



**Continuously Creating New Value**

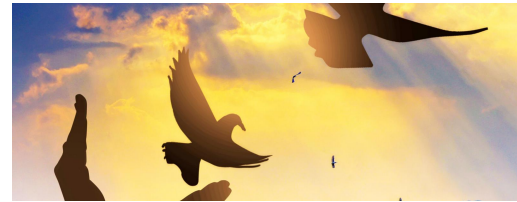
Xiamen ITG Group Corp., Ltd (Stock Code: 600755.SH)

**2021**

**Environmental, Social  
and Governance Report**

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## About this Report

This is the Environmental, Social and Governance Report of 2021 ("this Report") published by Xiamen ITG Group Corp., Ltd ("ITG" or "We"). This Report is to provide our stakeholders with a deep understanding of our sustainable activities in the previous fiscal year and our contribution to the United Nations Sustainable Development Goals (SDGs).



## Referenced Guidelines



We prepared this Report in accordance with the CASS-CSR 4.0 and GRI Standards: Core option, as well as the requirements of the Guidelines of Shanghai Stock Exchange for the Application of Self-Regulation Rules for Listed Companies No.1—Standardized Operations. In promoting sustainability, this Report also refer to the United Nations Sustainable Development Goals (SDGs).



## Reporting Period and Boundary

This Report principally covers actual information for the fiscal year beginning on January 1, 2021, and ended on December 31, 2021 (FY 2021). However, some of the most recent information on our activities and initiatives are also included. Unless otherwise specified, the environmental data disclosed in this Report covers ITG and its major group member enterprises, and the economic and social data covers the enterprises within the scope of consolidated statement of ITG.



## Report Acquisition and Feedback

This Report is published in electronic format in simplified Chinese and English. In case of any discrepancy between the Chinese version and the English version, the Chinese version shall prevail. For the electronic version of this Report, visit our official website ([www.itg.com.cn](http://www.itg.com.cn)) or the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)). We welcome your feedback at [zqswb@itg.com.cn](mailto:zqswb@itg.com.cn).





## Chairman's Statement

The year of 2021 marked the beginning of the implementation of ITG's 14th Five-Year Plan. We go from strength to strength and take a new step forward to create new value.

In 2021, we focused on the core business of supply chain management, and strengthened the synergy of financial services. We actively expanded into a new sector of health technology, paved the way in line with ITG's diversified industrial layout and built a brighter future. For many years in a row, we have been included in the Forbes Global 2,000 Listed Companies and the Fortune Top 50 Chinese Listed Companies. In 2021, we were appraised as one of the first batch of National Demonstration Enterprises on Supply Chain Innovation and Application by MOFCOM and seven other units, and listed as Demonstration SOE on Corporate Governance by SASAC. We responded proactively to the aftermath of the challenges of the COVID-19 pandemic on global business development, and achieved YoY increases of 32.38% in operating revenue and 30.61% in net profit attributable to shareholders of parent company.

Our vision is "to become a trustworthy integrated services provider worldwide". We make business layout in the global market, build a vertical industrial chain by vertically expanding in the upstream and downstream, as well as expand business categories by horizontally replicating the comprehensive service mode of the supply chain. We pool diverse and high-quality resources, as well as integrate them to build a diversified and comprehensive industry and finance ecosystems. By matching industrial investment with integrated supply chain comprehensive services, we work with industrial partners to promote industrial transformation and upgrading and high-quality development.



In 2021, we continued to advance the "going global" business strategy, as well as actively participated in international forums and exhibitions such as the BRICS Forum, China International Import Expo (CIIE) and China International Consumer Products Expo (CICPE). We have reached several international cooperations, and completed the spot trading of iron ore through WeChat applet with VALE S.A., one of the largest producers of iron ore in the world. We established a platform company in Uzbekistan for further development of cotton business in Central Asia. We have continuously advanced the internationalization of our supply chain by moving forward with the Belt and Road initiative (BRI), as well as the development in the BRIC countries and the RECP region.

We assume SOE responsibilities and push forward with the harmonious value of a corporate citizen. By giving full play to our advantages in industrial resources, we have fulfilled our corporate responsibilities, contributed to China's national economic development, as well as promoted the harmonious development of economy, environment and society. In 2021, we promoted the business of waste paper recycling, effectively conserving woodland resources. By advancing the business of metal resources recycling, we have effectively reduced the waste of resources while cutting the discharge of solid wastes. In 2021, we made key layout in agricultural business in Northeast China, promoted the development of agricultural production and value chains, promoted close cooperation between industry partners in order to support the development of agriculture, rural areas and increase the income of rural residents. In 2021, China's domestic energy demand continued to grow, and the supply of coal and other energy sources was in shortfall. We made our contributions to strengthen capacity for ensuring energy safety. We insist on developing green industries, including green supply chain, green finance, green health technology, thus helping China's march towards carbon peak and carbon neutrality targets.

With innovation as the basis from which to pursue sustainable development, we give a central role to innovation in technology, such as digital transformation. We independently developed "ITG Cloud Chain", an intelligent supply chain platform, which has become one of the key digital economy application scenario projects in Fujian Province. Based on "ITG Cloud Chain", we are accelerating the integrated application of emerging technologies in the business field, exporting innovation and transformation results. ITG's high-quality development will increasingly powered by digital innovation.

We treat talented people as our most valuable asset. In 2021, we established three sector business divisions through organizational transformation. We applied the horizontal management model and established subsidiaries. We selected and trained versatile professionals to provide inexhaustible internal driving force for promoting complementarity and horizontal coordination of our internal businesses, strengthening our core competitiveness, and facilitating our strategic layout.

Over the past 40 years since the establishment, ITG has overcome hardships and achieved fruitful outcomes. Several generations of ITG staff have fight for bright prospects with a pioneering spirit that creates from nothing, and an enterprising spirit called "dedicating yourself and you will win". Although we acknowledge the challenges brought by the complex international environment and global climate change, with it comes great opportunities. We will adhere to the core values of "Leadership, Responsibility, Hardworking, Partnership", push forward with a pioneering spirit, as well as develop together with our industry partners to improve the industrial ecosystem. We will forge a SOE character of responsibility, integrate dominant resource, to consolidate progress in poverty alleviation, to contribute to the common development of economy and society. We will remain fully committed to green development approach and ecological conservation, responding to global climate change and contributing to the realization of the United Nations Sustainable Development Goals (SDGs).




Chairman of Xiamen ITG Group Corp., Ltd

## At a Glance


ITG was founded in 1980 and listed on the Shanghai Stock Exchange in 1996 (Stock Code: 600755.SH). It is a key member of Xiamen ITG Holding Group Co., Ltd., a Fortune Global Top 500 enterprise. After more than 40 years of development, we now have business layout in three major sectors, focusing on the core business of supply chain management, strengthening the synergy of financial services, and actively expanding into new track of health technology.

Vested with the mission of "Continuously Creating New Value", we uphold the core values of "Leadership, Responsibility, Hardworking, Partnership" and live up to the ethos of "Exploring All Possibilities and Striving for New Heights". We strengthen the integration of digital innovation into the production chain, contribute to the economic and social development, and remain committed to becoming a trustworthy integrated services provider worldwide.

### Operating Revenue

 **464.76** billion RMB  
+32.38% YoY

### EPS

 **1.50** RMB/share  
+33.93% YoY

### Total Assets

 **97.75** billion RMB


### Employee Compensation

 **1.36** billion RMB  
+16.68% YoY

### Interests Paid to Creditors

 **1.31** billion RMB

### Dividends Paid to Shareholders and Other Equity Holders

 **1.84** billion RMB  
+71.34% YoY

### Total Tax Payment

 **2.78** billion RMB

### Social Donation

 **2.81** million RMB

### Employees

 **5,504** persons

### Volunteer Service Hours

 **4,614** hours

# ITG's 2021 ESG Honors

2021  
**GLOBAL 2000**  
How The World's Biggest Public Companies Endured The Pandemic

Rank	Name	Country
1333	Xiamen International Trade Group	China

**Forbes Global 2,000**

33<sup>位</sup>  
创历史新高

厦门国贸 (股票代码: 600755)

位列《财富》中国500强(上市公司)第33位,较去年前进15位  
同时,排名“贸易”子榜单第2位

**Fortune China Top 50**

**2021 The Corporate Social Responsibility Ranking in China**

关于印发国有企业公司治理示范企业名单的通知

国务院国有资产监督管理委员会办公厅

国务院国资委

**Demonstration SOE on Corporate Governance**

卓越竞争力  
主板上市公司

厦门国贸 (SH.600755)

供应链 金融 健康科技

**Excellent Competitiveness Main Board Listed Company**

中国上市公司品牌价值榜

**厦门国贸**

— 600755.SH —

**Brand Value List for Chinese Listed Companies Vitality List Top 100**

福建上市公司品牌价值榜 TOP10

证券名称	证券代码	品牌价值(亿元)
厦门国贸	600755.SH	287.26
紫金矿业	601899.SH	262.68
恒安国际	1044.HK	247.58

**Listed Company of Fujian Province Top 10 of Brand Value List**

国贸股份正式入选  
全国首批供应链  
创新与应用示范企业

商务部、工业和信息化部、生态环境部、农业农村部  
人民银行、市场监管总局、银保监会、  
中国物流与采购联合会等8单位共同评审

**National Demonstration Enterprises on Supply Chain Innovation and Application**



# ITG's 2021 ESG Honors



**Golden Bull Award for Most Valuable Investment (Awarded in 2021)**



**Tianma Award for Investor Relations of Listed Companies Best Board Award**



**Word of Mouth List for Chinese Listed Companies Best Board of Directors Among Listed Companies**



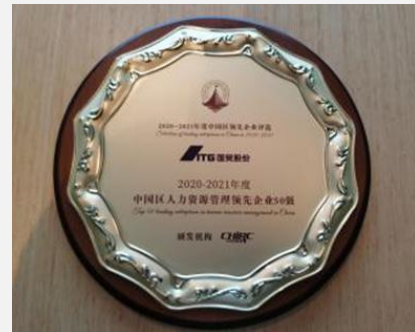
**Golden Round Table Award for the Boards of Directors of Chinese Listed Companies Outstanding Board Award**



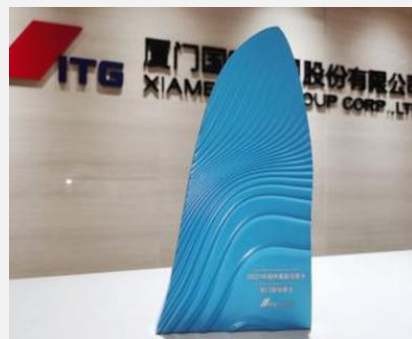
**Contract-abiding and Credit-valuing Enterprise (Awarded in 2021)**



**China Best Employer Award**



**Top 50 Leading Enterprises in Human Resource Management in China**



**China Best Employer Award Xiamen Best Employer Award**




**Xiamen Best Employer Brand Ranking Top 10**




**ai High Quality Workplace Excellent Model**

# United Nations Sustainable Development Goals

We are fully committed to contributing to the achievement of the United Nations Sustainable Development Goals (SDGs).






SDGs	Main Topics	Our Practices
 <p>Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<ul style="list-style-type: none"> <li>• Effective Governance</li> <li>• Risk Management and Compliance</li> <li>• Stakeholder Engagement</li> <li>• Act with Integrity</li> </ul>	<ul style="list-style-type: none"> <li>• We have strictly followed the relevant laws, regulations and regulatory requirements, established a scientific and efficient governance structure, and promoted the continuous improvement of corporate governance system and governance level in practice.</li> <li>• We have established a top-down risk control system, so that ITG's management can fully understand the risks and opportunities related to the sustainable development of enterprises, as well as make effective prevention and control or response measures in a timely manner to ensure the sustainable, stable and healthy development of businesses.</li> <li>• We value the feedback and expectations of stakeholders, and include them into corporate governance. Through the diversified communication mechanism, we promptly process the feedback and expectations of stakeholders, constantly improve our ESG management capabilities, and fully protect the rights and interests of stakeholders.</li> <li>• We pursue the highest business ethics, strictly abide by relevant laws and regulations, and adhere to honest operation and fair competition. Attaching importance to the establishment of professional ethics and integrity in ITG, we have built an honest, inclusive and honest enterprise environment by establishing a supervision mechanism, corresponding reporting system and whistleblower protection system.</li> </ul>

# United Nations Sustainable Development Goals





SDGs	Main Topics	Our Practices
 <p>Goal 3: Ensure healthy lives and promote well-being for all at all ages</p>		<ul style="list-style-type: none"> <li>As a leading supply chain management enterprise in China, ITG boasts the core competitiveness of global resource acquisition and channel layout, professional and effective risk control, AAAAA-level logistics and distribution, and all-round financial services. It upgrades the linear supply chain to an online supply chain integrated services system, thus empowering the industry and creating win-win outcomes with partners.</li> </ul>
 <p>Goal 9: Build resilient infrastructure, promote sustainable industrialization and foster innovation</p>	<ul style="list-style-type: none"> <li>Excellence Operation</li> <li>Responsible Supply Chain</li> </ul>	<ul style="list-style-type: none"> <li>With the digital development goals of "improving operation efficiency, synergy in development, mode upgrading, ecosystem building and organizational transformation", we comprehensively use several cutting-edge technologies to continuously advance digital transformation in the fields of supply chain operation, data asset, intelligent logistics, intelligent warehousing, healthcare big data application, etc. We are committed to taking digital technology as the engine, strengthening the supply chain business, promoting the supply chain's integrated services capability, providing digital solutions for the industry, as well as actively promoting the digital upgrading of the industry.</li> </ul>
 <p>Goal 12: Ensure sustainable consumption and production patterns</p>	<ul style="list-style-type: none"> <li>Protection of Clients' Rights and Interests</li> <li>Information Security</li> <li>IPR Management</li> <li>Work Safety</li> </ul>	<ul style="list-style-type: none"> <li>We attach importance to sustainable consumption and production, and actively promote responsible procurement. In line with our actual business conditions, we incorporate business ethics, honesty and credit, environmental protection, safety and health into our criteria for supplier access and evaluation. We always adhere to the "customer-centered" service philosophy, as well as fully protecting the rights and interests of customers through digital construction, ensuring the safe and stable operation of information systems and providing integrated services. We strive to create and share career opportunities and development achievements with upstream and downstream partners, thus jointly promoting the healthy and sustainable development of the industry ecosystem.</li> </ul>
 <p>Goal 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</p>	<ul style="list-style-type: none"> <li>Industry Engagement</li> </ul>	<ul style="list-style-type: none"> <li>We adhere to the principles of people-centered, giving first place to safety, laying stress on prevention and taking comprehensive measures in this regard, implement the concepts of "safety comes first in management of industries, businesses, production and operation", as well as establish the working mechanism of "Party and government share the same responsibilities, one post with two responsibilities, joint management, and accountability for dereliction of duty". We align the merit pay to ITG's management with the safety and environmental performance of the units under their charge. In this way, we continuously improve ITG's safety and health management and ensure the safety and health of employees.</li> </ul>







# United Nations Sustainable Development Goals

SDGs	Main Topics	Our Practices
 <p>Goal 6: Ensure access to water and sanitation for all</p>		
 <p>Goal 7: Ensure access to affordable, reliable, sustainable and modern energy</p>	<ul style="list-style-type: none"> <li>Climate Change and Green Industries</li> </ul>	<ul style="list-style-type: none"> <li>We always adhere to the concept of green development in our operation, as well as use continuous innovation as the engine to promote coordinated development with the environment. By innovatively developing green supply chain, green finance and green health technology businesses with technologies, we contribute to ecological conservation and the attainment of carbon peak and carbon neutrality targets.</li> </ul>
 <p>Goal 13: Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> <li>Protection of Customer Rights and Interests</li> </ul>	<ul style="list-style-type: none"> <li>We actively carry out the business of waste paper renewable resources to promote the protection of forest land tree resources. We actively carry out the trade of recycled iron &amp; steel across China. Such a business reduces the waste of resources by promoting the recycling of metal resources. We include the concept of green development into the logistics business operation process, practice energy conservation and emission reduction, as well as reduce waste and pollutant emissions.</li> </ul>
 <p>Goal 14: Conserve and sustainably use the oceans, seas and marine resources</p>	<ul style="list-style-type: none"> <li>Green Finance</li> <li>Green Healthcare Technology</li> </ul>	<ul style="list-style-type: none"> <li>We have built a "zero-carbon supply chain" with digital technology to cover smart energy, smart logistics, smart warehousing and smart manufacturing modules by exporting zero-carbon solutions focusing on four scenarios of factories, warehouses, buildings and transportation. In this way, we can help ITG as well as its upstream and downstream enterprises achieve green development.</li> </ul>
 <p>Goal 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss</p>	<ul style="list-style-type: none"> <li>Green Office</li> <li>Environmental Protection Activities</li> </ul>	<ul style="list-style-type: none"> <li>To fulfill the global responsibility in respond to climate change as well as contribute to China's "carbon peak and carbon neutrality" targets, we actively invest in developing green industry projects, and provide financial services to support the development of green industries.</li> <li>We adhere to green life concepts. Through innovation and development, we speed up the formation of green production modes and lifestyles and construct green buildings, carry out paperless operation, advocate ecological conservation, emission reduce and green commuting, and continuously promote waste sorting and other environmental protection activities to achieve ecological progress of the society.</li> </ul>

# United Nations Sustainable Development Goals

SDGs	Main Topics	Our Practices
 <p>Goal 1: End poverty in all its forms everywhere</p>		<ul style="list-style-type: none"> <li>In response to the call of the state, we always move toward the directions of SOE responsibility and value as well as the harmonious value of a corporate citizen. By giving full play to the business characteristics and resource advantages of supply chain management, financial services and healthcare technology, we will integrate corporate production and management with social development, and promote the industries to contribute to poverty alleviation and rural revitalization, as well as realize coordinated economic and social development.</li> </ul>
 <p>Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>	<ul style="list-style-type: none"> <li>Protection of Clients' Rights and Interests</li> </ul>	<ul style="list-style-type: none"> <li>We have been focusing on the layout of agricultural products industrial chain, and carrying out business cooperation around its upstream and downstream links. We are committed to building a smart agricultural platform through digitization. Starting from the fields of grain and agricultural materials, we have extended to the front-end and terminal areas of the modern agricultural industry, promoting the high-quality development of national agriculture and helping safeguard national food security.</li> </ul>
 <p>Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> <li>Industry Engagement</li> <li>Financial Services to Revitalize Rural Areas</li> </ul>	<ul style="list-style-type: none"> <li>We always response to national measures for energy supply and price stability with practical actions. By giving full play to our advantages in domestic and foreign procurement channels, we make every effort to ensure coal supply, and ensure people's coal demand for production and living.</li> </ul>
 <p>Goal 11: Make cities inclusive, safe, resilient and sustainable</p>	<ul style="list-style-type: none"> <li>Technology-empowered Green Supply Chain Green Supply Chain</li> <li>Caring for the Community</li> <li>Strengthen Agriculture and Enrich Rural Areas</li> </ul>	<ul style="list-style-type: none"> <li>We earnestly implement the "Guiding Opinions on Further Improving Financial Services for Rural Revitalization" jointly issued by the People's Bank of China, the China Banking and Insurance Regulatory Commission, the China Securities Regulatory Commission, the Ministry of Finance and the Ministry of Agriculture and Rural Affairs, and support rural development by continuously promoting the innovation of financial products and services.</li> <li>Driven by responsible investment, ITG integrates resources with innovative development model and empowers business with technology to tap into healthcare and elderly care industries. Through the operation and management of rehabilitation hospitals, online hospitals, ADICON Clinical Laboratories and other health service platforms, we provide all-round life-cycle medical and health services from prevention, diagnosis and treatment to rehabilitation, nursing and nourishment. By making active layout in the elderly care industry, we provide first-class integrated medical, nursing, rehabilitation and nursing services.</li> <li>We actively participate in community assistance and pare up with the disadvantaged, as well as promote the development of social welfare undertakings, which involve the construction of key urban projects, culture, education and sanitation, poverty relief, donation to schools and disaster relief. ITG has been awarded the title of "Annual Top Charitable Unit" for many years, and was included to the list of Chinese state-owned companies performing best in undertaking social responsibility.</li> </ul>

# United Nations Sustainable Development Goals

SDGs	Main Topics	Our Practices
 <p>Goal 3: Ensure healthy lives and promote well-being for all at all ages</p>		<ul style="list-style-type: none"> <li>We respect the "Universal Declaration of Human Rights", adhere to the employment principles of compliance and equality, as well as prohibit any form of child labor and forced labor. We have built a scientific and fair employee management system, as well as set up comprehensive career development paths. Apart from providing our employees with business practice and training opportunities, we constantly tap their personal potential, so that all our employees can learn through work, Growing with experience, and gain by exercise. In this way, our employees can better achieve their personal values and career ideals.</li> </ul>
 <p>Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>		<ul style="list-style-type: none"> <li>Adhering to the principles of mutual respect and equal consultation, we have signed the "Dedicated Collective Contract for the Protection of Special Rights and Interests of Female Employees" to prohibit gender discrimination and eliminate gender inequality in the workplace, as well as to fully protect the rights and interests of female employees.</li> </ul>
 <p>Goal 5: Achieve gender equality and empower all women and girls</p>	<ul style="list-style-type: none"> <li>Employee Management</li> <li>Career Development</li> <li>Employee Care</li> </ul>	<ul style="list-style-type: none"> <li>We always regard employee care as the focus of employee responsibility management, and take pride in a warm and harmonious working atmosphere. By offering humane care and colorful cultural activities, we allow all employees to find a sense of belonging and form a community of shared future where they support each other and make progress together.</li> </ul>
 <p>Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all</p>		<ul style="list-style-type: none"> <li>We have set up the "ITG Charitable Fund", which is aimed at gathering love, helping each other, spreading love and promoting harmony and mainly used to help employees and their families solve difficulties caused by sudden disasters or major diseases.</li> </ul>
 <p>Goal 10: Reduce inequality within and among countries</p>		<ul style="list-style-type: none"> <li>We attach great importance to the physical and mental health of our employees. Every year, we provide employees with annual health check-up benefits, creating a healthy and harmonious working environment. We introduced international advanced EAP concepts and services to provide employees with systematic and long-term counseling to improve their mental health, and help them deal with psychological troubles in life or at work. In doing so, we aim to foster an open, inclusive and positive working atmosphere and organizational culture, as well as comprehensively enhance the "sense of happiness" of employees in the workplace.</li> </ul>





# Corporate Governance Leads to Sustainability

16

PEACE, JUSTICE AND STRONG INSTITUTIONS



We are dedicated to adopting the best corporate governance practices that meet the dynamic needs of the corporate governance environment, which contribute to creating a sustainable presence for ITG, and assure that the long-term interests of our stakeholders.

