthfulness, accuracy and integrity.

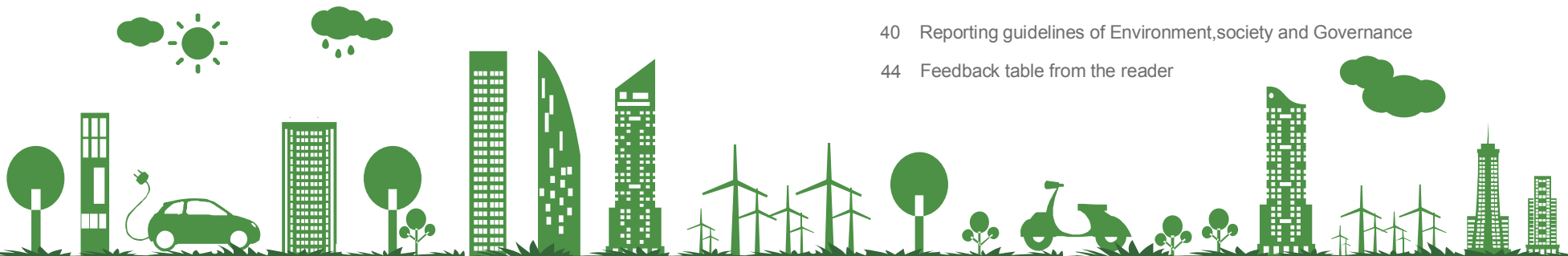
### Form of report

This report is prepared in three versions: Traditional Chinese, Simplified Chinese, and English, provided in electronic form.



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## Speech of chairman of the board of directors

Time flying, God Rewards the Diligent. On the historic development coordinate of Tianneng, 2017 is meant to be a key node.

**This year we greeted our strongest growth.** The operating business of our company kept a stable and rapid growth and several operational indexes of the company broke records. New businesses and new drivers have advanced vigorously.

**This year, we tackled key problems in respect of reform.** We steadfastly deepened the internal market-oriented reform and cracked down delayering enterprises with platform type through great efforts, further exerting the bonus of institutional and mechanism reform. We unwaveringly advanced the upgrading and transformation, actively adjusted our industrial, product and market structure, fully pushed ahead the Lean Manufacturing, Green and Smart Manufacturing, positively boosting our development with high quality and high benefit.

**This was a year of innovation and breakthrough.** We steadfastly implemented innovation driving strategy. A series of new products, new technology and new results were transformed into new drivers. The innovation of cloud platform and big data stepped to a new stage. We were awarded by the 4th World Internet Conference National Most Influential Enterprise in Electronic Information Industry. We confidently proceeded at the forefront of the 4th Industrial Revolution.

**This was a year of happiness and struggle.** Once again, all staff in Tianneng demonstrated our duty and responsibility by our wisdom, sweat, performance and results!

**2018 will be a key year for "Made in China" to step to a new era.** Facing the great wave of the era and precious opportunities for development, we will adhere to our core values of "Responsibility First, Innovation and Win-Win", and continue to deepen reform and innovation, so as to constantly enhance our inner driving force for development. Keep optimizing development strategy and improving the quality and efficiency of the industry; fully promote green and smart manufacturing and keep accelerating the transformation of drivers. Constantly implement lean management and continuously improve governance level; Build a platform type enterprise with high standard, provide our staff better environment for work and life, provide our customers with better products and service, take more responsibilities for society, create higher return for shareholders, and struggle for the goal of "Create a New Tianneng in Five Years"!

Zhang Tianren



## Part 1 Enterprise overview

Company introduction  
Enterprise concept  
Main titles in the year

## Company introduction

Tianneng Group was founded in 1986, a leading enterprise in the industry of new energy power battery in China. Tianneng Group is Top 500 Global New Energy Enterprises, Top 500 Chinese Enterprises, Top 500 China Private Enterprises, and Top 10 Enterprises in Chinese Battery Industry. In 2007, Tianneng Power (HK.00819) was listed in Hongkong as the "First mainland enterprise of power battery". Tianneng Group has 30 domestic subsidiaries, 3 foreign offices and nine production bases in Zhejiang, Jiangsu, An'hui and He'nan. It has become a large industry group engaging in the manufacturing of environmentally friendly power battery for electric vehicles and integrating the R&D, production and sale of lithium ion battery and wind power and solar power storage battery, as well as battery recycling, cyclic utilization.

In past 30 years, Tianneng Group always adhered to the core values of "Responsibility First, Innovation and Win-Win", insisted on operation with integrity and standardization, practised the idea of green development, developed circular economy with great efforts and actively performed social responsibilities for our customers, staffs, shareholders, partners and other stakeholders, and the environmental social responsibility, receiving broad praise from all circles.



## Enterprise concept

### Enterprise mission

Green Energy to Drive  
the World

### Enterprise vision

To be a leading green  
energy solution provider  
in the world

### Core value

Responsibility First,  
Innovation and  
Win-Win

### Management concept

Standardized System,  
Reasonable Decision-Making,  
Efficient Execution and  
Performance Orientation



## Main titles in the year

Titles' Name	Issue department
2017 Top 500 Global New Energy Enterprises (26th place)	China Energy News, Public Opinion Monitoring Division of People.cn, China Institute of Energy Economics Research
2017 Top 500 Chinese Enterprises (167th place)	All-China Federation of Industry and Commerce
2017 China's Top 500 Chinese Private Enterprises (29th place)	All-China Federation of Industry and Commerce
2017 Top 500 Chinese Private Manufacturing Industry (14th place and 1st place in its industry)	All-China Federation of Industry and Commerce
One of Chinese first batch of "Green Factories"	Ministry of Industry and Information Technology of the People's Republic of China
One of Chinese first batch of "Green Supply Chain Management Demonstration Enterprises"	Ministry of Industry and Information Technology of the People's Republic of China
2017 National Industrial Enterprises Quality Example	China Quality Association
China Standardization Good Practice Demonstration Enterprises	China Electrical Industry Association
2017 Manufacturing and Internet Combined Development Pilot Demonstration Project (the only new energy power battery enterprise that was selected with this title in China)	Ministry of Industry and Information Technology of the People's Republic of China
2017 National Electronic Information Industry Most Influential Enterprises	The 4th World Internet Conference
2016 Top 100 Enterprise of Chinese Light Industry (8th place)	China Light Industry Union
2016 Top 100 Enterprises in Chinese Battery Industry (1th place)	China Industrial Association of Power Sources
2016 Best Investor Relationship Management Award	Hong Kong Stock Exchange, Shenzhen Stock Exchange

Titles' Name	Issue department
2017 Zhejiang AAA Level "Observe Contract and Value Credit" Enterprises	Zhejiang Administration for Industry and Commerce
2017 Zhejiang Management Innovation Demonstration Enterprises	Zhejiang Commission of Economy and Information Technology
2017 Top 500 Zhejiang Merchants' Enterprises (10th place)	Zhejiang Merchants Magazine
2017 Huzhou "Golden Elephant Award"	The municipal Party committee and municipal government of Huzhou





Part 2 Operate with integrity  
and standardization, build a  
healthy ecology

Normalized corporate governance

Perfect management system

Independent internal and external audit

Enhance anti-corruption bid

Strengthen safety management

Assure product quality

Promote the customer service level



## Normalized corporate governance

The company always adheres to the principle of "Legal Governance and Operation with Integrity and Standardization", and operates in strict accordance with Company Law, Product Quality Law, Environmental Protection Law, Labor Law and other laws and regulations standard, and was awarded as "Zhejiang Integrity Demonstration Enterprise". Guided by Company Law, the company established and improved a corporate governance structure where shareholders meeting, Board of Directors, Board of Supervisors and management depend mutually with checks and balances. We have employed legal professionals as our consultant for years, and established Legal Affairs Department and Audit Department to conduct supervision and review on the operation-related decision-making, operating procedure and internal regulations in real time.

To maintain the right to know of our shareholders, the company has established a strict information disclosure system and relevant measures. Information disclosure includes regular reports and temporary reports. Regular reports will be disclosed two times in a year, including interim report and annual report.



General Meeting of Shareholders



Board of Supervisors



Board of Directors



Manager Layer

## Perfect management system

Guided by its strategic goals and focusing on the maximum satisfaction of the requirement from our customers, staff, supplier/partners, society, shareholders and other stakeholders, we conducted systematic and effective management on all processes by three stages: "Design", "Implementation" and "Improvement". The company introduced a quality management system, environmental management system and occupation, health and safety management system successively and adopted the management thinking "PDCA" to conduct standardized management on each process by "Identifying its type, clearing its requirements, normalizing its procedure, assessing its capacity, and improving its performance".

## Independent internal and external audit

The company set up an independent audit body directly led by the Chairman: Audit Supervision Center, and established Audit Supervision Management System to identify each audit procedure. Audit Department conducts audit on internal operation and management and other special audits independently, free of intervention and limitation from other departments. Every year, the company engages the accounting firm Hongkong Deloitte & Touche to provide audit service, such as financial statement audit and net assets verification. The results of external audit are reported to the Board of Directors directly by staff in the accounting firm, which not only enhance internal risk control of the company, but also effectively avoiding violation of laws and regulations.