## Corporate Governance Leads to Sustainability

### Party Building

We adhere to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, follow the leadership of the Party, strengthen Party building, constantly improve the modern enterprise system. We build first-class corporate governance with first-class Party building, as well as promote the high-quality development of ITG.

#### Better Design of Top-level System for Empowerment and Accountability in Governance

The ITG Party Committee plays the leading role of "direction setting, overall management and implementation assurance". It aims at improving governance efficiency, insists on the unity of decision-making quality and efficiency, as well as further clarifies the boundaries of powers and responsibilities of the Party Committee, the Board of Directors, the management and other governance bodies by reorganizing the implementation measures of the decision-making system for the Three-important and One-Large Decision-making System (important operational decisions, important hiring, important investment decisions and large amount usage) and the pre-emptive study and discussion of major operation and management issues by the Party Committee. All these ensure the organic unity of the leadership of the Party Committee, the deliberation and decision by the Board of Directors, and the implementation of the management team. In this way, a corporate governance mechanism with statutory and transparent powers and responsibilities, coordinated operations, and effective checks and balances has taken shape. Such a governance mechanism improves the scientific nature of our decision-making, optimizes corporate governance, as well as provides a strong guarantee for our high-quality development.

#### Characteristic Party Building for Better Outcomes

The ITG Party Committee keeps a close eye on the actual operation and management, focusing on the main business. By fostering a matrix of Party building brands with ITG characteristics, we give full play to the vanguard and exemplary role of Party members, build a strong fortress in this regard, realize the in-depth integration of Party building with production and operation, as well as promote the transformation, upgrading and high-quality development of enterprises in an all-round way with faster speed and higher standards.

#### Talents-based Corporate Development, Cultivation of "Swift Horses"

We adhere to the principle of the Party supervising the performance of officials, and take the cultivation of loyal, clean and responsible high-quality professional cadres and talents as the key to improve the quality of Party building. By exploring and establishing "three systems" of enterprise leaders' quality training, horse racing appraisal and positive incentives, the ITG Party Committee provides institutional and systematic guarantee for more outstanding cadres to stand out and work positively.

We have initiated the "New Elite Program" to build a broad growth stage for young cadres, optimizing the cadre echelons, as well as established a talent project for continuous career development and business growth.

In 2021, we promoted the online training platform by offering courses such as "Lighthouse Program", an internal trainer training program, as well as set up "iClassroom · Infinite Learning" to foster a sound atmosphere of "universal learning". We carried out job rotation and exchange, as well as trained versatile talents with comprehensive qualifications by strengthening job rotation and exchange among functional departments and secondary business units of ITG.

Through the formulation of the "Implementation Opinions on Further Encouraging Cadres to Take New Actions in the New Era", and the "Measures for Establishing a Competitive Mechanism with Strong Performance", we established a "horse racing mechanism" for improving team spirit and selecting outstanding talents which empower the operation of the company. During the process, we have achieved better operating results, accelerated both business development and the efforts to become a first-class company, thus proving strong guarantee for the high-quality development of ITG.

In 2021, we started internal competition for management positions such as Deputy General Manager of Finance Department, Deputy General Manager of Human Resources Department and Deputy General Manager of Audit Department. Internal competition has provided strong support for ITG to broaden the channels of selecting and assigning employees, as well as to establish a better team of cadres.







## 2021 Party Building Honors

- ★ Supply Chain Party Building Brand "ITG Initiative · Response · Chain" has won the honorary title of "Excellent Party Building Brand" of municipal SOEs in 2021.

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- ★ ITG Financial Holding Party Branch and ITG Shanghai Headquarters Party Branch have won the honorary title of "Advanced Grassroots Party Organization" at the municipal level.

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- ★ "Chasing the Dawn", a video produced as per the instructions of the ITG Party Committee, has won the third prize of the "16th Party Members Education TV Film Observation and Exchange" sponsored by the Organization Department of the Fujian Provincial Party Committee as well as the "second prize of the Second Party Members Education Micro-videos Contest" sponsored by the Organization Department of the Xiamen Municipal Party Committee.

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- ★ The "Party Member's Responsibility in Intercontinental Express Delivery", jointly written by the Party members of the first and fourth Party branches of the Administrative Department, has won the first prize of the "Contest on Party Building Stories of Xiamen SOEs", as well as been included in the book "The Common Name—Collection of Part.





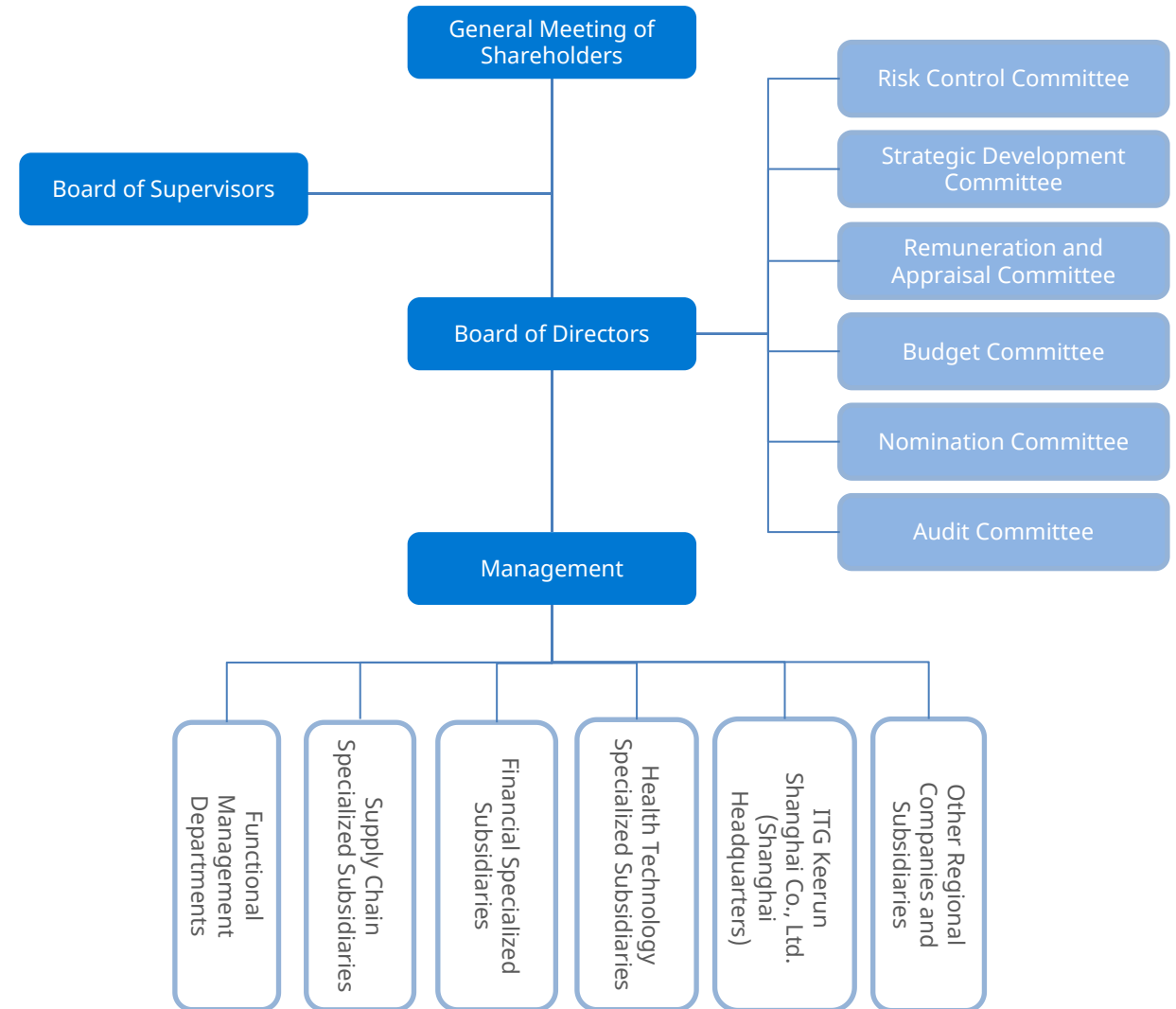
# Corporate Governance Leads to Sustainability

## Effective Governance

We have established and improved the corporate governance system in strict accordance with the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China" and other relevant laws, regulations and regulatory requirements. In practice, we also promote the continuous improvement of corporate governance system and governance level, so as to ensure the stable operation and high-quality development of ITG.

## Governance Structure

We have established a corporate legal person governance structure of "the general meeting of shareholders, Board of Directors, Board of Supervisors and the Management " with standardized, scientific, efficient operation, clear rights and responsibilities, and effective checks and balances. We have established and improved the internal regulations system based on the "Articles of Association". The internal regulations system includes the "Articles of Association", the "Rules of Procedure for the general meeting of shareholders, Board of Directors and Board of Supervisors" and the "Working Rules for the President". It also clarifies the responsibilities and powers of the he general meeting of shareholders, the Party Committee, the Board of Directors, the Board of Supervisors, the management and other institutions at all levels, thus ensuring the legal compliance of corporate governance.



## Corporate Governance Leads to Sustainability



During the reporting period, we held a total of

3 General Shareholders' Meetings | 20 Proposals

21 Board of Meetings | 57 Proposals

8 Board Supervisors of Meetings | 16 Proposals



ITG was included as a corporate governance demonstration SOE in the **"List of Demonstration SOEs on Corporate Governance"** finalized by the State-owned Assets Supervision and Administration Commission of the State Council for the first time in 2021 (a total of 145 corporate governance demonstration enterprises, including 40 local SOEs).

### The General Meeting of Shareholders

In strict accordance with the requirements of relevant laws, regulations and regulatory rules, we standardize the convening, assembly and voting procedures of the general meeting of Shareholders. We fully respect all shareholders, ensure all shareholders' right to know, participate in and vote on major issues of ITG, as well as effectively protect the rights and interests of minority shareholders.

### Board of Supervisors

The Board of Supervisors of ITG consists of three (3) supervisors, including one (1) employee supervisor. In strict accordance with relevant laws and regulations, the "Articles of Association", the "Rules of Procedure for Board of Supervisors" and other regulations, ITG supervisors earnestly perform their duties, report to shareholders, supervise ITG's legal operation, financial situation and the performance of ITG directors and senior executives, thus ensuring the compliant operation and steady development of ITG.

## Corporate Governance Leads to Sustainability

### Board of Directors and Special Committees

The Board of Directors of ITG consists of nine (9) directors, including three (3) independent directors and one (1) female director. Members of the Board of Directors specialize in accounting, economics, law, management and other professional fields. The specialization and diversification of directors provide a guarantee for the scientific decision-making by the Board of Directors of ITG.

The Board of Directors of ITG strictly abides by laws and regulations, the "Articles of Association", the "Rules of Procedure for Board of Directors" and other regulations, as well as performs its duties diligently and in accordance with relevant regulations. There are six (6) special committees under the Board of Directors. Five (5) special committees include independent directors, and four (4) special committees have independent directors in the majority, with independent directors as the Chair. By giving full play to the professional guidance, examination and supervision role of independent directors, we can improve the scientific governance level of ITG, supervise the standardized operation of ITG, and effectively safeguard the interests of shareholders.

During the reporting period, we held a total of

**24** The Special Committees of the Board of Directors Meetings

**41** Proposals

#### Risk Control Committee

The Risk Control Committee consists of five (5) directors. The Risk Control Committee is responsible for designing the risk assessment system and control structure for corporate operation and management according to the "Implementation Rules of Risk Control Committee". It establishes an effective internal control system for corporate operation and management, analyzes and evaluates major risk events and puts forward suggestions, as well as conducts comprehensive inspection and risk assessment of ITG's operation and investment projects in due course.

#### Strategic Development Committee

The Strategic Development Committee consists of seven (7) directors, including two (2) independent directors. In line with the "Implementation Rules of Strategic Development Committee", the Strategic Development Committee is responsible for studying ITG's development plans, business objectives, business strategies and major issues, proffering suggestions, as well as tracking and evaluating the implementation outcomes of business strategies.

#### Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee consists of three (3) directors, including two (2) independent directors. The Chair is an independent director. In line with the "Implementation Rules of Remuneration and Appraisal Committee", the Remuneration and Appraisal Committee is responsible for formulating remuneration schemes for directors and senior executives, reviewing the performance of non-independent directors and senior executives, conducting annual performance appraisal and supervising the implementation of ITG's remuneration system.

#### Budget Committee

The Budget Committee consists of three (3) directors, including one (1) independent director. The Chair is an independent director. In line with the "Implementation Rules of Budget Committee", the Budget Committee is responsible for organizing the preparation, review and revision of medium- and long-term development plans and annual budgets, as well as for reviewing budget schemes and budget implementation reports.

#### Nomination Committee

The Nomination Committee consists of three (3) directors, including two (2) independent directors. The Chair is an independent director. In line with the "Implementation Rules of Nomination Committee", the Nomination Committee is responsible for proposing the size and composition of the Board of Directors, the candidate criteria and procedures for directors and managers, as well as for examining the relevant qualifications of directors, managers and other senior executives.

#### Audit Committee

The Audit Committee consists of three (3) directors, including two (2) independent directors. The Chair is an independent director. In line with the Implementation Rules of Audit Committee, the Audit Committee is responsible for supervising and evaluating the external audit work, guiding the internal audit work and evaluating the effectiveness of internal control, as well as for reviewing the financial report and expressing opinions.

In 2021, The Board of Directors of ITG won:

The 16th **"Golden Round Table Award for Chinese Listed Companies—Outstanding Board Award"**

sponsored by the "Directors & Boards" Magazine

The 12th **"Tianma- Best Board Award"** sponsored by the "Securities Times".

## Corporate Governance Leads to Sustainability

### Optimizing Organization, Improving Efficiency

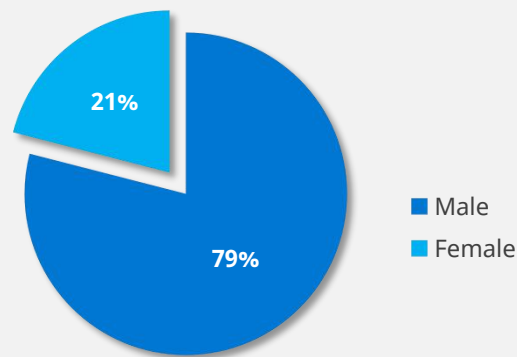
In line with relevant laws, regulations and regulatory rules, the Board of Directors of ITG appropriately empowers the management through resolutions. The management makes collective decisions on major issues of ITG operation and management through the President's Office Meeting, and the President reports to the Board of Directors and the Board of Supervisors. When the President's Office Meeting studies and decides on issues involving the immediate interests of employees, participants will listen to the opinions of trade unions and employees' congresses in advance, so as to improve the efficiency and ensure scientific and democratic decision-making.

As for the organizational system, ITG has carried out the reform of setting up specialized subsidiaries, which are granted reasonable operation and management powers to optimize management processes, as well as to improve business development level and management efficiency. By fully stimulating the enthusiasm and creativity of the business teams, we have improved the specialization levels of related products and businesses, promoted the coordinated development between ITG and its specialized subsidiaries, as well as achieved our strategic vision and goals.

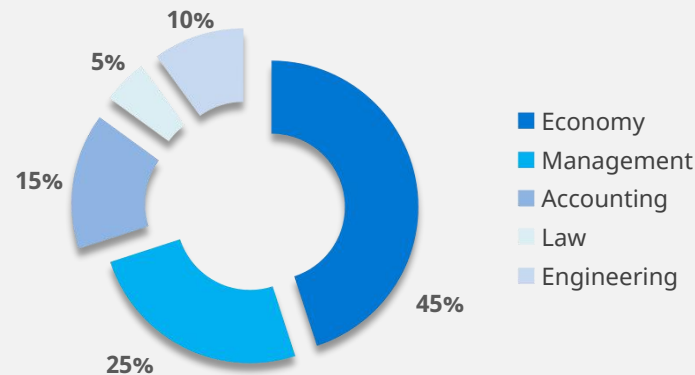
In 2021, we continued to push forward the reform towards horizontal management model. We have reorganized the organizational structure to adapt to the three major sectors, removed the division level, as well as realized the management of supply chain businesses by specialized subsidiaries.

## ITG's Composition of Directors, Supervisors and Senior Executives

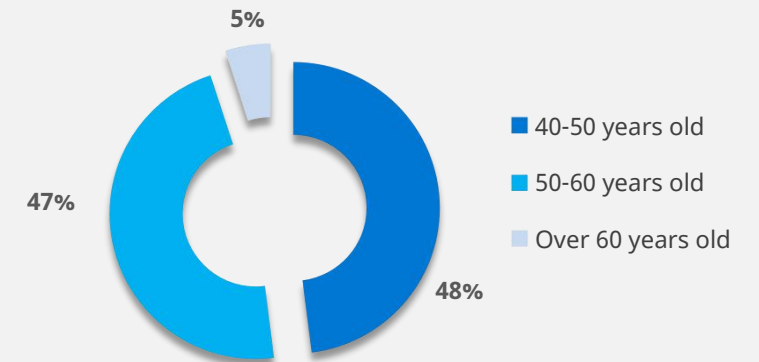
Gender Distribution



Specialty Distribution



Age Distribution





## Corporate Governance Leads to Sustainability

### Risk Management and Compliance

We attach great importance to risk management and compliance, adhere to compliant operation, as well as establish and continuously improve relevant policies on risk management and compliance. We have set up a top-down risk control system and inspect the implementation of internal control every year. Through pre-emptive risk prevention and control, timely risk warning and risk management in the process of business development, ITG's management can fully understand the risks and opportunities related to the sustainable development of enterprises, as well as make effective prevention and control or response measures in a timely manner to ensure the sustainable, stable and healthy development of businesses.

#### Management Structure

During the reporting period, we have established an organizational structure of operational risk management system with sound structure and clear responsibilities, defined the division of responsibilities in the operational risk management department, as well as formed a multi-level, interconnected and effective check and balance operation mechanism. In which: The Risk Control Committee and Audit Committee under the Board of Directors of ITG are the risk management institutions at the board level. ITG Headquarters has set up the Legal Affairs Department, the Risk Control and Compliance Department and the Supply Chain Operation and Management Department as the risk management functional departments of ITG, and the Audit Department and the Supervision Office as the risk supervision functional departments of ITG. All business departments and subsidiaries of ITG are responsible for day-to-day risk management. We implement the concepts of "overall compliance and stringent risk control", advocate that all employees should be responsible for risk management, earnestly perform the duties of risk response and risk report. Under the management and supervision of the risk management departments and supervision departments, ITG boasts effective and comprehensive risk management.

Board of Directors	Risk Control Committee	<ul style="list-style-type: none"> <li>Designing the risk assessment system and control structure of ITG operation and management.</li> <li>Establishing an effective internal monitoring system for operation and management.</li> <li>Analyzing and evaluating major risk events and offering suggestions.</li> <li>Timely comprehensive inspection and risk assessment of ITG operations and investment projects.</li> </ul>
	Audit Committee	<ul style="list-style-type: none"> <li>Responsible for supervising and evaluating the external audit work.</li> <li>Guiding the internal audit work and evaluating the effectiveness of internal control.</li> </ul>
Headquarters' Functional Departments	Risk Control & Management Departments	<ul style="list-style-type: none"> <li>Legal Affairs Department</li> <li>Risk Control and Compliance Department</li> <li>Supply Chain Operation and Management Department</li> </ul> <ul style="list-style-type: none"> <li>Assuming responsibility for risk management; responsible for the construction of management and control system, risk monitoring and early warning, as well as risk event prevention and handling.</li> </ul>
	Risk Supervision Departments	<ul style="list-style-type: none"> <li>Audit Department</li> <li>Supervision Office</li> </ul> <p>Responsible for the supervision of operational risk management; supervising the responsible subjects which have issues to be improved and urging them to make timely rectification through compliance inspection of major projects and key areas within ITG, so as to avoid and find out all kinds of non-compliance behaviors in the day-to-day financial and business management processes as early as possible.</p>
Business Units/Subsidiaries	Responsible for operational risk management within their business scope, implementing risk management as per relevant laws and regulations, regulatory requirements and company system in day-to-day business activities, as well as for embedding risk management into the whole business	




#### System Improvement

We strictly abide by relevant laws and regulations, as well as establish and improve the internal control and risk management system in line with our own business characteristics. Our internal control and risk management system includes the "Rules and Regulations Management System", "Investment Management System", "Regulations on the Management of Risk Managers", "Risk Indicators Monitoring and Management Regulations", "Interim Measures for Management of Customers Negative List", "Regular Reports Management Regulations", "Financial Planning Management Regulations", "Measures for Management of Concentration Risk of Credit Business", "Strategic Coordination Management Measures", "Regulations on Announcement and Warning of Major Security Risks", "Measures for Management and Control of Business Risks of Material Trade", "Measures for Management of Engineering Construction Projects", as well as other rules and regulations for standardizing ITG operation and management.

In 2021, we revised the "Measures for Management of Concentration Risk of Credit Business", "Regulations on Management of Work Safety", "Regulations on Out-stock Management of Supply Chain Business", "Supply Chain Business Management Regulations and Implementation Measures", "ITG Futures Margin Management System" and "Decision-making System of the Party Committee for the Three-important and One-Large Decision-making System (important operational decisions, important hiring, important investment decisions and large amount usage)", thus further improving our risk control and compliance management systems.

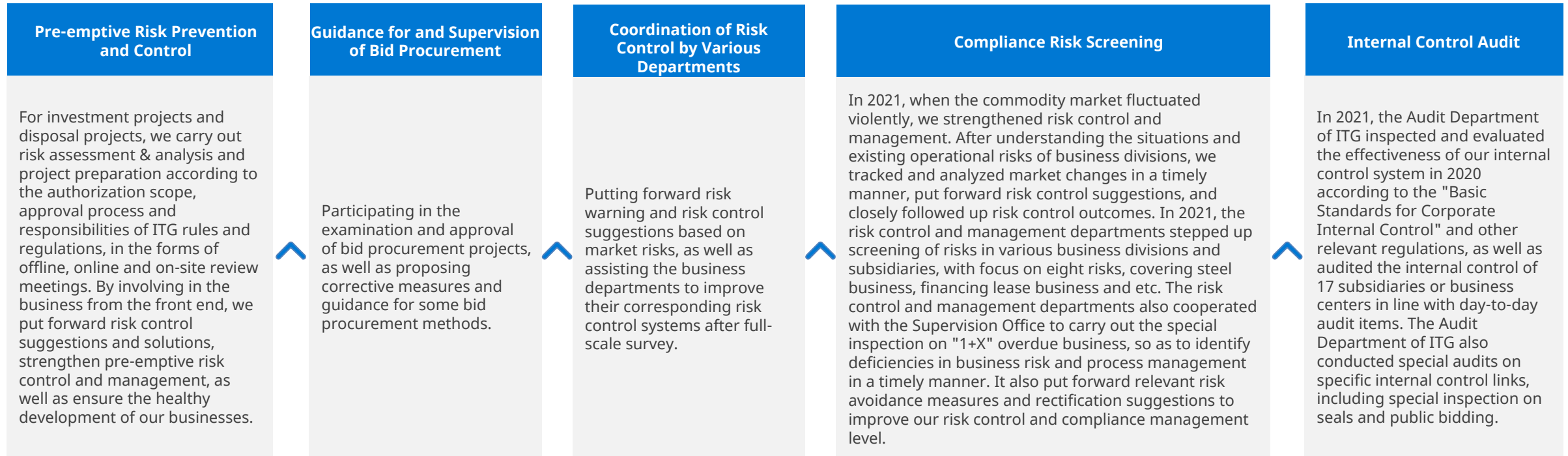
## Corporate Governance Leads to Sustainability

### Risk Monitoring and Management

	<ul style="list-style-type: none"> <li>We have scientifically set up risk monitoring indicators to reflect our operating status, as well as give early warning for abnormal key indicators and reveal day-to-day operational risks.</li> </ul>
	<ul style="list-style-type: none"> <li>We have established a normalized risk information reporting mechanism with clear responsibilities and timely response to ensure timely, accurate and comprehensive reporting of major risk events.</li> </ul>
	<ul style="list-style-type: none"> <li>By continuously monitoring the progress of risk events, we appropriately implement major risk response measures to lower the risk level and reduce risk-associated losses.</li> </ul>



In 2021, in line with the changes of external environment and risk management characteristics of business divisions, we carried out special risk control and compliance inspection on various businesses. In this way, we have discovered and defused the internal risks of ITG, as well as actively formulated plans to prevent and deal with external risks:



## Corporate Governance Leads to Sustainability

### Supply Chain Risk Management

In line with their actual business practices, the business subsidiaries in the supply chain of ITG have formulated system documents such as "Environmental Analysis Control Procedure", "Procedure for Response to and Control of Risks and Opportunities" to effectively prevent and control supply chain risks.

#### Supply Chain Risk Management Process

<b>Establishing Risk/Opportunity Management Teams</b>	Personnel involved in risk/opportunity management should be trained in risk management knowledge before starting work.
<b>Risk/Opportunity Management Program</b>	<b>Risk identification opportunities :</b> Planning of quality management system, change of corporate tenet, change of strategies, change of internal and external environments, change of organization and its background, change of needs and expectations of stakeholders
<b>Risk/Opportunity Identification</b>	<b>Risks to be considered:</b> Quality risk, environmental risk, operational risk, market risk and financial risk
<b>Risk Assessment</b>	The identified factors are sorted according to the order of priority or degree of influence, from which a SWOT matrix is constructed.
<b>Risk Response</b>	Giving full play to the advantages, overcoming the weaknesses, making use of the opportunities and defusing the threats. Referring to the past, basing on the present and focusing on the future, we use the comprehensive analysis method of system analysis to derive a series of selectable solutions for the future development of ITG, as well as to formulate corresponding action plans.
<b>Implementation Evaluation</b>	Verifying the effectiveness of risk response measures.
<b>Regular Review</b>	The risk management department evaluates the outcomes of risk/opportunity management.

In September, 2021, through the identification of supply chain risks and opportunities, Xiamen ITG Petrochemical Co., Ltd. purchased a 300,000-ton second-hand super-large oil tanker, as well as transformed it into a floating warehouse for warehousing and trading purposes. The successful implementation of the floating warehouse project not only improved the spot profitability of ITG, but also strengthened the team's market analysis ability. The project further streamlines upstream and downstream channels of the oil supply chain. As a result, ITG has become the first Chinese-funded state-owned supply chain enterprise to have layout in the floating warehouse market. Such an achievement has enhanced the influence of Chinese-funded enterprises in Southeast Asia and even the global oil industry.

In 2021, global economic situation was complicated, while risks occurred from time to time in the bulk trade field. Iron ore and coal, in particular, have plunged continuously. However, we have a comprehensive risk management system. Through risk identification, assessment and positive response, we have resolved operational risks and grasped development opportunities in various ways. Effective supply chain risk management has enabled us to achieve stable operation in the turbulent market environment. In full-year 2021, we have not been subjected to major risks or suffered losses; instead, we have further increased the market shares of our businesses.





## Corporate Governance Leads to Sustainability

### Risk and Compliance Education

We implement the concept of "overall compliance and stringent risk control", advocate that all employees should improve the awareness of compliant operation and risk prevention, as well as take the initiative to install risk control points. Through various forms of publicity and training, we popularize the legal and risk control and compliance knowledge to all employees, comprehensively disseminate our various rules and regulations, as well as enhance employees' awareness of compliance and risk prevention.



- A column on risk control and compliance has been set up on our intranet, and the Fangyuan Symposium is held once a month to publicize risk points, relevant laws and regulations, cases and tips on risk control and compliance. We have set up a column for summarizing the laws and policies of the SASAC, as well as summarize and update the policies and regulations of the SASAC related to ITG operation and management in a timely manner for all employees to learn and use.
- In 2021, we organized all employees to attend online and offline learning, training and lectures. The contents of the training and lectures included the "Presentation of Management Regulations on Procurement of Materials and Services", "Interim Measures for Supervision and Management of Financing Lease Companies", "Integrated Management of Internal Audit, Internal Control and Risk Control for Enterprises", "Interpretation of Procurement Operation Standards of State-owned Enterprises", "Legal Risks and Prevention in Enterprise Contracts from the Perspective of Civil Code" and "How to Do Post-investment Management". We specially set up different training courses for new employees, business personnel, and risk control and compliance personnel, so as to ensure the attainment of training objectives, split compliance obligations for different positions and processes, as well as promote the implementation of compliance system.
- In 2021, the departments of ITG organized monthly internal risk control and compliance group learning activities, which were chaired in turn by employees in the department to share work and learning experience. Every year, we conduct trade compliance examination and answer analysis for new employees. Through test questions, interactive questions and answers and case analysis, we strengthen the training effect, ensure that trainees can enhance their compliance awareness and ability through training, as well as enable our business departments to assume compliance responsibilities and play an important role as the "first line of defense".
- We actively organize employees to participate in various risk control and compliance training sessions organized by external law firms, industry associations and other organizations, such as "Analysis of Practical Aspects in Overseas Investment", "Key Legal Issues Regarding Listed Companies Issuing Shares to Purchase Assets", "Key Audit Points for Guarantee Business Under the New Guarantee System" and "Interpretation of Private Equity Funds".



## Corporate Governance Leads to Sustainability

### Act with Integrity

We abide by the highest business ethics, strictly observe the "Anti-unfair Competition Law of The People's Republic Of China", the "Anti-Monopoly Law of the People's Republic of China", other relevant laws and regulations, as well as the relevant policies, laws and regulations of the regions where the relevant businesses are located. We insist on honest operation and fair competition. We emphasize internal professional ethics education and Integrity Construction. By establishing a supervision mechanism, we aim to create a clean and upright corporate.

#### Supervision & Discipline

ITG's Supervision Office is responsible for ensuring disciplinary inspection and supervision, implementation of various rules and regulations for building a clean and corporate, supervising the honesty and self-discipline of Party members and cadres, inspecting and urging our employees to abide by the law and perform their duties in accordance with laws and regulations, as well as holding accountable employees who violate the rules and regulations. By performing its supervisory duties, our Supervision Office furthers the implementation of the "1+X" special supervision mechanism in the spirit of the central Party leadership's eight-point decision, as well as unites relevant functional departments and discipline inspection members of Party organizations at all levels to jointly form a supervisory synergy.

In 2021, ITG's Supervision Office formulated the "2021 List of Five Key Areas and Five Emphases in Supervision Responsibilities", refined 28 specific responsibilities on five aspects: "day-to-day supervision, discipline review, accountability, tackling both the symptoms and root causes, and self-improvement", as well as clarified the supervision responsibilities of relevant departments and personnel through responsibility breakdown.

#### Special Inspection

In 2021, the Supervision Office carried out 21 special inspections on the use of official vehicles, business entertainment expenses, newspaper subscriptions, drunk driving, overdue business, etc., as well as urged the rectification of identified problems in a timely manner. By refining the day-to-day supervision measures, we can prevent violations of laws and regulations and improve the clean operation level of ITG.



#### Integrity Education

We emphasize integrity education for the employees of ITG, as well as create an atmosphere of integrity by publicizing the integrity culture.

- The Supervision Office selects typical cases every week, pushes them on the intranet and the WeChat platform, as well as provides integrity education for employees. In 2021, 45 typical cases were pushed.
- Taking the typical cases investigated and dealt with by ITG in recent years as teaching materials, the Supervision Office uses "things around us" to educate "people around us" on Party Building and Ethics Compliance, so as to guide Party members and cadres to hold discipline in awe and respect, do not cross the line.
- Surveys regarding clean corporate have been carried out on companies in other localities. At the same time, clean corporate warning education has been conducted to strengthen the prevention and control of relevant risks in different localities as well as in overseas investment and business areas.
- Before New Year's Day, Spring Festival, Tomb-Sweeping Day, May Day, Dragon Boat Festival, Mid-Autumn Festival, National Day and other important holidays, documents such as "Notice on Strengthening Discipline and Style in 2021 New Year's Day and Spring Festival", "Notice on Strict Integrity Discipline in Tomb-Sweeping Day of 2021", "Notice on Strengthening Integrity and Self-discipline in May Day and Dragon Boat Festival of 2021", "Notice on Strict Integrity Discipline in Mid-Autumn Festival and National Day of 2021" were issued respectively.

#### Reporting System & Whistleblower Protection

ITG's Supervision Office is responsible for handling reported cases, doing a good job in handling and feedback of reported cases, as well as protecting the legal rights of whistleblowers. The Supervision Office conscientiously implements the "Working Rules of Discipline Inspection and Supervision Organs for Handling Reports and Accusations", as well as strictly implements confidentiality requirements. It strictly implements the confidentiality requirements, including keeping the names (unit names), work units, addresses and other relevant information of the whistleblowers and the contents of the reports and accusations strictly confidential. It is strictly forbidden to transfer or inform the reported organizations and personnel of the reported materials and whistleblower information. Verification work should be carried out without revealing the identity of the whistleblower. retaliation should be seriously deal with. It is strictly forbidden to trace the identity of anonymous whistleblowers without authorization.

## Corporate Governance Leads to Sustainability

### Stakeholder Engagement

#### Communication with Stakeholders

We attach great importance to information disclosure, and strictly follow the requirements of relevant laws, regulations and regulatory rules to disclose company information in a true, accurate, complete, timely and fair manner, so that investors and other stakeholders can know about ITG in a timely manner and fully protect the rights and interests of shareholders and stakeholders. We value the feedback and expectations of stakeholders, and include them into corporate governance. Through the diversified communication mechanism, we promptly process the feedback and expectations of stakeholders, constantly improve the management of ESG issues, as well as enhances our ESG management capabilities.



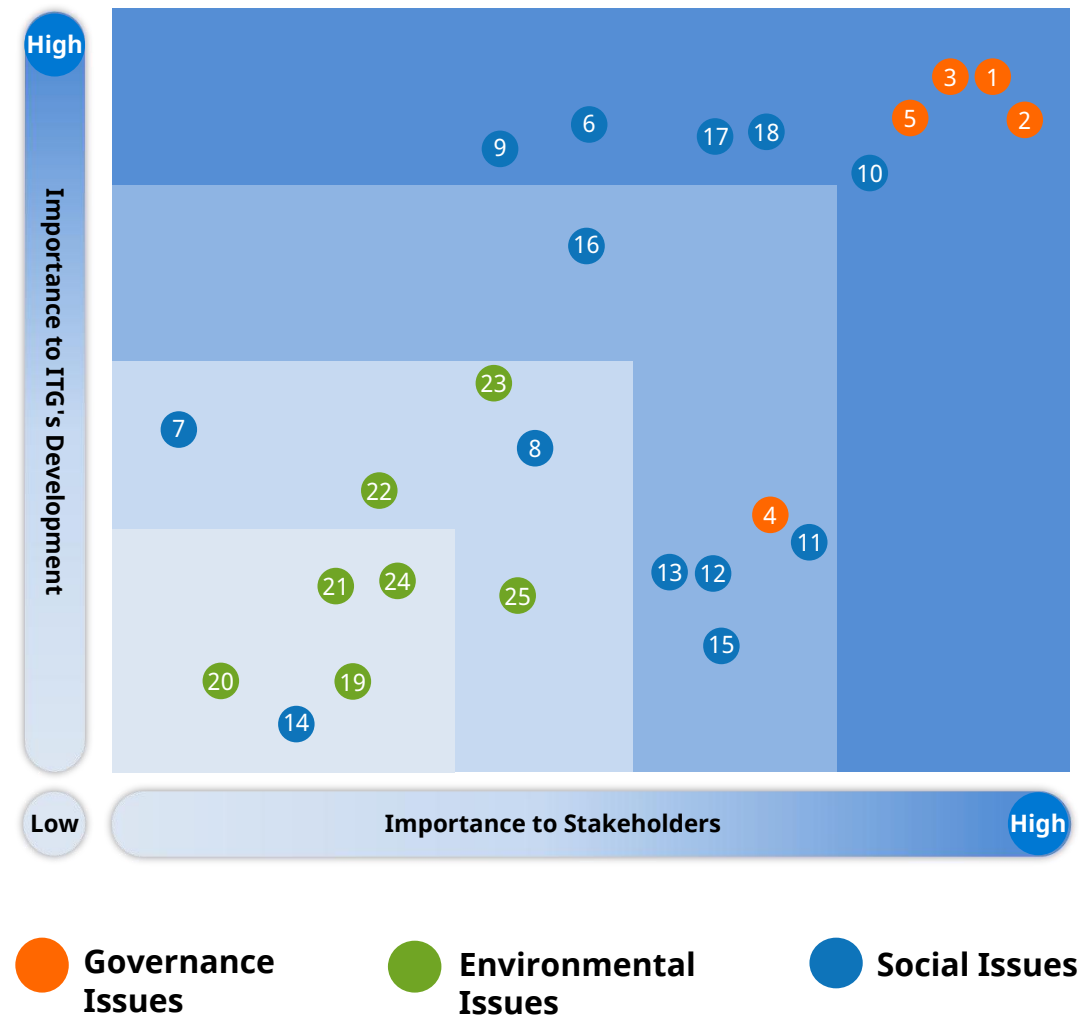
Stakeholders	Areas of Focus	Regular Practices
<b>Employees</b>	Products, Services and Quality Protection of Information Security Occupational Safety and Health	Solicitation of Employee Opinions Employee Care Activities Employee Satisfaction Survey Employee Training Corporate Culture WeChat Official Account
<b>Customers</b>	Products, Services and Quality Compliant Operation	Customer Satisfaction Survey Customer Complaint Channel Social Media and Company Publications
<b>Suppliers and Partners</b>	Supplier Management Implementation of State Policies Improvement of Corporate Governance	Supplier Conference Exhibition Visit and Survey Symposium and Training
<b>Investors</b>	Supplier Management Protection of Information Security Customer Satisfaction	Disclosure of Listed Company Information Shareholders General Meeting Operating Results Briefing Institutional Visit
<b>Government &amp; Regulatory Authorities</b>	Implementation of State Policies Improvement of Corporate Governance Compliant Operation Act with Integrity Reporting Mechanism	Field Visit Participating in the Formulation of Policies and Suggestions Government Projects
<b>Media Organizations</b>	Business Innovation Public Welfare	Social Welfare Activities Information Disclosure Social Media and Media Communication Public Opinion Monitoring
<b>Public Welfare Institutions &amp; Non-governmental Organizations</b>	Implementation of State Policies Act with Integrity	Field Visit Community Services Public Welfare Services

# Corporate Governance Leads to Sustainability

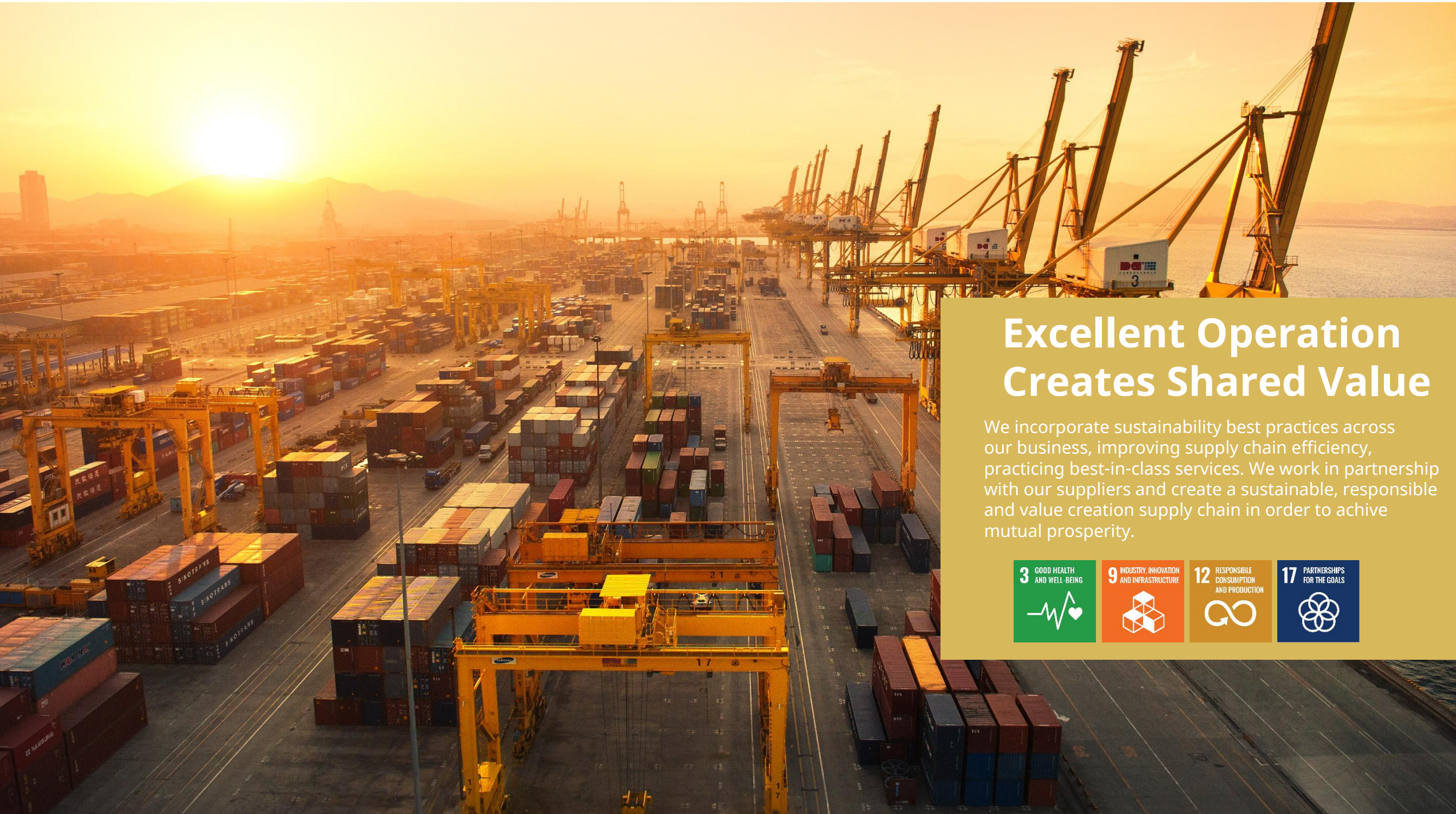
## Identification of Substantive Issues

We follow GRI's reporting principles, conduct substantive evaluation of ESG-related issues through communication with stakeholders, identify the ESG-related substantive issues of ITG, and continuously improve ITG's ESG performance in a targeted manner.