## Enhance anti-corruption bid



The company always focuses on the building of the integrity and credibility culture and keeps enhancing anti-corruption bid management. In 2017, by summing up the experience of anti-corruption bid work in the past, the company successively established Red Line Management System, Interest Conflict Management Measures, and Denouncement Management System. Besides, it also enhanced relevant training in combination with cases, published the channel for denouncement (telephone number, e-mail and WeChat Public Account). The company rewarded and protected those who denounced any behavior impairing the interest of the company, and stoutly cracked down any corruption and fraud in the company, safeguarding the legal interests of the company and its shareholders in a powerful way and ensuring healthy development of the company.

## Strengthen safety management

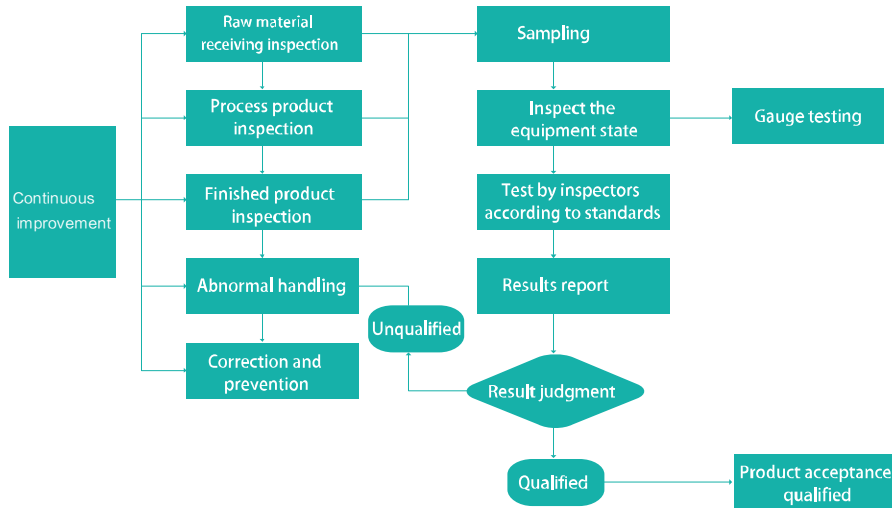


Adhering to the concept of Safe Production and Prevention First, the company attached much attention to safe production management. The company insisted on the management idea of "PDCA" circulation, adopted the mode combining "Walking" management (patrol) and institutional management (process procedure and reward and punishment system) to achieve whole process monitoring. Besides, it also conducted strict control and management according to production process, so as to ensure the balance and stability of production.

Based on the results of analysis of environmental factors and hazard, and risk assessment, the company drafted and modified emergency plans for emergency state (including a comprehensive plan, special plans and post site emergency plan) that might occur and organized emergency drill every year.

## Assure product quality

In strict accordance with the idea that "Any substandard product shall not be accepted, used or provided", the company established a quality control flow chart and, based on requirements of each elemental link in the management of product quality control, conducted standardized, refined and normalized management on the whole process of each product from design, raw materials, manufacturing, test and package, so as to better meet the demand of customers for product quality.



From 2006, the company successively introduced management projects, such as 6S management, QCC, lean production, proposal improvement, technological innovation project selection, and "Five Small" innovation; By the effective implementation and execution of the quality culture building, we actively encouraged staff to propose reasonable suggestions, participate in mass quality management activities and improve operation process. These measures renewed all staff, formed a good climate where all staff joined quality management, and significantly improved management skills and field management level, making the product quality keep a constant improving trend.

## Promote the customer service level

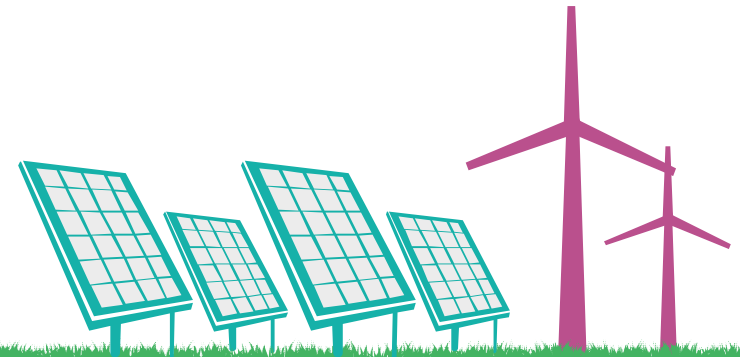
The company steadfastly deemed the requirement and suggestions of customers as the superior direction and goal of quality and service improvement. In order to enhance custom relationship management and provide customers with more timely and excellent quality service, in 2007, the company conducted improvement in the following three respects, obtaining full trust and support from our customers by quality service.

First, "Network extension" was pushed ahead, making our after-sales service network cover over 200,000 distribution terminals across the country;

Second, a linkage mechanism was formed among Marketing Department, Market Management Department and After-Sales Service Center, which communicated and coordinated with Quality Department, Technology Department and Production Department as to quality and technical issues reflected by customers, so as to give a clear and proper reply and avoid any reject and delay. Customers can also trace information related to production, quality assurance and sales of each battery by Tianneng Product Bar Code Management System.

Third, the free service hotline 400-8788-188 was further improved and optimized, so as to provide customers with timely, rapid, and excellent service.





## Part 3 Focus on green and smart manufacturing and lead green development

Build a perfect green and smart manufacturing system

Build factories of green and smart manufacturing with great efforts

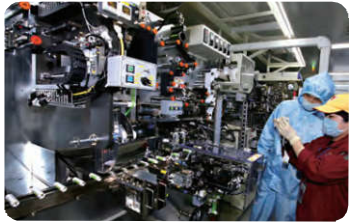
The first enterprise to build a close-loop green and smart manufacturing industrial chain

Actively build a green supply chain

Fully implement clean production, energy saving and emission reduction

Extend green growth fields

## Build a perfect green and smart manufacturing system



Chairman Zhang Tianren said, we should protect ecological environment like our eyes and treat ecological environment like life. As a leading enterprise in the battery industry of China and by virtue of its strength in smart manufacturing, Tianneng Group has formed an improved system from green product, green standard to green supply chain, green factory and green park, promoting the multi-win of economic benefit, social benefit and environmental benefit and creating a sustainable development form of green, low-carbon and smart manufacturing. The company has won various national honorable titles, such as "Green China Enterprise", "National First Green Factories", "National Green Design Product", "National Green Design Product", "National Energy Saving and Emission Reduction Pioneer Enterprise", "National First Batch of Green Manufacturing

## Build factories of green and smart manufacturing with great efforts

As early as ten years ago, the company started to plan to build a circular economy industrial park and introduced, developed and integrated applied international high-end fully automatic and smart lithium battery production line, so as to create a multi-layer, all-around and whole-process efficient smart manufacturing system based on an informatization system and turn its production mode to be flexible, smart and refined. Built an advanced and reliable data transmission network to achieve high-speed data collection, transmission and storage during production; built a lithium battery production big data platform, so as to build Tianneng as an example of green and smart manufacturing in the industry. The company awarded the titles of "National Circular Economy Standardization Pilot Enterprise" and "National First Batch of Product Ecological Design Pilot Enterprise", and was honored as National First Batch of Green Manufacturing Projects, National First Batch of Key Enhanced Projects for Energy Saving and Emission Reduction by Informatization and Industrialization Integration, National First Batch of Secondary Nonferrous Metal Industry Engineering Research Center, Secondary Nonferrous Metal Comprehensive Utilization Demonstration Engineering, National Third Batch of Industrial Revitalization Key Technological Transformation Projects.



## The first enterprise to build a close-loop green and smart manufacturing industrial chain



The company is the first enterprise in the industry to introduce the most advanced smart equipment and technology in the world, built a whole industrial chain information database aiming to the whole process of raw materials obtaining, production, use and recycling, developed green production process, constructed green product demonstration production line, formulated codes and standards for green technology, carried out recycling of waste batteries, and created an internationally advanced close-loop green industrial chain integrating the "Smart manufacturing, recycling, melting and reproduction" of batteries, achieving resources recycling and product life-cycle management. Currently, these circular economy industrial parks of Tianneng in Zhejiang and He'nan can recycle over 400,000 ton waste lead batteries every year, accounting for over 10% in the country, with the recycling rate of regenerated lead up to over 99% and that of reacted acid up to 100%, reaching world class level in respect of both discharge standard and recycling rate. It has become the largest example enterprise of harmless waste lead battery recycling processing and honored by NDRC as "National Circular Economy Pilot Enterprise".

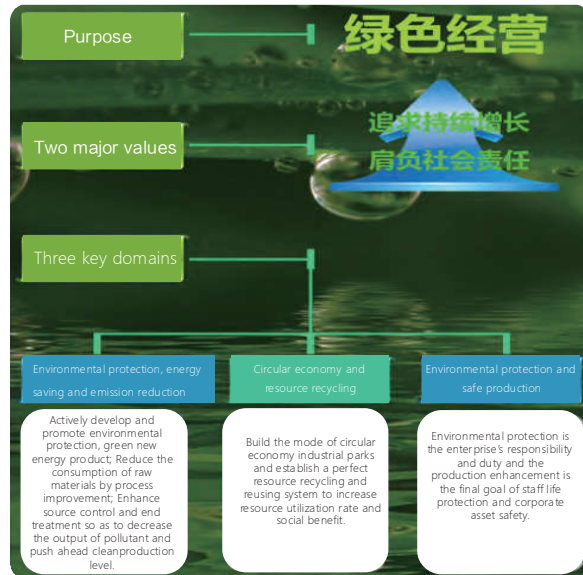
## Actively build a green supply chain

Relying on green supply standard and the implementation of producer responsibility extension system and aiming to save resources and protect environment, the company actively adopts IoT, Big Data, Cloud Calculation and other new generation technology to fully build a comprehensive supply chain system integrating procurement, production, marketing, recycling and logistics, so as to synergize and optimize design, supply, manufacturing and service, winning it the title of "National First Batch of Green Supply Chain Management Demonstration Enterprises".