Governance Issues	Environmental Issues
<ol style="list-style-type: none"> <li>1. Compliant Operation</li> <li>2. Implementation of State Policies</li> <li>3. Improvement of Corporate Governance</li> <li>4. Reporting Mechanism</li> <li>5. Act with Integrity</li> </ol>	<ol style="list-style-type: none"> <li>19. GHG Emissions</li> <li>20. Climate Change-related Risks and Opportunities</li> <li>21. Waste Recovery and Utilization</li> <li>22. Energy Conservation and Consumption Reduction</li> <li>23. Reduction of Pollution and Emission</li> <li>24. Utilization of Clean Energy Sources and Technologies</li> <li>25. Green Finance</li> </ol>
Social Issues	
<ol style="list-style-type: none"> <li>6. Employee Rights and Interests</li> <li>7. Employee Training and Development</li> <li>8. Occupational Safety and Health</li> <li>9. Talent Recruitment</li> <li>10. Protection of Information Security</li> <li>11. Supplier Management</li> <li>12. Responsible Supply Chain</li> </ol>	<ol style="list-style-type: none"> <li>13. Public Welfare</li> <li>14. Inclusive Finance</li> <li>15. Supporting Regional Development</li> <li>16. Business Innovation</li> <li>17. Customer Satisfaction</li> <li>18. Products, Services and Quality</li> </ol>







# Excellent Operation Creates Shared Value

We incorporate sustainability best practices across our business, improving supply chain efficiency, practicing best-in-class services. We work in partnership with our suppliers and create a sustainable, responsible and value creation supply chain in order to achieve mutual prosperity.

<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p><b>17</b> PARTNERSHIPS FOR THE GOALS</p> 
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## Excellent Operation Creates Shared Value

### Excellence Operation

As a leading supply chain management enterprise in China, ITG relies on the core competitiveness of global resource acquisition and channel layout, professional and effective risk control, AAAAA-level logistics and distribution, and all-round financial services to provide customers with a complete set of customized supply chain service solutions.

Vertically, we expand the upstream and downstream of the industrial chain to build a vertical industrial chain. Horizontally, we replicate the supply chain model to expand business categories, solve the core demands of customers such as stabilizing supply, reducing costs and controlling risks. We build a high value-added comprehensive platform integrating resource integration, channel development, price management, financial services, logistics and distribution, risk management and control, brand maintenance and industrial investment. We upgrade the linear supply chain to an online supply chain integrated services system, so as to empower the industry, create win-win outcomes with partners, as well as create new values.

### Globalization Layout

We continuously promote the global layout, actively plan outbound investment, as well as advance the "going global" business layout. As of December 31, 2021, we had set up regional companies and offices in more than 30 cities and regions, including Beijing, Shanghai, Guangzhou, Shenzhen, Chengdu, Wuhan, Hong Kong and Chinese Taiwan, as well as established overseas branches in Singapore, Myanmar, New Zealand, Uzbekistan and the United States. Moreover, we established business ties with 80,000 high-quality customers in more than 170 countries and regions around the world, as well as constructed an operating network of important domestic and foreign buying and selling markets. In this way, we can make rapid and effective response to market demands.

In August 2021, we upgraded our Uzbekistan Office to a platform company to further expand our cotton spinning business in Uzbekistan. Amid China's economic and trade cooperation with ASEAN and Africa, we will explore business opportunities along the Belt and Road Initiative (BRI) route, as well as in the BRIC countries, South America and Africa. We are committed to continuously exploring the international market.

In 2021, we signed a cooperation agreement with CJ Brazil, one of the most important agricultural products traders in the Asian market, to import soybeans. Through CJ's high-quality goods procurement channels in Brazil's soybean production regions, we reached the upstream of the soybean industry chain, thus providing high-quality and stable supply for domestic feed industry and breeding industry. We signed an import pulp cooperation agreement with Klabin S.A., the largest paper maker and exporter in Brazil, establishing a comprehensive partnership in products such as broadleaf pulp and coniferous pulp. In this way, we can help domestic downstream small and medium-sized factories reduce costs and increase efficiency in producing household paper, packaging paper, sanitary products and baby products. While constructing BRICS innovation centers, we and BRICS member countries have gradually carried out in-depth business cooperation in ferrous metals, coal, textiles, agricultural products, non-ferrous metals, forest pulp paper and other varieties, further promoting the international development of our supply chain business.



## Excellent Operation Creates Shared Value



### Networked Logistics Service

We are a national AAAAA-level logistics enterprise. We have built a comprehensive logistics network management system, which includes ships, warehouses, yards, fleets, freight forwarders and customs brokers, and a strong outsourcing logistics system.

We keep strengthening investment and layout in the logistics field. By adopting the modes of integrating light and heavy assets as well as of setting up joint venture or establishing partnerships with local enterprises, we now have more than 3,000 jointly managed warehouses and 2.543 million square meters of self-managed warehouse floor space across China. Based on our operating ability and credit in various listed futures, these warehouses have become the designated delivery warehouses for iron ore, methanol, staple fiber, PTA, styrene and other commodities, with seven futures delivery warehouses. We have constructed several regional distribution centers. Our distribution platforms cover the main coastal and inland areas of China, boasting comprehensive transportation and distribution service support capabilities. We now own six large ocean-going ships, and ten other ships under management. Our business scope in this regard covers far-ocean and near-ocean transportation, sea-river intermodal transportation, Yangtze River trunk and tributary transportation, etc.



# Excellent Operation Creates Shared Value



## Coordinated Development of Financial Division

Focusing on the supply-side structural reform of our services, we explore innovative financial business models, seek transformation and upgrading, promote the integration of industry and finance, in order to strengthen coordinated development.

We provide comprehensive service solutions of "supply chain + finance" for customers, as well as offer multi-dimensional and characteristic trading platform and financial services to upstream and downstream enterprises in the industrial chain. Our financial service business covers inclusive finance, industrial finance, futures brokerage, asset management and risk management. We have wholly-owned business subsidiaries in futures, financing lease, commercial insurance claim fields, as well as hold equity in investment, securities, trusts, banks and other financial institutions.

Xiamen ITG Financial Holding Co., Ltd. (ITG Financial Holding) expands its financial layout by holding and controlling equity. It comprehensively explores the supply chain business demands with the "customer-centered" service tenet, so as to provide integrated financial services for industrial customers and consumers. In 2021, ITG Financial Holding actively tapped the internal customers of supply chain and health technology to carry out collaborative business cooperation, thus providing integrated financial services such as financing lease and accounts receivable factoring for many upstream and downstream enterprises.

Fully leveraging the demands and resources of existing and potential customers in the supply chain, ITG Futures Co., Ltd. (ITG Futures) actively promotes the connection between customers and relevant business units in the supply chain, coordinates and communicates business convergence points, to promote the achievement of business cooperation. In 2021, ITG's supply chain customers and eight IB branches of Century Securities, a subsidiary of ITG, reached a cooperation of totaling more than 6 million RMB rights and interests. In conjunction with supply chain business departments, ITG Futures has set up a Macroeconomics Research Group to conduct irregular seminars on economic situation and business development. It has organized business training sessions and a series of reports, such as "ITG Elites Club", "ITG Wisdom Club" and "ITG Nebula Club", to maintain strategic interaction and exchange, to actively share resources, and to better customer services.

Financial Service Qualifications



# Excellent Operation Creates Shared Value

## Digital Development Empowers Integrated Supply Chain Services

### Digital Empowerment

With the digital development goals of "improving operation efficiency, synergy in development, mode upgrading, ecosystem building and organizational transformation", we comprehensively use several cutting-edge technologies to continuously advance digital transformation in the fields of supply chain operation, data asset, intelligent logistics, intelligent warehousing, healthcare big data application, etc. Taking digital technologies as the engine, we aim to strengthening the supply chain business, further improving the supply chain's integrated services capability, so as to improve the core competitiveness of ITG.

Base on continuous and independent innovation, Xiamen ITG Digital Technology Co., Ltd. has incubated several digital projects. Through in-depth cooperation with JD Digits Holding Co., Ltd., supported by cutting-edge technologies such as big data, artificial intelligence, Internet of Things and blockchain, as well as relying on ITG's accumulated supply chain service capability over the years, ITG Digital Technology actively promotes the digital upgrading of bulk supply chain industry, provides digital solutions for the industry and empowers its development.

### Vision for Digital Transformation

A world-leading provider of digital supply chain services based on the industrial chain



Moat

3 Fields

Improvement of quality & efficiency in supply chain operation

Integrated supply chain services

Comprehensive & whole-process risk control

Smart Supply & Operation



New Curve

2 Directions

Integration of supply chain; Vertical industrial chain

Innovative platform services; Platform model transformation

Connectivity & Upgrading of Industries



Supporting Force

3 Abilities

Digital platform

Data asset management

Digital organization

Digital Operation & Governance



## Excellent Operation Creates Shared Value

### Digital Development Empowers Integrated Supply Chain Services

#### ITG Cloud Chain

Proceed from supply chain business scenario, "ITG Cloud Chain" is a supply chain integration system platform independently developed by ITG with latest digital technology including 5G, Internet of Things, Cloud Native and Blockchain, etc. It aims to digitally solve various business scenario problems for upstream and downstream customers in the industrial chain.

"ITG Cloud Chain" connects procurement, logistics and manufacturing scenarios, provides solutions for industries such as steel, pulp and paper, rubber, logistics, supply chain finance and medical devices. On the sales side, applications such as "ITG Cloud Chain · Paper Products Connect", "ITG Cloud Chain · Smartcom" and "ITG Cloud Chain · Jinxintong" provide services such as B2B e-commerce, network freight and supply chain finance for industrial customers. On the manufacturing side, applications such as "ITG Cloud Chain · Tires Ease" and "ITG Cloud Chain · Cloud Steel Plant" promote the optimization of production methods to realize intelligent production and intelligent manufacturing.

"ITG Cloud Chain" also provides general solutions for all links in the supply chain business operation. For example, to improve the efficiency of supply chain contract signing, we independently developed and launched the electronic signature platform "ITG Cloud Chain · Smart Sign" in 2021. An integral part of "ITG Cloud Chain", the Smart Sign platform supports all kinds of contract documents in the supply chain business, as well as connects with more than 20 contract templates in the contract file management system to maximumly adapt to the supply chain business. "ITG Cloud Chain · Import and Export", for the application scenario of import and export customs clearance, can greatly improve the business operation efficiency.

In 2021, "ITG Cloud Chain" was successfully included as one of 205 key digital economy application scenario projects in Fujian Province. ITG has also become one of the first batch of National Demonstration Enterprises on Supply Chain Innovation and Application.



# Excellent Operation Creates Shared Value

## Digital Development Empowers Integrated Supply Chain Services

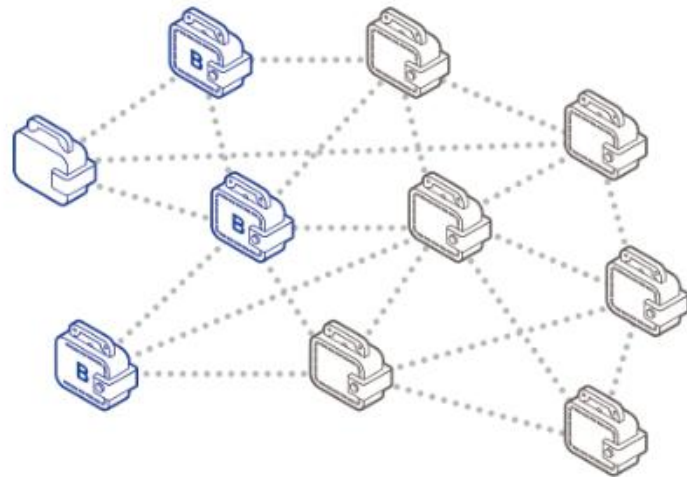
### Blockchain Application

#### Blockchain-based whole-process import business of iron ore trade

In 2021, we completed whole-process blockchain-based iron ore import transaction, and realized the digitalization of the whole process from source data to terminal delivery in the blockchain environment. We explored the application of new digital technologies, such as blockchain and cloud computing, in the supply chain ecosystem to improve the business efficiency.

#### Blockchain-based & RMB-denominated settlement for iron ore business

In 2021, we successfully opened the blockchain-based and RMB-denominated settlement letter of credit (settlement amount exceeding 200 million RMB) for iron ore business through the blockchain trade financing platform. This transaction has reduced currency exchange links, effectively reduced exchange transaction costs, avoided the risk of exchange rate fluctuations, and promoted end-to-end transparent development of transaction information.



### Finance & Tax RPA (Robotic Process Automation) Solution

To actively respond to the state requirements and improve our bill management, we developed the "VAT output invoice issuing system". Apart from optimizing our current invoice issuing process as well as improving efficiency and accuracy, the system is deployed in advance in response to China's policy of comprehensively rolling out electronic special invoices.

As of December 31, 2021, ITG's headquarters and supply chain subsidiaries (51 in total) have launched above systems. The application of the system has greatly improved the bill management efficiency of ITG.



## Excellent Operation Creates Shared Value

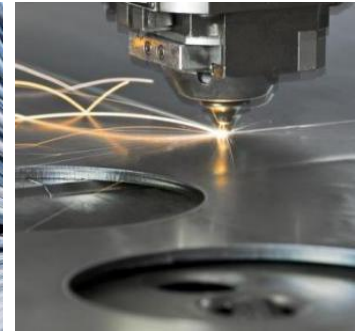
### Digital Development Empowers Integrated Supply Chain Services

#### Integrated Layout

We continuously advance the integration of upstream and downstream. By expanding the value-added service links, we enhance the penetration into the industrial chain, and strive to strengthen business stability while empowering the industry. In doing so, we aim to create and share career opportunities and development achievements with our industry partners.

With more than 40 years' operation experience in the whole industrial chain, we have streamlined several vertical industrial chains, such as "iron ore—steel", "forest—pulp—paper", "textile raw materials—apparel", "agricultural products", "rubber—tires" and "non-ferrous minerals—non-ferrous metals" industry chain. From the raw material side to the production side and to the sales side, we provide resources integration, channel expansion, logistics and distribution, price management, risk control and financial services for customers in the industrial chain. Our supply chain integrated services can help customers reduce their operating efficiency and improve the supply chain synergy efficiency.

Iron Ore  
-  
Steel



Forest  
-  
Pulp  
-  
Paper



Textile raw materials  
-  
Apparel



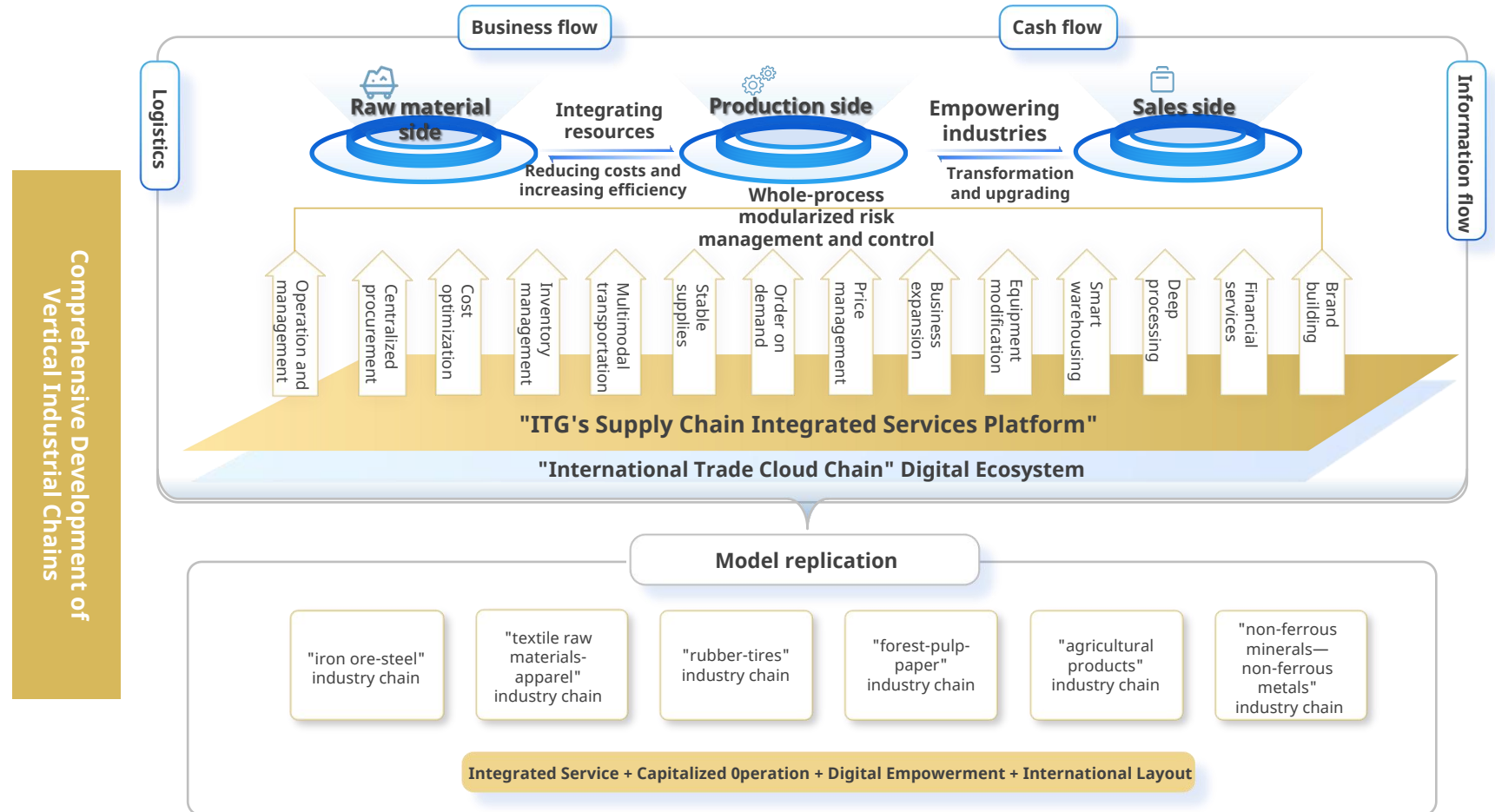


## Excellent Operation Creates Shared Value

### Digital Development Empowers Integrated Supply Chain Services

#### Integrated Layout

In 2021, we continued to advance integrated development: We established Xiamen Keerun Agrow Co., Ltd. to further our strategic layout in the chemical fertilizer industry. We implemented Shandong Fangyuan Supply Chain Integration Project to further expand copper, zinc and other non-ferrous industrial chains. We inaugurated Yirun Energy Joint Venture Project to establish and improve the coal industry chain of mine—port—terminal. We conducted Jinshenglan ITG Joint Venture Project to increase our presence into the ferrous metal industry chain. We carried out Qihong Packaging Joint Venture Project to establish paper cutting and distribution service platforms in Chaozhou and Shantou regions, continue to advance the integration of "forest—pulp—paper" industrial chain.