## Fully implement clean production, energy saving and emission reduction

In 2006, by a Sino-Germany cooperation project "Zhejiang Enterprise Environmental Protection Consultancy", the company introduced and implemented Environment Oriented Cost Management (EOCM) for the first time in the industry. With the long-term and constant implementation of the EOCM project in the company for years, the discharge of "Three wastes" and non-product output was significantly reduced and the effect of source control was considerable, achieving multi-win of economic benefit, environmental benefit and social benefit.



Over years, the company promoted clean production with great efforts and focused on the reform of process design and the introduction of high-tech equipment. By enhancing the construction of environmental protection facilities, increasing investment in technology, improving production process and introducing advanced production equipment as well as other measures with diligent care, the discharge of "Three wastes" in all production processes has been greatly lower than national discharge standards and waste water was treated and recycled, really achieving the goal of energy saving and emission reduction. At the same time, by the installation of an environmental protection online monitoring system, annual environmental assessment, the establishment of an internal regular monitoring mechanism and daily inspection mechanism, it is assured that the work related to environmental protection will be carried out orderly, aiming at building an model environment-friendly enterprise in the industry.

## Extend green growth fields

The company has invested greatly in the research, development and manufacturing of new environmental protection high energy lithium battery and solar and wind power storage battery, in 2017, Tianneng Group launched a distributed photovoltaic generation and smart micro network lead-carbon energy storage project, marking that Tianneng Group formally stepped into clean energy industry to push ahead the development of green and low-carbon industry. The Phase I of the project was designed with an installed capacity of 1.65MWp. After completion, it will be able to generate 1,900,000 Kw/h per year, save standard coal by 635 ton, reduce carbon dioxide emission by 1,757 m3, and decrease sulfur dioxide emission by 52.869 ton.





## Part 4 Insist on innovative development and service society by industry

Activate the vitality of the company by institutional mechanism innovation

Emphasize on technological research and development and implement innovation driving

The company took the lead to establish national or industrial standards, normalizing and guiding the healthy development of the industry

Actively apply cloud platform and big data to push ahead the intellectualization and digitalization of the enterprise

Enhance the utilization and protection of intellectual property

### Activate the vitality of the company by institutional mechanism innovation

The company has always adhered to the idea of reform and innovation development. Since 2015, it started to promote institutional mechanism innovation and introduced the mode of independent business. In 2017, it further deepened reform comprehensively and delegated its operation and administrative authorities to each segment and project, striving to build Tianneng as a "Platform type" enterprise and turn each staff to be a "Maker". These measures greatly aroused the initiative and creativity of staff and accelerated the transformation and upgrading of the company.



### Emphasize on technological research and development and implement innovation driving

Tianneng has successively established national certified enterprise technology center, academician and expert work stations, national level post-doctor scientific research station, provincial level key research institute and Zhejiang green power supply and material engineering technological research center and other technical creative platform. Focus on technology and product innovation. In recent years, the company kept a leading position in respect of product and process innovation industry. The company developed 13 national key new products successively and undertaken 18 National Torch Plan and Spark Plan projects. It has included in over 150 provincial new products and hi-tech products, exceeding total authorized patent of 1,923 patents.

### The company took the lead to establish national or industrial standards, normalizing and guiding the healthy development of the industry

In recent years, Tianneng took the lead to establish over 60 national or industrial standards, among which Technical Code for Design and Assessment of Green Product in Battery Industry and General Guideline for the Preparation of Standards for Industrial Enterprise and Park Circular Economy and other standards filled up the industrial blank.

## Actively apply cloud platform and big data to push ahead the intellectualization and digitalization of the enterprise

As early as four years ago, the company had fully docked with Internet Plus, conducted a comprehensive optimization on its core business processes, such as R&D, production, supply chain, sale and after-sales service and achieved several innovation achievements. For example, the Battery Management System (BMS) for electric vehicles independently developed by Tianneng can trace the real time situation of battery on monitoring market and make feedback by connecting with Tianneng Lithium Big Data Cloud Platform. In recent years, Tianneng won many honors successively, such as "2016 National Informatization and Industrialization Integration Management System Implementation Pilot Enterprises" and "2017 National Most Influential Enterprises in Electronic Information Industry", and successfully was selected as Zhejiang First Batch of Cloud Example Enterprises.