# Excellent Operation Creates Shared Value

## Digital Finance

### ITG Financial Holding Vehicle Financial Lease System

In 2021, ITG Financial Holding developed the "ITG Financial Holding Vehicle Financial Lease System" to realize business process automation including online parts procurement, online approval, electronic contract and electronic signature. This has effectively solved the problems of cumbersome traditional business processes, slow approval speed, and limited business development in other localities.



### ITG Financial Holding e-Loan

In 2021, ITG Financial Holding independently developed the "ITG Financial Holding e-Loan" WeChat applet to realize online business application and process approval. Apart from sharing data resources as well as improving operation and management efficiency, the applet provides customers with convenient and efficient financial services.



## Excellent Operation Creates Shared Value

### Digital Health Technology

Xiamen Healthcare Big Data Co., Ltd., a subsidiary of ITG, is the healthcare and medical big data operation unit authorized by the Xiamen Municipal Government. We actively participate in the construction of an open healthcare big data operation system, establish a medical big data technology platform for the government, hospitals, residents and enterprises. The platform supports the development of smart cities and medical big data industries, as well as contributes to the development of new forms and models in combining digital economy with healthcare.



### ITG Healthcare Digital Supply Chain Platform

In 2021, the "ITG Healthcare Digital Supply Chain Platform", in which ITG has participated in the R&D process, officially went online. The platform can not only track the information of medical products and their manufacturers in a timely manner, but also realize information synchronization and intelligent interaction with commonly used management platforms in the industry. It solves the problem of complicated alternate operation of internal and external platforms, and boasts the comprehensive advantages of traceable sources, efficient collaboration and controllable risks.

### Healthcare Big Data

Relying on Xiamen's advantages as one of China's first-batch pilot cities for healthcare big data centers, Xiamen Healthcare Big Data Co., Ltd. is the sole operating entity of "Xiamen Healthcare Big Data Industry Comprehensive Service Platform". It manages and maintains the historical health data of more than five million permanent residents in Xiamen for nearly 16 years. with the collection scope covering more than 95% of medical services. It also provides information services for the public in outpatient, inpatient, physical examination, maternal and child, community and planned immunization scenarios.

In 2021, we continued to use big data technology to help the health industry improve its comprehensive service level, so that quality medical services can continuously benefit the people.

### Smart Testing

In 2021, Xiamen ITG Healthcare Technology Co., Ltd. cooperated with Xiamen Health and Medical Big Data Center to create the "Smart Testing" applet, and launched the "Smart Healthcare of Beautiful Xiamen City" WeChat official account. The applet's smart testing function is developed based on the clinical testing and diagnostic data of several well-known Grade-III Class-A hospitals in China. It automatically reads the testing results through AI-based technology, aiming to help citizens solve the pain points that the test reports are difficult to read. It automatically reads and analyzes the testing results with AI-based technology, generating interpretation reports in a real-time manner, enabling users to have a deeper understanding of their own health status, as well as further improving residents' awareness of active health management and medical service efficiency.

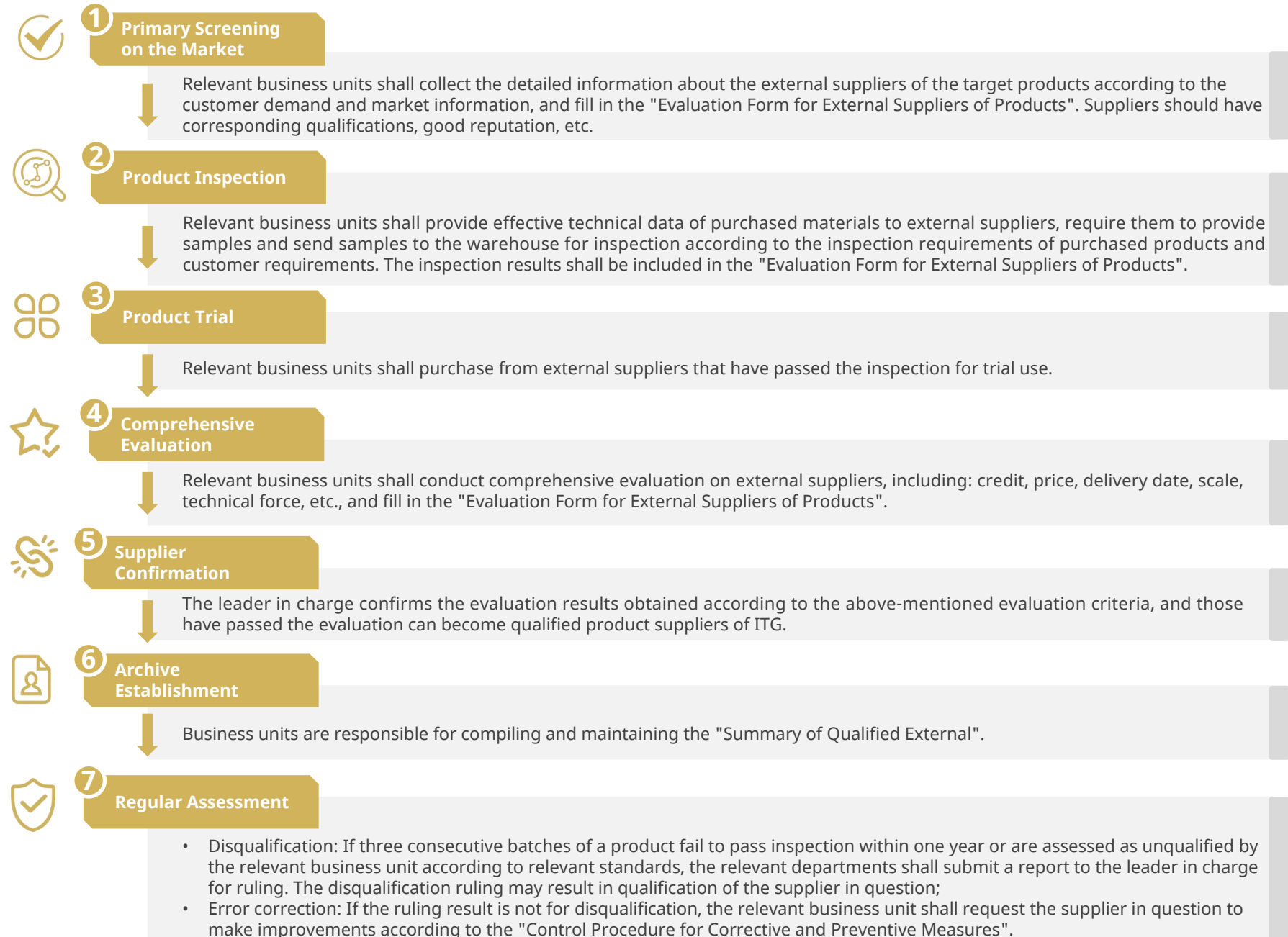
## Excellent Operation Creates Shared Value

### Responsible Supply Chain

We value common development with our partners. Based on their own business characteristics, ITG headquarters and its subsidiaries have formulated corresponding supplier management systems, including "Regulations on Procurement of Self-Use Materials and Services", "Interim Measures for Management of Customers Negative List", "Trade Management Measures", "Departmental Work Manual", "Procedures for Control of Outsourced Products, Services and Processes", and "Logistics Management Regulations", so as to standardize the access, assessment and management of suppliers and contractors, as well as to include business ethics, honesty and credit, environmental protection, and logistics management in supplier access and evaluation according to actual business conditions.

### Supplier Management in Supply Chain Business

Our subsidiaries of supply chain management business have formulated corresponding supplier management system according to their own business characteristics. For example, in the process of supplier evaluation and selection, Xiamen ITG Metals Co., Ltd. forms a working group composed of the leader in charge, as well as members from the Supply Chain Operation and Management Department and various business units. The Supply Chain Operation and Management Department is responsible for organizing the evaluation, the list of qualified external suppliers is approved by the General Manager, while various business units are responsible for tracking the qualifications of qualified external suppliers.



## Excellent Operation Creates Shared Value

### Warehousing Suppliers

Before performing the self-examination and approval of warehousing supplier qualifications, the relevant subsidiary of the supply chain management business shall send its logistics specialist to the warehouse site for on-the-spot inspection and make inspection records. The access criteria for suppliers include honesty and trustworthiness (not listed by the court as a target of dishonesty for action or recognized by the customs as a dishonest enterprise), compliant operation (no record of serious violations, record of stock shortfall or unresolved case disputes), fairness and justice (no collusion with customers), safety and health (with corresponding fire control qualifications), etc.

### Component Suppliers

The procurement work of the logistics center of ITG is under the dual supervision of the procurement department manager and the vice president in charge. The access criteria for suppliers include integrity, anti-unfair competition and product quality.

### Engineering Contractors

The access criteria for contractors include quality, safety and health, environmental protection and other aspects, including ISO9001 (GB/T19001) quality management system certification, ISO14001 (GB/T24001) environmental management system certification, OHSAS18001 (GB/T28001 or ISO45001) occupational health and safety management system certification" and other relevant qualifications.

### Logistics Suppliers

We conduct standardized and quantitative evaluation for logistics suppliers, which are divided into three grades: A (high quality), B (good) and C (mediocre). Those who fail to meet the requirements of grade C will be removed. The access criteria for suppliers include honesty and credit (good credit standing, not listed by the court as a target of dishonesty for action or recognized by the customs as a dishonest enterprise), compliant operation (with qualifications, no serious violation record or unresolved case disputes), safety and health (no obvious potential safety risks), etc.





## Excellent Operation Creates Shared Value

### Protection of Clients' Rights and Interests

We always adhere to the "customer-centered" service philosophy, strive to improve customer experience and continuously create new values for customers through digitalization and providing integrated services.

### Continuous Optimization of Services

Our supply chain management business aims at improving operation efficiency and synergy in development. It constantly promotes digitalization of supply chain operations, intelligent logistics and intelligent warehousing. It strives to provide customers with comprehensive supply chain services, such as resource integration, channel expansion, logistics and distribution, price management, risk management and control, financial services, so as to optimize customer experience in an all-round way. According to their actual business conditions, the business subsidiaries of the supply chain management business formulate internal rules and regulations such as "Product and Service Release and Control Procedures" and "Departmental Work Manual", standardize customer complaint handling and carry out customer satisfaction survey, so as to protect the rights and interests of customers.

ITG Financial Holding keeps advancing innovation of financial products. It has building a digital ITG Financial Holding Consumer Financial Platform to provide customers with convenient and efficient financial services. ITG Financial Holding has launched several online financial products, such as the Vehicle Financial Lease System and ITG Financial Holding e-Loan, to accelerate online business application and process approval. ITG Financial Holding popularizes financial knowledge and offers financial security education to customers through its WeChat public platform, in order to effectively protect customers' rights and interests through communication.

ITG Futures has set up an industrial customer service team composed of members, which including business owner, research analyst and specialized department personnel, from the Research Institute, Finance Department, Operation Center, Business Management Headquarters and other departments. It caters to customer needs, follows industrial development trends, releases survey and research information in a timely manner, as well as provide customers with multi-dimensional and all-round supporting services such as cooperation and exchange, industrial research, enterprise training and business consultation. ITG Futures provides customers with various complaint channels, including email, hotline, interview in business premises. It has formulated and strictly implements the "Measures for Handling Customer Complaints", so as to standardize the handling of customer complaints and improve customer satisfaction.



## Excellent Operation Creates Shared Value

### Protection of Customer Privacy

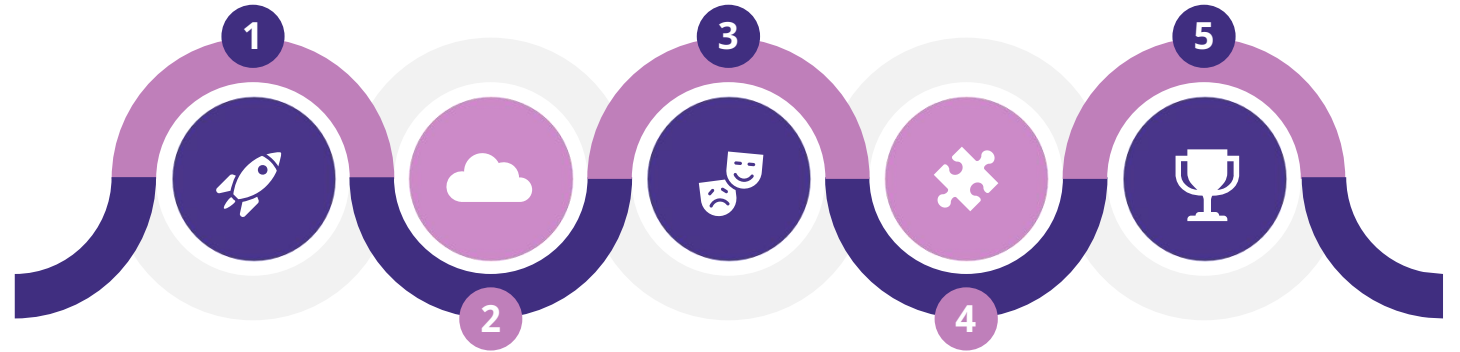
We emphasize the protection of customer privacy. All our industrial divisions have formulated corresponding systems according to their actual business conditions to ensure the confidentiality of customer information.

ITG Financial Holding has established a comprehensive protection mechanism for customer information security, as well as strengthened customer privacy protection from the aspects of system construction, technology-based prevention and control, and information security awareness publicity. ITG Financial Holding strictly follows the "Measures for Management of Business Archives". All customer information is managed and protected by archivists. Through day-to-day management measures such as system authority management, archive borrowing, review and approval, ITG Financial Holding prevents customer information security risks and further strengthens the security of customers' personal financial information. It also strengthens the basic information security through technical means, hides the important information of customers, so as to maintain the stability and security of the system. ITG Financial Holding actively carries out internal training related to risk control topics and data security laws, strengthens publicity and promotes the information security awareness of all employees.

ITG Futures strictly abides by relevant laws and regulations, improves the implementation of confidentiality, strengthens the management of confidential personnel by formulating the "Measures for the Management of Confidentiality-related Personnel", "Measures for the Management of Anti-Money Laundering Confidentiality" and other relevant systems, as well as conducts information security education and training to prevent the artificial disclosure of customer information. Upon commencement and during the employment period, all employees shall sign the "Confidentiality Agreement", which clarifies the confidential information and the confidentiality obligations to be performed, so as to ensure that employees will strictly abide by the confidentiality provisions for the information related to ITG, including but not limited to business, finance, personnel, major decisions, customer information and technical information. While performing their duties, employees shall keep strictly confidential of the job contents of their posts in accordance with the department management regulations. In case of transfer from or leaving key posts, all relevant information must be desensitized.

In 2021, according to the "Personal Information Protection Law of the People's Republic of China", ITG Futures revised the "Privacy Policy and User Agreement" of the "ITG Financial Services" application to strengthen the protection of customer privacy.

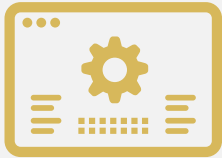
### Practices of ITG Futures in Protecting Customer Privacy



1. Collection and Use	2. Storage and Protection	3. Sharing, Transfer and Public Disclosure	4. Management	5. Protection of Minors Information
<ul style="list-style-type: none"> <li>Collecting personal information in accordance with the principles of legality, legitimacy, necessity and confidentiality</li> <li>Informing the customer of the specific scope of information collection in advance and obtaining the customer's consent</li> <li>De-identifying the personal information, storing the information that can be used to recover and identify the personal identity separately from the desensitized information after de-identifying, as well as strengthening the access and use authority management</li> </ul>	<ul style="list-style-type: none"> <li>Only collecting personal information generated in China and storing the collected information in China</li> <li>Keeping personal information for the shortest time necessary</li> <li>Using all kinds of security technologies and procedures to prevent information loss, improper use, confidentiality betrayal and leakage.</li> <li>Strictly limiting the access rights of personal information to the minimum and necessary scope</li> <li>Taking emergency measures immediately after personal information security incidents, as well as communicating with relevant customers in a timely manner</li> </ul>	<ul style="list-style-type: none"> <li>Without the customer's prior consent and legal compulsion, we will not share customer's personal information with any unrelated third party, transfer customer's personal information to any company, organization or individual, or publicly disclose customer's personal information</li> </ul>	<ul style="list-style-type: none"> <li>Customers can access and revise their personal information at any time, withdraw their authorization or consent, change the scope of authorization, refuse to receive information such as system messages or news, as well as cancel their personal accounts</li> </ul>	<ul style="list-style-type: none"> <li>Only providing software products and services to minors under special circumstances, as well as strictly requiring minors to read and accept the privacy policy under the guidance of their guardians</li> </ul>

## Excellent Operation Creates Shared Value

### Information Security



Amid continuous digital transformation, we attach great importance to information security management. In 2021, we formulated the "Information Technology Management Regulations", and also corresponding management norms in post management, security management, authority management, computer room management, backup management, project management, website and user management, to ensure the information security of ITG and customers. By improving the information security management system and standardizing the information security management, we upgrade ITG's information security management level and ensure the safe and stable operation of the information system.

ITG Futures continuously improves the information security management system. It has built an information security management framework, as well as standardized the information security and management work by defining the responsibilities of the Information Security Leading Group, the Information Security Working Group and the heads of various departments. It protects and monitors the network and information security through authority management and technical means. It has established an information security incident investigation and handling mechanism as well as an information technology audit mechanism to prevent information system risks and improve the level of information security assurance.

In 2021, ITG Futures revised the "Measures for Management of Network and Information Security", strengthened information security management requirements, stepped up VPN security management, and improved security management means. According to relevant laws and regulations, it has formulated the "Measures for the Management of Anti-Money Laundering Information Security", which clarifies the responsibilities in anti-money laundering information security work. It has established mechanisms such as information security impact assessment, internal control risk investigation, information technology protection, information security incident emergency response, internal supervision and audit, as well as internal training and education. It has increased investment in data centers, strengthened the construction of information systems, and further improved the information management level of infrastructure.

### Security Assurance, Encrypted Storage

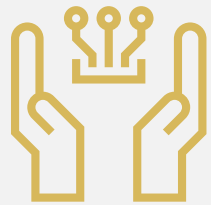
In 2021, our electronic signature platform "ITG Cloud Chain · Smart Sign" was opened for use. The platform adopts the blockchain service and carries out filing of network security Grade III protection, so as to ensure user identity security, data security, network security and operation and maintenance security.





# Excellent Operation Creates Shared Value

## IPR Protection



### Knowledge Management

Aim for goal of digital development, we continuously advance the construction of the IPR system. In 2021, Xiamen ITG Metals Co., Ltd. and Xiamen ITG Paper Co., Ltd. respectively revised and improved the "Knowledge Management Control Procedures", "Documents and Records Control Procedures" and other systems, to strengthen the management of ITG business secrets, technical secrets, industrial policies, industry development trends and other external knowledge.

### Protection of Determined Rights

As of December 31, 2021, we have obtained 328 registered trademarks and 6 registered copyrights worldwide.

**328** Registered Trademarks

[86] added in 2021.

**6** Copyrights

[6] added in 2021.