## Enhance the utilization and protection of intellectual property

The company has always attached great attention to the utilization and protection of intellectual property and, for the development of intellectual property; it always adheres to the development strategy of Independent Innovation Plus University and Enterprise Cooperation. The company won several titles successively, such as "National Intellectual Property Demonstration Enterprises", "National Industrial Business Intellectual Property Application Example Enterprises", and "National Patent Operation Pilot Enterprises". Besides, it has many patents winning China Excellent Patent Award. Moreover, it also established an improved intellectual property management system and incentive system, and kept enhancing the intensity and depth of input to the creation, application, management and protection of intellectual property, so as to combine the results of technology innovation with the protection of intellectual property. These measures have improved its ability to create and apply enterprise intellectual property and enhanced its core competitiveness.





## Part 5 Enhance humanistic care to achieve well-being Tianneng

Create a good environment where talents can work and live

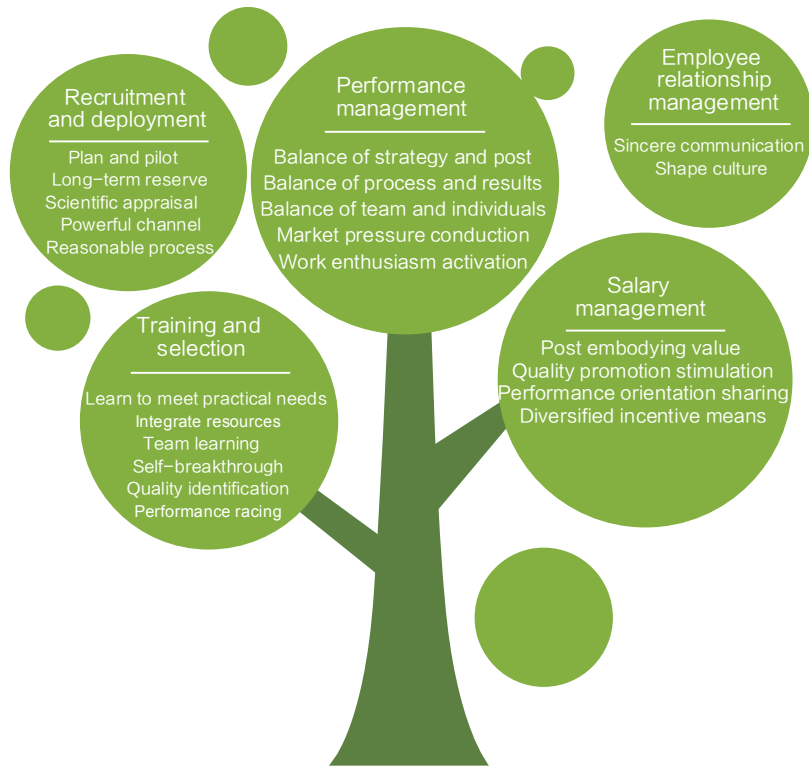
Create a learning organization to help staff grow

Focus on occupational health safety management, and effectively guarantee the legitimate rights and interests of employees

Promote "people-oriented project" to enhance employees' sense of belonging

## Create a good environment where talents can work and live

The company always adheres to the managerial idea of "People First" and established an unique managerial culture in respect of talent recruitment, cultivation and selection, performance management, salary management and staff relationship. Besides, it actively creates favorable working and cultural environment, so as to combine career development of staff with the strategic planning and development of the company organically. Especially, in recent years, Tianneng launched the strategies of "Platformization and Makerization", so as to create favorable conditions for each staff to start a business and develop in Tianneng platform.



## Create a learning organization to help staff grow

Tianneng has established a complete learning and training mechanism. Through Tianneng University, Tianneng Party School and human resources training platform of each subsidiary, it systematically trains various types of personnel in different levels, and in addition to regularly conducting induction and vocational skills knowledge training, it also carries out technological competition, organizing personnel to conduct professional training, outsourcing training, visiting other units to learn and other various forms of learning and training activities from time to time; At the same time, the company has also formulated and implemented management systems and methods to encourage and reward the employees to learn. For example, the management personnel applying for postgraduate, various titles, and participating in Radio & TV University learning, etc., the company will reimburse tuition fees.



## Focus on occupational health safety management, and effectively guarantee the legitimate rights and interests of employees

Tianneng strictly enforces Labor Law, Safety Production Law, Law on Prevention and Control of Occupational Disease and other labor and safety production laws and regulations, establishes and implements the GB/T28001-2001 Occupational Health Safety Management System, establishes health records for employees, arranges medical examinations for all employees each year to continuously improve the occupational health safety conditions in the employees' work environment. Meanwhile, Tianneng attaches great importance to the protection of employees' rights and interests, has signed labor contract with all employees according to law, and annually convokes congress of workers and staff and union members congress to report the company's operation and other relevant information to ensure employees' participation rights, rights to know and other democracy rights. It also implements employees consultation system and other systems, and signs Employee Salary Negotiation Agreement and other guarantee terms.