### Knowledge Management Measures

#### Generation and Collection

- Collecting and sorting out the knowledge results from research experiments, market research, customer visits, meeting discussions, etc.
- Emphasizing the collation and compilation of practical knowledge, including modern management science, quality management standards, technical standards, industrial policies and regulations, and professional papers

#### Analysis, Collation and Utilization

- Analyzing, studying, sorting and classifying the collected conference documents, training materials, academic journals, letters and other materials
- Establishing an incentive mechanism for knowledge sharing, as well as organizing knowledge and experience sharing activities through internal network sharing, employee training, internal periodical compilation and circulation, holding seminars and experience exchange meetings

#### Evaluation and Updating

- In view of our business needs and the adjustment and change of the external environment, we re-acquire new knowledge needed for the business development of ITG
- Every six months, we re-evaluate the collected knowledge, check whether it meets ITG's business development needs, and update or add new knowledge according to regulations

#### Confidentiality and Security Management

- Information such as product quality data, financial information and technical secrets is subject to confidential management such as marking confidential identification and file encryption
- Backup for important organizational knowledge is made regularly and properly kept
- Regularly inspecting and maintaining information equipment, as well as upgrading anti-virus software

## Excellent Operation Creates Shared Value

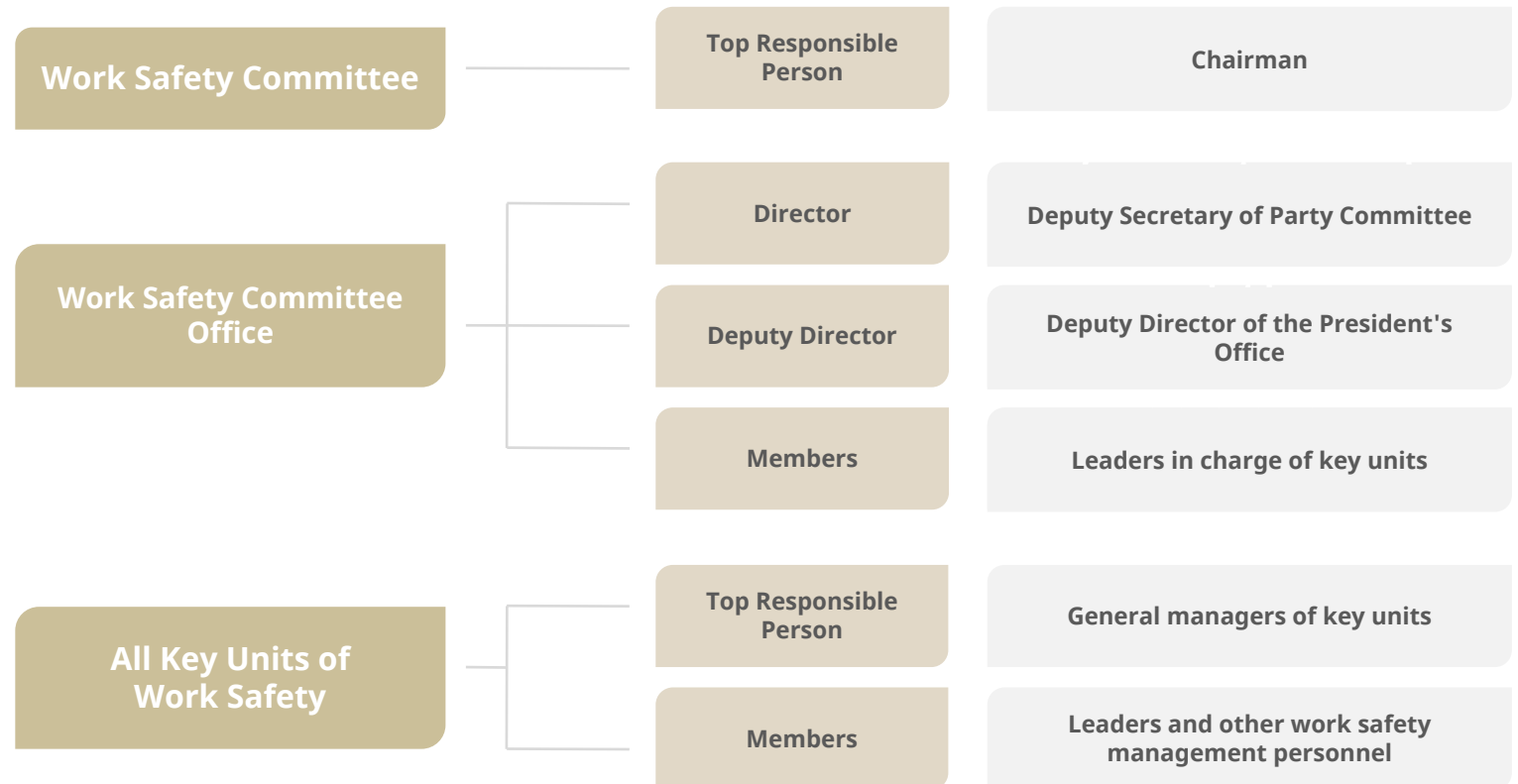
### Work Safety

We adhere to the principles of people-centered, giving first place to safety, laying stress on prevention and taking comprehensive measures in this regard, implement the concepts of "safety comes first in management of industries, businesses, production and operation", as well as establish the working mechanism of "Party and government share the same responsibilities, one post with two responsibilities, joint management, and accountability for dereliction of duty". In this way, we continuously improve ITG's safety and health management system to make overall plans for development and safety, and to ensure the safety and health of employees.

### Improvement of Work Safety Management System

We strictly abide by the "Work Safety Law of the People's Republic of China", the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases", as well as other relevant laws and regulations. In line with the requirements of Three-year Special Corrective Campaign on work Safety, we have sorted out and revised the existing safety management system according to ITG's actual conditions, and will keep improving the work safety management system.

In 2021, we completed the revision of work safety management systems, including the "Risk Identification, Assessment and Graded Management and Control System", "Hidden Hazards Screening and Elimination System", and "Major Safety Risk Announcement and Warning Management Regulations". At present, we are organizing the revision of seven (7) systems and schemes, such as the "Regulations on Management of Work Safety", "Measures for Management and Assessment of Work Safety", and "Emergency Plan for Work Safety-related Accidents".



## Excellent Operation Creates Shared Value



### Implementation of the System of Accountability for Work Safety

We have established the Work Safety Committee (WSC). ITG's Chairman is the top responsible person for work safety, and a Deputy Secretary of Party Committee is in charge of ITG's work safety work. Our management team and the general managers of key units of work safety are members of the WSC of ITG. ITG's Work Safety Committee has an office (WSO). The Deputy Secretary of Party Committee in charge of work safety is appointed as the Director of the WSO, and the Deputy Director of the President's Office is appointed as the Deputy Director of the WSO, while the leaders in charge of work safety in key units are the members of the WSO. The general managers of relevant units are the top responsible persons for work safety in their respective units. All key units of work safety have set up work safety organizations with full-time or part-time work safety management personnel.

By establishing a regular meeting system, we convey and implement the requirements of ITG's management on work safety, study and analyze our work safety, as well as arrange the next stage of work on this regard. Our WSO and key units of work safety form annual and quarterly summaries of work safety, to put forward work plans for the next period on the basis of practices and experience accumulated in the previous period.

In 2021, our WSO held regular meetings on work safety every quarter, listened to the reports on work safety by relevant business units, analyzed and studied the existing problems, and made overall arrangements for ensuring work safety in each quarter. Based on organizational structure adjustments, we have promptly adjusted the members of our WSC and WSO, further improved our work safety management organization and management system, so as to ensure that the work safety management is in place and timely.

We implement the system of accountability for work safety level by level. According to the "Remuneration and Performance Management System for Chairman and Senior Executives" and other relevant systems, the Chairman and senior executives of ITG are responsible for major safety and quality accidents, major environmental pollution accidents, etc. The merit pay for our management is linked to the safety and environmental performance of the units in their charge. According to the major safety and quality accidents and the severity of the losses incurred to the units in their charge, merit pay will be deducted in proportion to the actual losses. According to the operating characteristics of the business divisions of ITG, we define work safety target responsibility is defined level by level, refine relevant safety indicators, and have the letter of work safety accountability signed level by level to ensure that the accountability of work safety is put in place.

In 2021, the functional departments and subsidiaries of ITG's headquarters signed 1,506 letters of work safety accountability.

### Standardization and Digitalization of Work Safety

We keep advancing the construction of a work safety standardization system. As of December 31, 2021, ITG's five subsidiaries, namely Xiamen ITG Tidak Logistics Co., Ltd., Xiamen ITG Tidak Bonded Logistics Co., Ltd., Xiamen ITG Logistics Co., Ltd., Jiangsu Baoda Textile Co., Ltd. and Nujiang ITG Silicon Industry Co., Ltd., have passed the work safety standardization (Level 3) evaluation of the respective industries.

To realize more scientific and efficient work safety management, we actively promote the digitalization in this regard. In 2021, our WSO actively promoted the preparation and construction of the information system for work safety management.





## Excellent Operation Creates Shared Value

### Risk Classification Management and Control, Screening and Control of Hidden Hazards

We have established a four-level inspection system for work safety. All key units of work safety have established and improved the "Hidden Hazards Screening and Control System", regularly carried out hidden hazards screening and control, kept inspection records and hidden hazards screening and control accounts, and also retained the video and image data before and after rectification to achieve closed-loop management. All key units of work safety shall organize a comprehensive inspection at least once a month. Our WSO and subsidiaries shall organize inspections of key units at least once every quarter. Before major festivals, important events as well as flood control and typhoon preparedness campaigns, the principal leaders of all units will come to the production site for work safety inspection.



### Promoting Risk Identification, Assessment and Hierarchical Management and Control at ITG

#### Management

- Identifying and evaluating the safety risks of all self-managed warehouses and factories in the supply chain business division, implementing hierarchical management and control, by doing so to define the work safety accountability level by level
- The work safety inspection and approval authority of the new project is gradually handed over to relevant subsidiary companies. The WSO adopts the modes of spot check and supervision to truly implement the system of accountability for work safety of "Three Controls and Three Musts"
- In-depth on-site inspection, compilation of the "work Safety Instructions" in line with actual production conditions and distributing copies to all business units for learning and implementation
- Compilation of the "work Safety Management Performance Appraisal Scheme" with reference to the management experience of the same industry and in line with the actual conditions of ITG
- Strictly implementing the legal compliance procedures for the qualifications of all production and business premises, and ensure the observation of legal compliance procedures and qualifications including fire control acceptance filing, special equipment inspection, and certificates for special operations personnel

### Day-to-day Screening and Control of Hidden Hazards in Work Safety

#### Management

- Establishing "four lists" of hidden hazards, rectification items, accountability items and improvement results
- Clarifying the responsible persons and rectification requirements of the units responsible for rectification items

#### Inspection Results

- ITG's headquarters has organized **51** safety inspections, identifying **380** general hidden hazards, all of which have been rectified
- The supply chain business division has identified **1,804** general safety hazards, all of which have been rectified
- The health technology business division has identified 34 general safety hazards, all of which have been rectified
- The financial service business division has identified zero (0) general safety hazards

## Excellent Operation Creates Shared Value

### Safety Education

We regularly conduct training and education on work safety, as to improve the safety awareness and emergency response ability of all employees through activities such as lectures on work safety knowledge, skills training and emergency plan drills.

In 2021, we organized 150 sessions of training on various work safety knowledge, totaling 5,414 person-times.

We organized the training to help work safety managers and primary responsible persons obtain and renew certificates. While the COVID-19 epidemic has not been fully contained and the preventive measures are still necessary, ITG's WSO organized online lectures and examinations to carry out the training on how to obtain and renew certificates. A total of 169 ITG employees have participated in the training, all of whom completed the course and passed the course examination.

For new employees, we insist on giving them Grade III safety education and training, and then establish safety training education archives. In 2021, we completed commencement safety training for 806 new employees.

In 2021, we organized training on new "Work Safety Law", which was conducted both offline and online. A total of 92, including the main leaders of ITG, leaders in charge of workplace safety and work safety management personnel, participated in this training.

In 2021, we conducted 114 emergency drills on firefighting skills, epidemic prevention and control, emergency drills for sudden accidents, anti-terrorism and riot prevention, as well as flood control and typhoon preparedness.

**150** sessions, **5,414** person-times  
Safety production knowledge training

**169** employees participate the training and complete the course & pass the course examination  
The company's security committee conduct online teaching and examination methods to conduct relevant training and evidence and document review training.

**806** new employees completed the training safety training  
In response to new employees, ITG insists on carrying out training three-level safety education and establishing safety training profiles.

**92** employees participated in the new "Safety Production Law" publicity training  
The training is mainly designed for the company's main leadership, safety production of leadership and safety production management personnel, in a combination of underline and online.

**114** emergency drills  
The emergency drills including fire skills, epidemic prevention and control, emergency response emergency drills, anti-terrorism and anti-riots as well as flood prevention.

## Emergency Drill





## Excellent Operation Creates Shared Value

### Industry Engagement

Based on the ideas of openness and cooperation, we are committed to realizing complementarity in resource advantages, creating and sharing career opportunities and development achievements with partners, thus jointly promoting the development of relevant industries.

#### Association Memberships

China Association for Public Companies (CAPCO)	Council Membership
The Listed Companies Association Xiamen (XMLCA)	Chair Membership
Institute of Modern Supply Chain, China Federation of Logistics & Purchasing (CFLP)	Council Membership
Institute of Modern Supply Chain, China Federation of Logistics & Purchasing (CFLP)	Vice Chair Membership
China Customs Brokers Association (CCBA)	Executive Council Membership
Xiamen Import & Export Chamber of Commerce (XMIECC)	Vice Chair Membership
Xiamen Steel & Iron Trade Association (SITA)	Vice Chair Membership
China Paper and Pulp Industry Chamber of Commerce (CPICC)	Executive Council Membership
China Chamber of Commerce for Import and Export of Textiles (CCCT)	Vice Chair Membership
China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCMC)	Council Membership
Xiamen Electromechanical Products Import & Export Chamber of Commerce	Executive Council Membership
Xiamen Municipal Association of Local Financial Institutions	Honorary Chair and Council Membership
The Securities and Futures Association of Fujian	Council Membership
The Securities Futures and Funds Association of Xiamen	Vice Chair Membership
Xiamen Elderly Care Services Promotion Association	Vice Chair Membership
Fujian Medical Devices Chamber of Commerce	Vice Chair Membership
Xiamen Medical Devices Co., Ltd.	Vice Chair Membership

In 2021, we hosted the "DCE Industry Trip to the Industry and Finance Base—ITG Ferrous Metals Industry Event". This industrial event has attracted representatives and industry experts from well-known enterprises upstream and downstream of the industrial chain, including Fujian Sangang, Ansteel Group, Ma Steel International and Fujian Great Dong Hai. We also invited professionals from Shandong Huanfu International Trade Co., Ltd., ITG Metals, ITG Futures Research Institute, Wang Yanan Institute for Studies in Economics (WISE) of Xiamen University, Cargill Investment Metals Division and Fujian Sangang Quwo Minguang Coking to discuss the development direction of the industry and the changes of the market landscape, to promote the in-depth research and exchange related to the ferrous metals industrial chain.



DCE Industry Trip to the Industry and Finance Base—ITG Ferrous Metals Industry Event



# Innovation Drives Green Development

We always adhere to the concept of green development in our operation, and use continuous innovation as the engine to promote coordinated development with the environment. We strive to contribute to China's ecological conservation and green economy development.





## Innovation Drives Green Development

### Climate Change and Green Industries

We incorporate carbon peak and carbon neutrality targets into ITG's overall development plan. We stay on the high-quality development path of ecological priority, green and low carbon. By innovatively developing green supply chain, green finance and green health technology businesses with technologies, we promote the optimization and upgrading of industrial structure, and contribute to the achievement of carbon peak and carbon neutrality targets.

### "Forest—Pulp—Paper" Industries

ITG Paper actively exerts its resource channel advantages established from years of development in the "forest—pulp—paper" industrial chain to develop the business of waste paper renewable resources. By working with paper mills, it sells waste paper to domestic paper mills for resource reuse, thus promoting the protection of forest land and tree resources. In 2021, ITG Paper achieved total operating revenue of more than 300 million RMB; its waste paper procurement and sales volumes exceeded 100,000 tons.

Reduced timber felling by over **100,000** cubic meters

### Recycled Iron & Steel Trade

ITG actively carries out the trade of recycled iron & steel across China. Such a business reduces the waste of resources by promoting the recycling of metal resources. In 2021, ITG's operating revenue from recycled iron & steel business exceeded 5.404 billion RMB and reduced the solid waste by more than 5 million tons.

Reduced solid waste by more than **5 million** tons

"Committed to empowering business expansion with green concept & Promoting industrial interaction with renewable resources."



# Innovation Drives Green Development

## Logistics Business

We adhere to the concept of "green development" and run it through the logistics business operation process.

### Green Operation Practices in 2021



→ We replaced diesel forklifts with electric forklifts, and planned to purchase electric forklifts and stackers in the future if necessary. We scientifically and regularly maintain the energy consumption of main mechanical and electrical equipment, so as to realize technology-based energy conservation.

#### Clean Energy

#### Energy Conservation & Emission Reduction

→ The tractors of the transport group were equipped with GPS to reduce idling rate and direct fuel consumption.

→ We actively promoted energy-saving driving and advocate employees' awareness of energy conservation and emission reduction.



→ The waste water from repair container was purified in the sink pad pool before being discharged into the sewage pipe network. The waste wood floor and scrap iron produced were recycled by qualified material recycling companies.

#### Wastewater Discharge

#### Waste Disposal

→ We separated treatment of industrial waste and domestic waste. For plastic products such as recyclable paper, we arranged qualified recycling companies to recycle them.

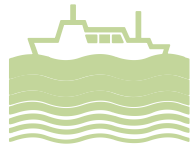
→ For the equipment of yard group, transportation group and storage group, such as trailer frames, stackers and front crane drive tires, we used cold renovated old tires to improve the utilization rate of tires and reduce the cost.





## Innovation Drives Green Development

### Green Operation Practices in 2021



#### Green Shipping

- ➔ Adoption of economic speeds. Our ships adopted the lowest oil-consuming speeds, according to the berthing plan for ships, following the instructions of shore-based managers, considering the current sea conditions, and on the premise of ensuring the safe completion of tasks. In this way, our ships could minimize unnecessary drifting and anchoring time, so as to achieve the maximum energy-saving effect and the highest economic benefits.

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- ➔ We strengthened the maintenance and scientific management of main mechanical and electrical equipment to achieve the technology-based energy-saving effect: According to the requirements, we maintained the main engine and auxiliary engine, tried to use a single auxiliary engine in operation, thus reducing unnecessary power load. We maintained the boiler and waste gas boiler according to the requirements, strengthened fuel management, purified the fuel, as well as used various additives for heating treatment, thus improving the combustion efficiency and reducing the emission of harmful substances.

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- ➔ We implemented energy efficiency management, adopted the best operation schemes, formulate and implement energy efficiency management plan, as well as installed propeller reverse fins, thus improving the tail flow field, reducing cavitation loss and improving efficiency.

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- ➔ To reduce the ship's resistance, we used advanced antifouling coatings in dock repair, as well as excellent hull sanding and spraying technology to reduce the ship's resistance and increase the ship's speed. We monitored the change of ship's resistance according to the slip rate, and carried out underwater decontamination of the ship's hull when necessary.

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- ➔ During berthing, we used shore power to reduce the exhaust gas discharged in the port area, so as to achieve zero discharge during berthing.



#### Green Shipping: R/V TAN KAH KEE

- Xiamen University's "R/V TAN KAH KEE", operated by ITG, is the scientific research ship to obtain **DNVGL underwater radiation noise SILENT certificate**
- It adopts **100% power silent propulsion scheme**
- **All-round shock absorption and noise reduction help high-precision environmental scientific research**

## Innovation Drives Green Development

### Technology-empowered Green Supply Chain Green Supply Chain

In 2021, ITG and Zero Carbon Digital Technology (Beijing) Co., Ltd. (referred to "Zero Carbon Technology") jointly invested in the establishment of Xiamen Keerun IoT Technology Co., Ltd. (referred to as "Keerun IoT"). Committed to building a "zero-carbon supply chain" with digital technology, Keerun IoT covers smart energy, smart logistics, smart warehousing and smart manufacturing modules by exporting zero-carbon solutions focusing on four scenarios of factories, warehouses, buildings and transportation. In this way, we can help ITG as well as its upstream and downstream enterprises achieve green development.

Keerun IoT is a vice chair member of China Quality Inspection Association's Carbon Neutrality Green Development Special Committee, and was included into the list of the fourth-batch "Intelligent Manufacturing Service Providers" and "Intelligent Manufacturing Products and Services" in Xiamen Torch High-tech Zone.

ITG cooperated with Zero Carbon Technology to build the "Intelligent Brain · ITG Skyeye" intelligent warehousing operation and management project, which is intelligently powered by 100% solar batteries and used for intelligent security area management and control.



Factory



Building



Warehouse



Transport



Zero Carbon Supply Chain  
"Four Scenes" Zero Carbon Solution



## Innovation Drives Green Development

### Green Finance

#### Responsible Investment to Support the Development of Green Industries

To fulfill the global responsibility in response to climate change as well as contribute to China's "carbon peak and carbon neutrality" targets, we actively invest in developing green industry projects. In 2021, we invested in Wuhan Weineng Battery Assets Co., Ltd. with industrial fund as the main investment entity to support the development of the new energy industry.

#### Financial Lease Business Provides Services for the Development of Green Industries

ITG Financial Holding has actively responded to China's "carbon peak and carbon neutrality" strategy, made long-term layout in clean energy and PV business divisions, and earnestly carried out financial lease business for new energy enterprises such as PV power stations. In 2021, ITG Financial Holding continued to support customers in green industries. It has provided diversified financial lease services for enterprises' industrial plants to build distributed PV power plants, helping them reduce costs and increase efficiency, as a result to guide resources to flow from high-energy and high-pollution industries to resource-saving and eco-environmental industries.