## Promote "people-oriented project" to enhance employees' sense of belonging

Tianneng Group adheres to the concept of "Tianneng is a family", and implements "people-oriented project" in the enterprise. The Party and trade union organizations implement the regular visit system to timely understand and help to solve the difficulties of employees, listen to the opinions of employees, and answer questions for employees. In order to enable employees to work well and live well, the company has invested a lot of funds to build a library reading room, fitness center, transform and upgrade the staff cafeteria, build employee apartments with high specification, and improve the employees' living area; Regularly organize and hold recreational and sports activities that the employees like. Carry out pairing support, set up benefit fund; Collectively celebrate the employee's birthday, organize employees to travel, etc., to let the employees feel the warmth of the enterprise.



Tianneng always adheres to the core value of "Responsibility as the soul, innovation and win-win". While the company is developing rapidly, it actively participates in social charities and philanthropies to contribute to the society with grateful attitude in many ways. In "2017 China Enterprise Social Responsibility Ranking List" issued by Southern Weekend • China Enterprise Social Responsibility Research Center, Tianneng Group ranks 26 in "2017 China (Inland) Private Enterprise Responsibility Ranking List", the third in Zhejiang private enterprises.



## Part 6 Devote to charity and contribute to the society

Improve people's livelihood through the enterprise development and promote local economic development

Lead the villagers to get rich by mutual construction by village and enterprise to jointly construct "Beautiful new countryside"

Participation in public utilities to repay the community

## Improve people's livelihood through the enterprise development and promote local economic development

We believe that the biggest social responsibility of the enterprise is to keep the enterprise big and strong, to improve people's livelihood through the enterprise development and promote local economic development. Tianneng Group's nine major production bases across the country contribute huge profits and taxes to various regions each year, and solve the employment of over 20,000 laborers, effectively promoting local economic development. In Changxing, Zhejiang, where Tianneng originated, over 4,000 local villagers work in Tianneng, and among them, 46% couples of the village and even their children work in Tianneng. In order to help disabled people's employment, a welfare company has been set up by Tianneng to solve the employment problem for over 500 disabled people.

In order to share the development results of the enterprise with the employees, Tianneng also insists that the increase in employee income is proportional to the development speed of the enterprise. The average annual growth rate of employees' salaries is more than 10%, and more than 1,400 middle and senior management and technical personnel have received equity and options incentives.



## Lead the villagers to get rich by mutual construction by village and enterprise to jointly construct "Beautiful new countryside"

In order to be grateful to hometown and pay back hometown, Zhang Tianren, the chairman of Tianneng Group board of directors, personally holds a concurrent post of Party general branch secretary of Xinchuan Village, Changxing County, to lead the villagers to carry out the mutual construction of village and enterprise, with the core of economic, cultural and environmental construction. Over the past ten years, Tianneng has guided villagers' employment through technical assistance, financial support, employment support and other ways to develop and expand the village-level economy. Meanwhile, Tianneng Group free provides funds and various engineering equipment every year for the construction of village-level roads, aqueducts, elementary schools, parks and other infrastructure. Relying on mutual construction of village and enterprise, Xinchuan Village has successively won "Demonstration village of striving to become well-off" of Changxing County, "Eight-have Guarantee" demonstration village, "Civilization Village" of Huzhou, "Hygienic Village", "Civilization Village", "Demonstration Village", "Demonstration Village of Overall Well-Off Construction" of Zhejiang and other honorary titles. The annual per capita income of the villagers is more than 100,000 Yuan. Just in Xinchuan Village, there are hundreds of "Million-Yuan Household" and more than a dozen "Ten-Million-Yuan Household".



## Participation in public utilities to repay the community

Over the years, the company has actively involved in the earthquake relief, the Spring Bud children's education support program, support system for poverty college students, "A good man rewarded" moral model fund and other social charity utilities. In Guangcai student assistance activity, Zhang Tianren, the chairman of the board of directors, funds 24 college, secondary and primary school students in one time by pairing. No matter how busy the work is, the company leaders will take time to visit the elderly of no family in the gerocomium, or visit the elderly, weak, sick, disabled and other vulnerable groups in surrounding villages. For 20 years since 1997, the old people in Xinchuan Village have received the condolence payment from Zhang Tianren.



Since 2016, the company adheres to the concept of "Win-win cooperation and stand together regardless of situation", and sets up "Beneficent funds" through employee contributions, enterprise investment and other means to provide timely help for employees with difficulties. Meanwhile, it extracts 0.02 Yuan/piece from Tianneng battery sold by the secondary market to set up Tianneng "Non-profit foundation" to help the difficulties of win-win merchants and partners.

On December 12, 2017, fire occurred in the warehouse of Wei Xiangzhan, the win-win merchant in Caoxian County, Shandong, with direct economic loss about 7 million Yuan. Tianneng Company provided timely assistance to conduct charity fundraising activity for Wei Xiangzhan, and as of December 20, a total of 282,580 Yuan was collected, helping Wei Xiangzhan overcome difficulties.