# Innovation Drives Green Development

## Green Health Technology



Keerun Medical Technology (Xiamen) Co., Ltd., a subsidiary of ITG, maintains long-term partnership with green suppliers such as Philips and Olympus, actively develops multimodal transport, cuts the consumption of packaging materials, so as to reduce the damage and poor delivery of medical consumables.



Through the construction of ITG Healthcare Digital Supply Chain Platform, we have realized a high-precision operation model, ensuring traceability of the sources and controllable risks, thus helping hospitals save resources, reduce costs and improve efficiency.



# Innovation Drives Green Development

## Green Office

We adhere to green life concepts. Through innovation and development, we speed up the formation of green production modes and lifestyles and construct green buildings, carry out paperless operation, advocate ecological conservation, emission reduce and green commuting, and continuously promote waste sorting and other environmental protection activities to achieve ecological progress of the society.

## Green Building



The ITG Center, the venue of our headquarters, consists of two 137-meter office buildings. In 2021, we had offset the GHG emissions generated by the building and achieved "carbon neutrality" by implementing procedures such as procurement of carbon dioxide emission quota, becoming the first "zero carbon building" in Xiamen City.



Including green and sustainable concepts, the design of ITG Center fully considers conservation of energy, water and materials, thus obtaining the two-star evaluation label of national green building.

## ITG Center embraces green concepts:

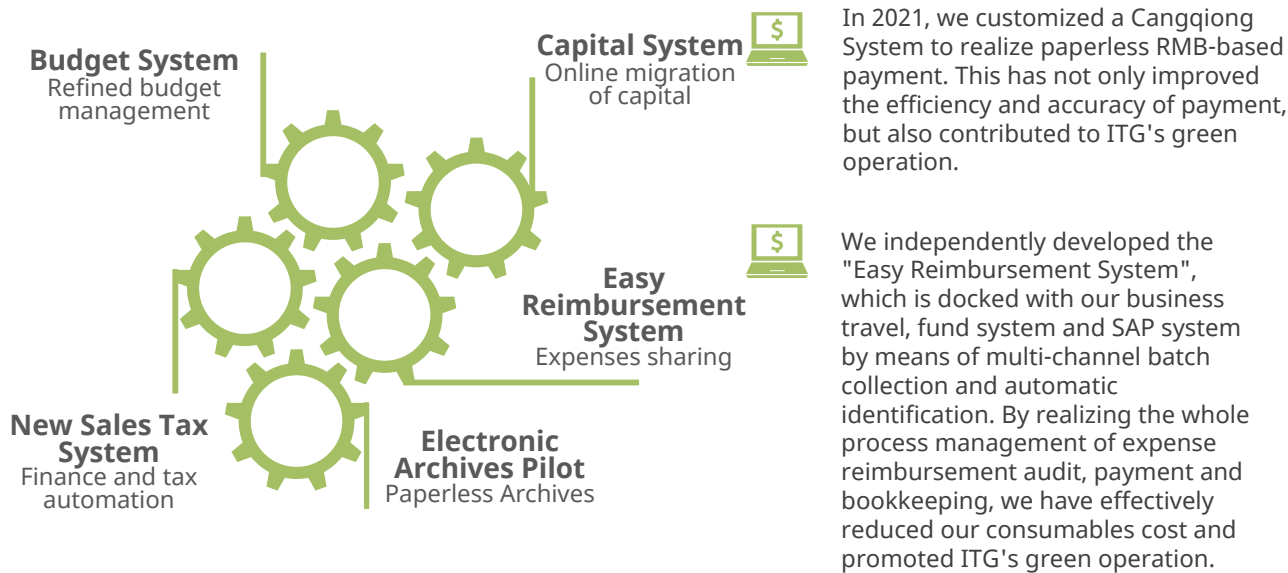
- It has deployed greening on open spaces and the roof. Combined with landscape design, a total of 3,084 square meters of roof greening area was deployed in the podium roof area, accounting 49.4% of the roof greening area.
- Energy conservation has been achieved by installing HVAC system, rainwater recycling system, water-saving products and lighting optimization design.
- It has adopted reusable and recyclable materials (the proportion of recyclable materials reached 11.33%) and was appraised as one of the fourth-batch green engineering demonstration projects of China's construction industry.
- It uses direct digital control technology to monitor the HVAC system, water supply and drainage system, elevator system and lighting system of the building, thus improving the working efficiency of all system equipment and realizing the energy conservation by all equipment.
- After being crushed and squeezed, kitchen waste has a content of about 50%, and then it is automatically put into the in-situ kitchen waste treatment equipment. After setting the operation parameters, 90% of kitchen waste is metabolized into water vapor, and the biological heat energy is discharged within limit, while 10% of kitchen waste is discharged as organic fertilizer.

# Innovation Drives Green Development

## Digitalization for Energy Conservation & Emission Reduction

We actively explore the new modes of digital operation, combine the digital transformation of businesses with scenario application. We have successively developed, upgraded and launched "ITG Cloud Chain" supply chain integrated collaboration platform, "ITG Cloud Chain · Smart Sign" electronic signature platform and healthcare digital supply chain platform to promote the digital innovation and development of supply chain business.

In 2021, we continued to advance digital office. Our Finance Department and Treasury Department joined hands with the Digital Management Department to successfully realize the digital transformation of financial management. Online migration, automatic and paperless modes have saved more than 500,000 pieces of A4 paper throughout the year.



## Proposal for Electricity Conservation

In 2021, we issued the "Proposal for All Employees to Conserve Electricity", to step up efforts in this regard.

### Proposal

- Turning off the office building's night-view floodlights can save 30% of electricity consumption every month.
- Using BA control system to adjust the non-working hours lighting scheme of garage can save more than half of lighting electricity consumption.
- After work, VRV air conditioner can be turned off by centralized control in three stages.
- After work, arranging for relevant personnel to inspect and turn off lighting and air conditioning equipment in public areas.

## Green Commuting

We advocate our employees to take green commuting modes. We have arranged shuttle buses connecting subway and BRT stations for employees in the office building of ITG. In this way, we practice the concept of green lifestyles while facilitating our employees' day-to-day commuting.





## Innovation Drives Green Development

### Environmental Protection Activities

We actively carry out environmental protection activities such as garbage sorting and afforestation, thus contributing to the protection of green homes.

#### Green Home Initiative: Volunteer Services at Highway Care Station

The employees of ITG Financial Holding went to the Highway Care Station in Xiamen's Haicang District, where they volunteered for cleaning the environment.



### Green Home Initiative: Volunteer Services at the Beautiful Zhongshan Park

ITG Paper organized its employees to participate in the environmental protection volunteer service event - "Green Home Initiative: Volunteer Services at the Beautiful Zhongshan Park". Volunteers went to Zhongshan Park to clean up accumulated garbage and neglected corners, creating a clean and civilized environment for residents in the area. ITG Paper employees actively guided the residents in the area to analyze the current situation of the community environment, popularized environmental knowledge, and enhanced their awareness of environmental protection, thus stimulating their enthusiasm to participate in environmental protection activities.



### Other Environmental Protection







# Fulfill Social Responsibility

We harness the power of our resource advantages and play an active role in our commitment to corporate social responsibility and undertake SOE duty to improve the livelihood of local communities and to contribute to a better future for all.





## Fulfill Social Responsibility

### Strengthen Agriculture and Enrich Rural Areas

In recent years, we have been focusing on the layout of agricultural products industrial chain, and carrying out business cooperation around its upstream and downstream links. We are committed to building a smart agricultural platform through digitization. Starting from the fields of grain and agricultural materials, we have extended to the front-end and terminal areas of the modern agricultural industry, promoted the high-quality development of national agriculture and helped safeguard national food security.

In 2021, our agricultural products business went global, and achieved extension along the industrial chain and expansion in new fields. In the future, it will rely on the geographical advantages and resource advantages of Heilongjiang Province to realize steady development. Based on the acquisition of warehousing and trade logistics, we actively seek strategic partners in the whole agricultural industry chain, and join hands with upstream and downstream leading enterprises. Through resource integration, we continuously empower the high-quality development of the agricultural industry chain, jointly serving agriculture, rural areas and farmers.



ITG joined hands with Beifeng Group



ITG signed a strategic cooperation agreement with Wens Foodstuff



ITG signed a strategic cooperation agreement with Muyuan Foods



## Fulfill Social Responsibility

### Reliable Energy Provision

We always response to national measures for energy supply and price stability with practical actions. By giving full play to our advantages in domestic and foreign procurement channels, we make every effort to ensure coal supply, and ensure people's coal demand for production and living.


In 2021, amid continuous growth of energy demand and tight coal supply in China, we took practical actions to implement the SOE responsibility of "ensuring coal supply to meet people's needs":

- Actively tapping the sources of goods supply at home and abroad to guarantee the supply to many terminals such as Xiamen Songyu Power Plant, Hongshan Thermal Power Plant and Fujian Cement, and meet people's electricity demand for production and living; participating in the coal supply guarantee work for the five major electric power groups and heating enterprises in China;
- Continuing to provide thermal coal to all terminal enterprises to ensure that the coal storage in power plants stabilized at a reasonable level and to create a good atmosphere for energy supply and price stability;
- Adhering to the long-term agreement price mechanism, ensuring safe, stable and clean coal supply, curbing the excessive rise of coal prices, and promoting them to return to a reasonable level .

### Inclusive Financing Promotes Rural Vitalization

We earnestly implement the "Guiding Opinions on Further Improving Financial Services for Rural Revitalization" jointly issued by the People's Bank of China, the China Banking and Insurance Regulatory Commission, the China Securities Regulatory Commission, the Ministry of Finance and the Ministry of Agriculture and Rural Affairs, and support rural development by continuously promoting the innovation of financial products and services.

ITG Financial Holding, positioned as a supporter of agriculture and small businesses, backs up the development of small and micro enterprises in the fields of agriculture, forestry, animal husbandry and fishery in Fujian Province through financial services.

 Xiapu County, located in the northeast of Fujian Province, is one of the important areas of sea cucumber cultivation in China. Autumn and winter are busy seasons for fishermen to plant sea cucumbers in Xiapu County, and it is also the time when fishermen urgently need funds to purchase sea cucumber seedlings. To cater to the market demand in accordance with seasonal conditions, ITG Financial Holding innovated financial products and service models, and successively launched products such as credit loans for sea cucumber breeding and pledge loans for sea cucumber warehouse receipts. By doing so, it met fishermen's capital needs in different periods, and provided financial support for the development of local pillar industries.



ITG Financial Holding implements Xiamen Municipal Government's policy of "small loan industry serving small businesses and building inclusive finance". For serving small and micro businesses and as well as agriculture, rural areas and farmers, it offers "flexible and convenient" microfinance services to small and medium-sized enterprises, self-employed individuals and practitioners engaged in the fields of agriculture, rural areas and farmers. In 2021, it issued 145 loans related to agriculture, amounting to about 20 million RMB.

ITG Futures innovatively applies the "Futures & Insurance" model to support the economic development of rural areas. During the reporting period, ITG Futures carried out the DCE Agricultural Insurance Program in cooperation with China United Property Insurance, Huarong Rongda, Guangzhou Futures, Minmetals Futures, Guosen Futures, Zhongrong Huixin Futures and other institutions. They jointly promoted the implementation of special poverty alleviation project of peanut and urea futures price insurance in Tongbai County of Henan Province, the "Futures & Insurance" project of corn and soybean meal price insurance in Suixian County of Henan Province, and the "Futures & Insurance" project of hog price insurance in Yangling of Shaanxi Province, providing support for the development of local planting and breeding industries.



# Fulfill Social Responsibility

## Health and Wellbeing of Communities

Driven by responsible investment, ITG integrates resources with innovative development model and empowers business with technology to tap into healthcare and elderly care industries. It is committed to providing first-class healthcare and elderly care services.

### Healthcare Services

ITG operates rehabilitation hospitals, online hospitals, ADICON Clinical Laboratories and other health service platforms. Through JV cooperation, investment and M&As, business collaboration and other industrial cooperation modes, we have made active layout in diversified healthcare services, are committed to providing all-round full-life-circle healthcare services, including prevention, diagnosis and treatment to rehabilitation, nursing and elderly care.

In 2021, Xiamen ITG Taho Rehabilitation Hospital Co., Ltd. (referred to as "ITG Taho Rehabilitation Hospital") officially opened after two years of trial operation. It is one of the tertiary rehabilitation hospital in Fujian Province, which features critical disease rehabilitation. It has established partnerships with Grade-III Class-A hospitals in Xiamen City, and set up a number of rehabilitation departments serving seriously ill patients transferred from general hospitals and still needing medical care and rehabilitation after surgery.

ITG Taho Rehabilitation Hospital was awarded the title of "National Excellent Rehabilitation Hospital" by China Association of Rehabilitation Medical Institutions, and it is also one of the rehabilitation hospital in Fujian Province that has been included into the list of "Top50 Non-public Rehabilitation Medical Enterprises in China" by KPMG.





## Fulfill Social Responsibility

### Elderly Care Services

In response to the government's call to "actively respond to population aging", we deeply tap into the elderly care industry as a responsible state-owned enterprise to supply integrated services of medical care, elderly care, rehabilitation and nursing, committed to helping the elderly to lead a healthy and beautiful life.

By introducing industrial operation partners with mature operation experience, Xiamen ITG Elderly Care Industry Co., Ltd. (ITG Elderly Care), a subsidiary of ITG, has set up mutually empowered and supported operation teams to jointly develop community- and home-based elderly care services, with a focus on IoT-based smart elderly care, smart cloud platform for urban elderly care, and "combination of medical care and elderly care". It actively builds a comprehensive elderly care service system, and provides integrated services such as day care, canteens for the elderly and rehabilitation care. Starting from Jinshan Sub-district Community Care Center in Huli District, Xiamen City, ITG Elderly Care gradually extends to other areas in Xiamen City.

In 2021, ITG Elderly Care won the bid for the 2021-2022 Restaurant Operation Program for the Elderly and Community Elderly Care Program of Gulang Island, Xiamen City. The restaurant operation service program for the elderly will provide catering services for the elderly over 60 years old in Gulang Island, while the community elderly care program will provide those over 60 years old in Longtou Community and Neicuo Community of Gulang Island with community- and home-based elderly care services and access to such service resources as emergency rescue, cultural activities and spiritual comfort.



ITG Taohu Rehabilitation Hospital was listed as one of Top50 Non-public Rehabilitation Medical Enterprises by KPMG

In 2021, Xiamen ITG Health Technology Co., Ltd. (ITG Health Technology), a subsidiary of ITG, and ADICON Clinical Center jointly established Xiamen ITG ADICON Clinical Laboratories, Ltd. (ITG ADICON Clinical Laboratories), which is committed to providing excellent medical testing, clinical trials, scientific research services, health management and pathological consultation services. Through self-built logistics and professional information system, ITG ADICON Clinical Laboratories, Ltd. pools together the testing samples of various medical institutions, realizing large-scale testing to reduce costs and improve efficiency. By helping medical institutions optimize the allocation of medical resources, it has the limited medical resources inclined to clinical treatment services, so as to boost regional medical level.





## Fulfill Social Responsibility

### Caring for the Community

#### Targeted Assistance

According to the "Opinions on Carrying Out the Work of Assigning Units Directly Affiliated to Municipality to Help Specific Economically Weak Village-level Collectives to Accelerate Rural Revitalization", ITG is required to help Hugan Village, Xinmin Town, Tong'an District, Xiamen City. ITG Party Committee has conducted many field surveys in Hugan Village to comprehensively understand the key difficulties faced by the village in shaking off poverty, and developed assistance solutions based on its own business characteristics and resource advantages. It supports the development of Hugan Village by offering regular and targeted assistance to poor people, sending doctors to provide free treatment and providing continued education assistance. By November 2021, when its assistance just lasted three years, ITG has assigned four cadres to the village and carried out six assistance activities, with a total donation of 135,000 RMB.

#### Rural Vitalization

By giving full play to advantages in customer resources, ITG Textile Center assists Linxia Xialin Economic Development Co., Ltd., established by Xiamen state-owned enterprises under the leadership of Xiamen ITG Holding Group, in carrying out industrial assistance and promotes its development.

By providing special support funds, offering guidance for building and promoting online popular scenic spots, and donating computers, cameras, speakers and other equipment, ITG Futures provides support for the development of tourism and agricultural industries in Hugang Village and Yang Village of Tongbai County of Henan Province, and Taihu County of Anhui Province, helping local farmers to earn more money. Tianjin Keerun, a subsidiary of ITG, donated 800,000 RMB to the Red Cross Society of Hexi District, Tianjin City for improving the level of local education, sanitation, medical treatment and technology in Zhuanglang County and Kongtong District of Pingliang City of Gansu Province as well as Zhuoni County of Gannan Tibetan Autonomous Prefecture.

#### Pairing Up With the Disadvantaged

Nine(9) cadres and 15 Party branches of ITG have paired up with 24 peoples to help them address difficulties in life. During holidays such as the Spring Festival, they visit their homes with daily necessities to offer comfort, so as to warm the hearts of the disadvantaged groups.

#### Neighboring Party Building

To deepen the establishment of "a caring state-owned enterprise", ITG Party Committee signed the "Precise Party Co-building Agreement" with the general Party branch of Jinlin Community, and established a partnership with Lianhuabei Community for joint Party building, creating a good atmosphere for neighboring Party building. Moreover, ITG signed co-building agreements with the Party committees of Cardiovascular Hospital Affiliated to Xiamen University and Xiamen Hengxing Group. Giving full play to their respect industry characteristics and professional characteristics, they jointly carry out Party co-building activities such as environmental protection activities, public welfare activities and volunteer services.

In respond to the call for "caring for Xiamen and taking responsibilities as a state-owned enterprise", ITG Party organizations at all levels mobilized the Party members and cadres of ITG to form volunteer teams, and actively participate in volunteer activities such as caring for the young, the disabled, the elderly, the disadvantaged and workers in special positions.

#### Social Welfare Undertakings

"Flying Love and Dream" is a social welfare brand activity that we have been promoting for a long time. We actively promote the development of social welfare undertakings, which involve the construction of key urban projects, culture, education and sanitation, poverty relief, donation to schools and disaster relief. We have been awarded the title of "Annual Top Charitable Unit" for many years, and were included to the list of Chinese state-owned companies performing best in undertaking social responsibility.



4,614 hours

Hours of volunteer service in 2021

1,194 person-times

Number of volunteers in 2021

# Fulfill Social Responsibility

## In 2021, we organized a number of public welfare activities:



**Charitable Mystery Boxes**

Innovatively combining the elements of trendy toys with public welfare by using the image of public welfare IP "AMO" to launch AMO-themed mystery boxes. All proceeds will be donated to charitable libraries set up for children in urban villages, attracting more people to participate in public welfare activities that care for children.



**School Education Aid**

Donating money to Xiamen No.1 Middle School, Xiamen Experimental Primary School, Xiamen Special Needs Education School, Xiamen Wen'an Primary School and other schools every year for school construction, teaching bonus, scholarships, and subsidies for students with difficulties. In 2021, a total of 410,000 RMB was donated to school education aid projects.



**Charitable AEDs**

Donating AEDs to Xiamen's public transport system to help ensure that citizens can be treated within four minutes in case of sudden cardiac arrest and other life-threatening emergencies.

## Fulfill Social Responsibility

In 2021, we organized a number of public welfare activities:



### Free Clinic Treatment

Joining hands with Cardiovascular Hospital Affiliated to Xiamen University and other units to provide villagers of Hugan Village, Xinmin Town with free clinic treatment, CPR training and healthy kitchen education.



### Children's Playrooms

Building warm AMO children's playrooms for child patients in Cardiovascular Hospital Affiliated to Xiamen University, offering a happy world for them to read, play, rest and relieve pain.



### Spreading First Aid Knowledge

Joining hands with Cardiovascular Hospital Affiliated to Xiamen University and other units to give first aid knowledge lectures at Hugan Primary School, improving the health awareness and safety awareness of students and teachers there and contributing to building a healthy Xiamen City.



## Fulfill Social Responsibility

### Strengthen Agriculture and Enrich Rural Areas

In July 2021, when Henan Province suffered from extremely heavy rainfall, ITG took the lead among state-owned enterprises in gathering volunteers to support the disaster relief work in the province.



Helping Henan Province with disaster relief

In September 2021, in the face of the outbreak of COVID-19 epidemic in Xiamen City, we quickly assembled a volunteer team to join in the anti-epidemic work. ITG ADICON quickly took action to expand COVID-19 testing capacity, and the medical staff of Taho Rehabilitation Hospital fought against the virus in the front line. ITG has organized 88 volunteers support activities, and sent 872 volunteers to support order maintenance work on Xiang'an Expressway of Xiamen and nucleic acid testing in eight communities of the city. 25 volunteers long stationed in the quarantine areas of Haicang District and Xiang'an District.