On October 28, 2017, the five-year-old son of Zhuang Xiaomin, the quality inspector of Jiangsu Shuyang Company of Tianneng Group was diagnosed with medulloblastoma, and the treatment costs made her scowling and helpless. After the leaders of the company's Party committee and trade union learned of the matter, they immediately raised 75,000 Yuan for her and made a special trip to Xuzhou to visit Zhuang Xiaomin to send her the warmth of Tianneng "Big family".



A vibrant landscape with rolling green hills under a bright blue sky. A white dove is flying in the upper left, and several bubbles are scattered across the sky. The foreground is a lush green field with small white flowers.

## Future outlook

Vision: To be a leading green energy solution provider in the world.

Facing the future, we are deeply aware that: Green development is not only the development mode of the enterprise, but also the responsibility of the enterprise, and it is the embodiment of the enterprise's responsibility for the environment, for the society and for the future; Only when an enterprise takes the initiative to undertake social responsibilities can it maintain longer and go further.

We will continue adhering to the core value of "Responsibility as the soul, innovation and win-win", adhere to the concepts of green intelligence and green development, and accelerate the "Two transformations" (transformation from production and manufacturing enterprise to service and manufacturing enterprise, from traditional enterprise to platform-based enterprise transformation), promote "Three strategies" (Intelligentization, globalization, platformization) and create "Four major platforms" (global technology innovation platform, flexible intelligent manufacturing platform, big data cloud driven platform, Juzhi crowdfunding platform), with unremitting efforts and constant pursuits, to strive to provide the best products and services and create the most outstanding value to give back to every customer, every employee, every partner, and jointly create a better life.

Reporting guidelines of Environment, society and Governance

A. Environment		
Level A1: Emissions	General disclosure	P20-21
	Key Performance Indicators A1.1	
	Key Performance Indicators A1.2	
	Key Performance Indicators A1.3	
	Key Performance Indicators A1.4	
	Key Performance Indicators A1.5	
	Key Performance Indicators A1.6	
Level A2: Resource using	General disclosure	P18-19
	Key Performance Indicators A2.1	
	Key Performance Indicators A2.2	
	Key Performance Indicators A2.3	
	Key Performance Indicators A2.4	
	Key Performance Indicators A2.5	

Level A3: Environment and natural resources	General disclosure	P18-19
	Key Performance Indicators A3.1	

B. Society		
Employment and Labour Practices		
Level B1: Employment	General disclosure	P30-31
	Key Performance Indicators B1.1	
	Key Performance Indicators B1.2	
Level B2: Healthy and safety	General disclosure	P13,P31
	Key Performance Indicators B2.1	
	Key Performance Indicators B2.2	
	Key Performance Indicators B2.3	

Level B3: Development and training	General disclosure	P30-31
	Key Performance Indicators B3.1	
	Key Performance Indicators B3.2	
Level B4: Labor standards	General disclosure	P30-31
	Key Performance Indicators B4.1	
	Key Performance Indicators B4.2	
<b>Operation Convention</b>		
Level B5: Supply Chain Management	General disclosure	P19
	Key Performance Indicators B5.1	
	Key Performance Indicators B5.2	

Level B6: Product liability	General disclosure	P14-15
	Key Performance Indicators B6.1	
	Key Performance Indicators B6.2	
	Key Performance Indicators B6.3	
	Key Performance Indicators B6.4	
Level B7: Anti-corruption	General disclosure	P13
	Key Performance Indicators B7.1	
	Key Performance Indicators B7.2	
<b>Community</b>		
Level B8: Community investment	General disclosure	P34-37
	Key Performance Indicators B8.1	
	Key Performance Indicators B8.2	



## Feedback table from the reader

Dear readers,

Thank you for reading this report. We would like to hear your comments and suggestions on this report so that we can continue to improve and promote our social responsibilities.

1. What is your overall assessment of Tianneng social responsibility report?

Very good    Relatively good    General    Poor

2. Do you think the information disclosed by Tianneng social responsibility report is clear and accurate?

Yes    General    No

3. Do you get the information you need from Tianneng social responsibility report?

Yes    General    No

4. What do you think of the role played by Tianneng social responsibility report in the communication between the company and the stakeholders?

Large    General    Small

5. What do you think of the degree of response and disclosure of issues concerned by stakeholders in Tianneng social responsibility report?

Very high    Higher    General

6. Do you think the content layout and format design of this report is conducive to reading?

Yes    General    No

Open questions:

1. What satisfies you most in the Report?

2.What social responsibilities do you want us to disclose most?

3.Do you have any suggestions on how to improve our social responsibility and social responsibility report in the future?

You can also choose the following contact information to feed back your comments.

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