Volunteers helping with epidemic control work

As one of the comprehensive third-party independent medical laboratory in Xiamen City, ITG ADICON Clinical Laboratories, Ltd. responded to the demand for large-scale nucleic acid testing and completed 3 million such tests. ITG Golden Bay Resort was requisitioned by Xiamen Municipal Government as one of the cured COVID-19 patients observation hotel in Xiamen City, serving nearly 1,300 patients.



Lanjing Mobile Shelter-based Laboratory

ITG ADICON Clinical Laboratories, Ltd. sent its elite employees and Lanjing mobile shelter-based laboratory to Xiamen to quickly respond to the demand for large-scale nucleic acid testing.

During the epidemic period in 2021, ITG donated materials worth over 1.5 million RMB to the Office of the Spiritual Civilization Development Steering Commission of Xiamen District Committee of Fujian and the Blue Sky Rescue.



In 2021, ITG won the "Special Contribution Award" issued by the Red Cross Society of China for our efforts in the prevention and control of COVID-19 epidemic.







# Growing with Employees

We are committed to playing the organizational role of "a grand platform, a learning organization, a sharing family". We foster an environment where everyone can pursue their passions and fulfill their purpose, make their futures bright and empower others. Each day, we show up to make a difference in the world.





## Growing with Employees

### Employee Management

We are committed to establishing a scientific and fair employee management system, and shape a sound career development path, so that employees could enjoy broad development space and at the same time they can better realize their personal values and career ideals. The individualized development of employees has been our focus of attention. We help them learn and grow at work by providing them with business practices and training, and constantly tapping their personal potential.

#### Employment Equity

We strictly abide by the "Labor Law of the People's Republic of China", the "Labor Contract Law of the People's Republic of China" and other relevant laws and regulations, and also respect the "Universal Declaration of Human Rights" and other international labor and human rights conventions approved by the Chinese government. We adhere to the principle of employment compliance and equality. In the recruitment management regulations of ITG, any discrimination on the grounds of educational background, gender, race, region and other factors, and any form of child labor and forced labor are strictly prohibited. In 2021, we did not employ any children or force any labor.

#### Democratic Participation

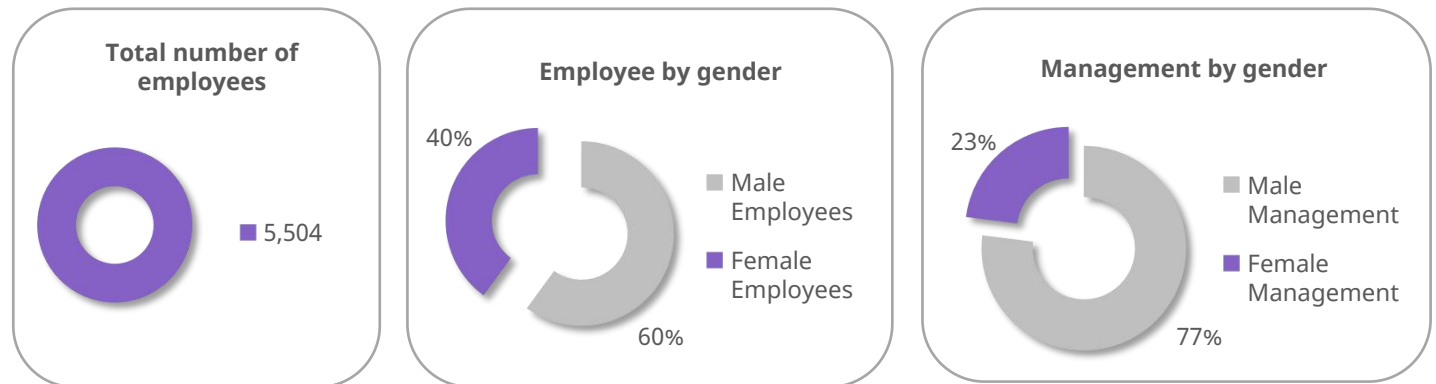
We fully guarantee the democratic participation rights of employees through the employees' congress and the labor union committees. In 2021, we held seven employees' congresses to review and approve a number of employee management methods and systems involving training, welfare and performance.

### Anti-discrimination

Adhering to the principles of mutual respect and equal consultation, we have signed the "Dedicated Collective Contract for the Protection of Special Rights and Interests of Female Employees" to prohibit gender discrimination and eliminate gender inequality in the workplace.

#### Protection of Female Employees' Rights and Interests

- Improve the degree and level of female employees' participation in enterprise management, and strengthen the training and use of female cadres.
- Gradually increase the proportion of female representatives in the employees' congress to adapt to the proportion of female employees.
- Establish and improve the female labor union.
- The female labor committee participates in the formulation and revision of rules and regulations on the protection of the rights and interests of female employees to safeguard the legitimate rights and interests and special interests of female employees according to law.
- Ensure that female employees have equal rights with male ones in personnel, scientific research and education according to relevant laws and regulations.
- Guarantee the special labor protection enjoyed by female employees according to law.
- Protect the legitimate rights and interests of female employees during pregnancy, childbirth and lactation.
- Representatives of the female labor committee of the labor union participate in the whole process of equally negotiating and signing collective contracts, and actively promote the implementation of dedicated collective contracts for special protection of female employees.

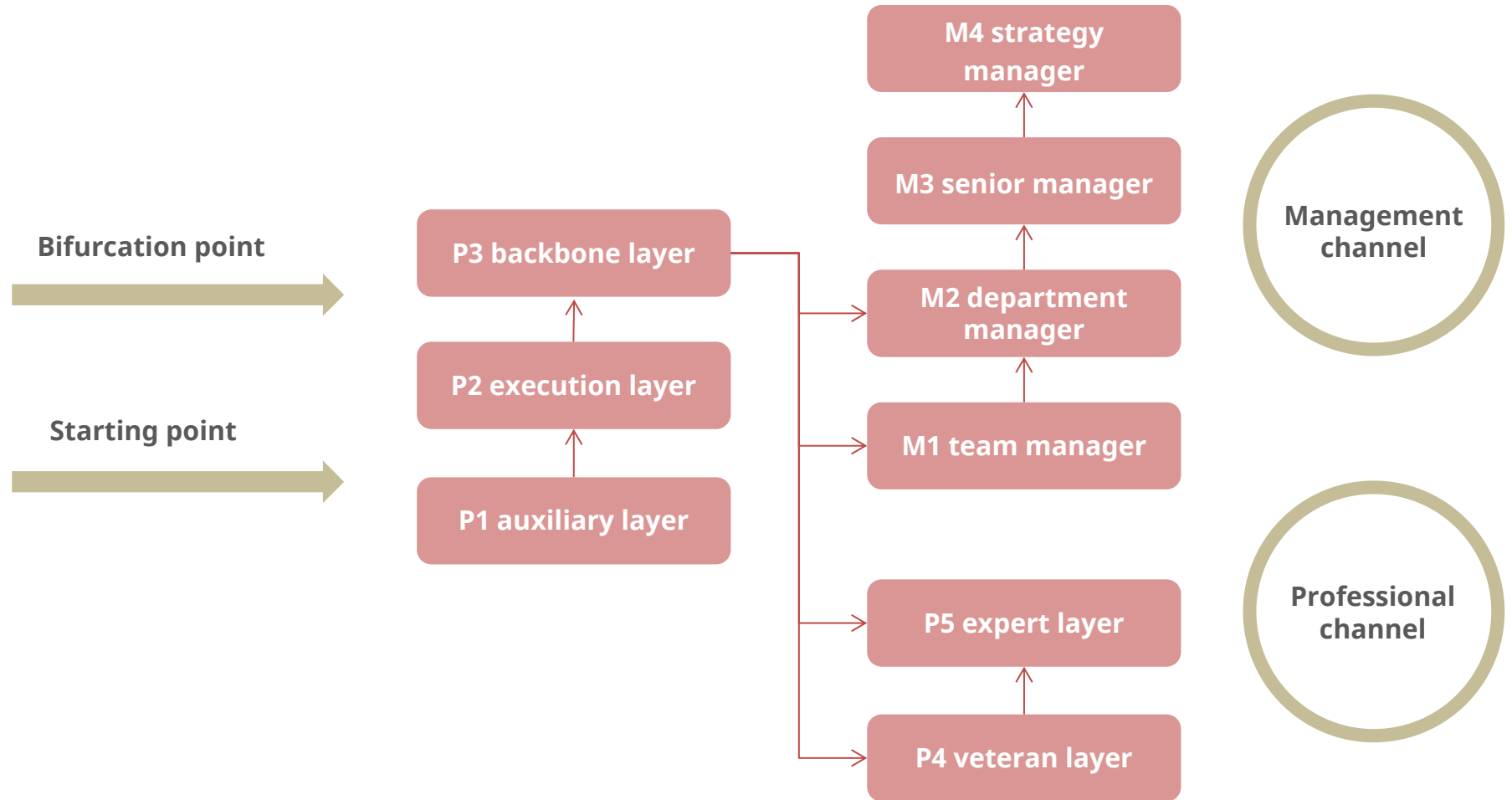




# Growing with Employees

## Career Development

We provide employees with a dual-channel development platform for professional positions and management positions, and adopt a "4+5" career development hierarchical system to encourage them to achieve their personal career development goals while working at ITG. We have formulated the "Career Management Regulations" to provide objective, unified and specific standards and evaluation methods for employees' career promotion.



"4+5" Career Development Channel

## Growing with Employees

### Talents Training

In an effort to continuously improve the talents training system, we have formulated the "Training Management Regulations" and "the Measures for the Management of Staff Education Funds". In 2021, we revised the "Training Management Regulations of Xiamen ITG Group Corp., Ltd" and the "Internal Trainer Management Measures of Xiamen ITG Group Corp., Ltd" to improve the talent training system and guide employee training to proceed in an orderly manner.

We have built a talents training system which is integrating vertical step-by-step training, horizontal multi-dimensional training and unbounded digital learning, and taken multiple measures to promote the linkage between talents training and business development. On-the-job tutors are assigned to outstanding young cadres, offering timely work guidance and feedback. The system of cross-layer and cross-border rotation is adopted to cultivate versatile talents through multiple channels and diverse experiences.



**New Employee Training Camp**

It is aimed to help new employees recruited from campuses quickly understand our culture, enhance their sense of identity and accelerate their integration into the team. The activities are rich in content, including fun team building games, ITG TALKING, the opening speech of the Chairman and the first lesson given by the President.



**New Elite Program**

- It is intended to support outstanding young cadres under the age of 40 to transform towards new managers.
- Blended instructional designs are adopted, including IDP archiving, one-on-one tutorial system, OJT, master lectures, on-air reading club and New Elite Talk, etc.

### Talents Training Projects



**ITG Top-notch Employee Cultivation Program**

- It is intended to help employees joining ITG for less than two years transform from students to professionals.
- Over 20 selected internal trainer courses are offered to improve their professional quality in an all-round way.



**Elite Program**

- Tailored for middle-level cadres.
- Diverse learning experience: famous scholar lectures + on-site teaching + classic study.
- Promote middle managers to break the stereotype, reform themselves, and lead the team to strive to get first-class.



**Energy Storage Program**

It is aimed to help newly appointed department heads of the subsidiaries of ITG to transform from functional personnel towards managers. ITG assigns functional personnel to its subsidiaries that are undergoing transformation. By empowering functional personnel to transform towards managers, we provide support for the business development of subsidiaries, and help their transformation process to advance efficiently and steadily.



**Lighthouse Program**

- It is a special project for the training of internal trainers of ITG.
- A team of internal trainers is built to extract organizational wisdom, pass on the excellent management experience of the organization, improve the overall performance of the team, and boost the high-quality development of ITG.



## Growing with Employees

### New Elite Program

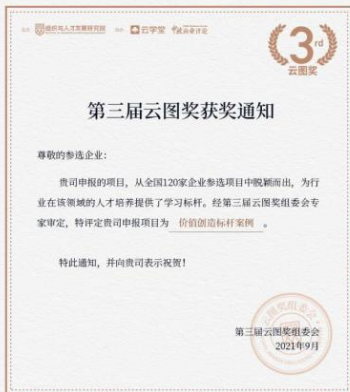
#### Trainee Feedback

- These courses give me the opportunity to know myself better and help correct my self-cognitive bias through data analysis. They are very helpful for career development.
- Participating in learning from other enterprises helps broaden my horizons and learn from their strengths.
- The course is entertaining and interactive, activating the vitality and tacit understanding of teamwork.
- Professional skills are not the same as management skills, so managers should pay more attention to the cultivation of management capability.
- Communication requires concentration and wisdom, and can be improved through training.

#### Course Satisfaction



- A: "Interpretation of Talent Evaluation and Summary of Competencies"
- B: "Team Building and Vitality Camp"
- C: "MTP Management Skills Training"
- D: "360° Communication Skills for Managers"
- E: "Leadership in Innovation and Reform"
- F: "Promoting the Realization of Strategic Goals—Sand-table Practices for Managers"



The New Elite Program is aimed to help outstanding young cadres under 40 years transform towards managers through IDP archiving, one-on-one tutorial system, OJT and selected courses. In 2021, the program won two awards, namely "Value Creation Benchmark Case" from Cloud Atlas and "Excellent Instructional Design Award" from Booaoo, and was included into the "CEIBS Business Review".

### Lighthouse Program



In the national final of 2021 Enterprise Internal Trainer Competition, the internal trainer cultivation and management system under the Lighthouse Program was certified as "Golden Cradle", seven of ITG's internal trainers as "Golden Internal Trainer", and three of them as "New Elite Internal Trainer".

### ITG iSchool: A Cloud-based School for Ubiquitous Education

The new model of unbounded digital learning—ITG School—actively builds a learning organization that is eager and diligent to learn and good at learning.

- Include 1,000+ selected courses that bring together the essence of courses given by famous teachers in many fields.
- Meet individualized learning needs anytime and anywhere, and enable the efficient use of fragmented time.
- Regularly evaluate the learning results, motivate star students, and promote the formation of a learning organization.

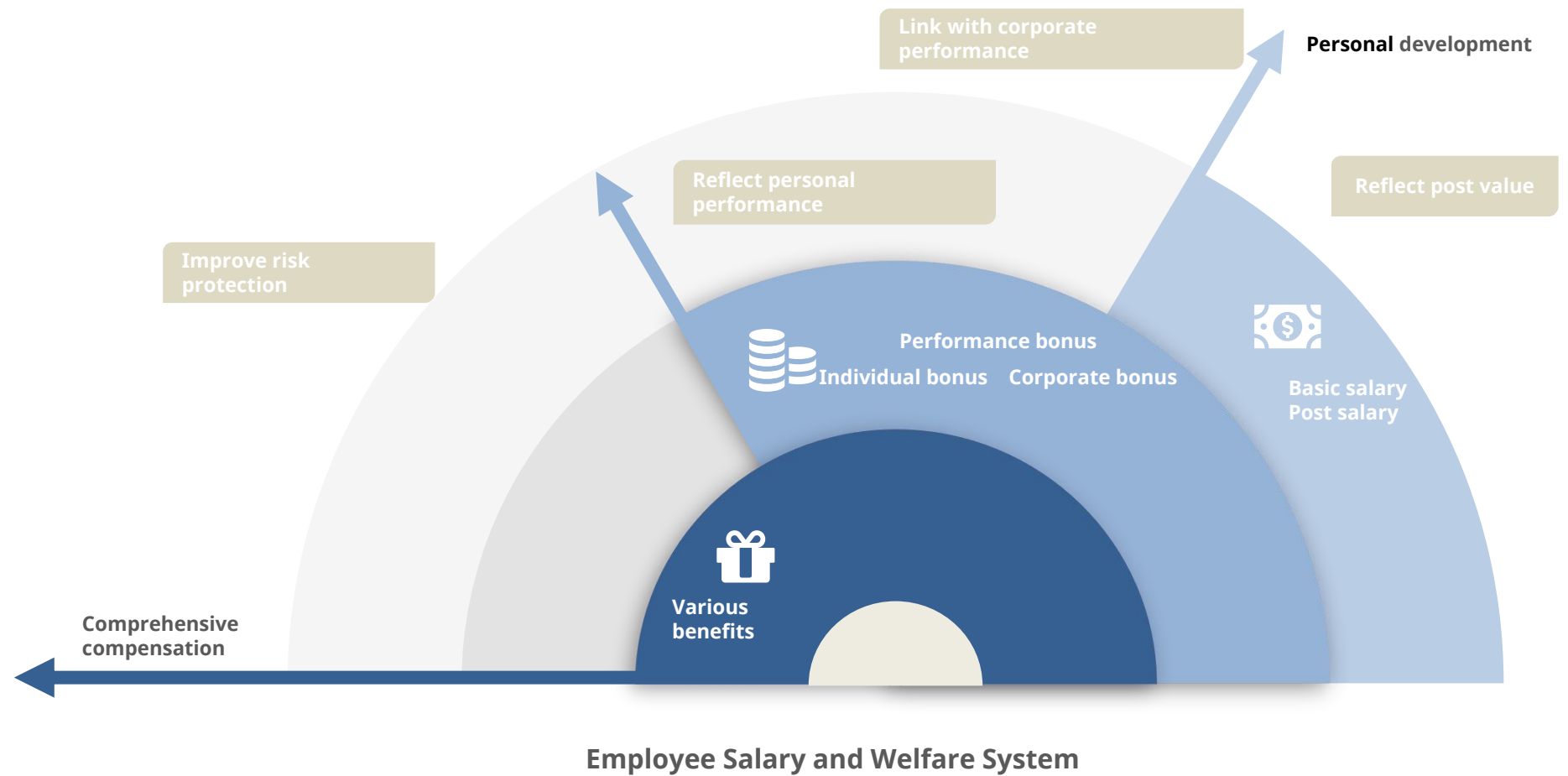


In 2021, we organized **447** training sessions to a total of **18,560** person-times of ITG.

## Growing with Employees

### Employee Salary & Welfare

We provide employees with competitive salary and welfare including social insurance and housing fund, enterprise annuity and commercial insurance. The employee's salary consists of basic salary, post salary, performance bonus, which is linked to ITG's operating performance, and various other benefits.





## Growing with Employees

### Employee Caring

We always regard employee caring as the focus of employee responsibility management, and take pride in a warm and harmonious working atmosphere. By offering humane care and colorful cultural activities, we allow all employees to find a sense of belonging and form a community of shared future where they support each other and make progress together.



#### Employ Induction Anniversary

By carrying out a variety of employee activities, we promote employee exchanges, and create a pleasant and warm working atmosphere.



#### Celebrate Children's Day

To celebrate Children's Day on June 1, we organized a one-day parent-child science popularization activity at Xiamen Science and Technology Museum, attracting nearly 150 ITG families.

### Employee Activities

By carrying out a variety of employee activities, we promote employee exchanges, and create a pleasant and warm working atmosphere.



#### Celebrate International Women's Day

To celebrate International Women's Day on March 8, we organized a series of activities to express holiday wishes to female employees.



## Growing with Employees

### Employee Assistance

Since 2006, we have set up the ITG Charitable Fund, which is aimed at gathering love, helping each other, spreading love and promoting harmony and mainly used to help employees and their families to solve difficulties caused by sudden disasters or major diseases. It is a special fund that ITG and its employees extensively participate in, operates publicly and provides emergency relief. In 2021, the ITG Charitable Fund allocated a total of 120,000 RMB in nine batches to several employee families.

We regard the health of employees as our greatest wealth and the cornerstone of the sustainable development of ITG, and pay great attention to their physical and mental health. Every year, we provide employees with annual health check-up benefits, creating a healthy and harmonious working environment.

During the epidemic prevention and control period in 2021, we took various measures to prevent employees from being infected, such as advocating the reduction of geographical mobility, setting up flexible working system, carrying out off-peak commuting, encouraging telecommuting and taking turns to work. By giving full play to the advantages of our human resource information system, we ensured employees to work from home and fully guaranteed their health. We uniformly insured COVID-19 prevention and control volunteers against COVID-19 infection to offer them more care and protection.



ITG Love Foundation Icon



## Growing with Employees

### Care for Employees' Physical and Mental Health

#### Employee Assistance Program (EAP)

In 2021, we introduced international advanced EAP concepts and services to provide employees with systematic and long-term counseling to improve their mental health, and help them deal with psychological troubles in life or at work. EAP services are professional and confidential. Professional psychological counseling experts provide professional guidance, training and consultation for employees' mental health, helping them and their family members to face their work and life with a more positive attitude. This is expected to drive the improvement of their work performance. EAP is aimed to build an open, inclusive and positive working atmosphere and organizational culture, and comprehensively enhance the capacity of employees for happiness in the workplace.

To enhance psychological care for employees, EAP will continue to provide all employees with a series of services, such as psychological physical examination, psychological tips, 24-hour hotline consultation and psychological knowledge lectures. It is intended to help them embrace life with a more positive and sunnier attitude, rise to challenges, devote themselves to work with a better state, and inject inexhaustible power into the innovative development of ITG.

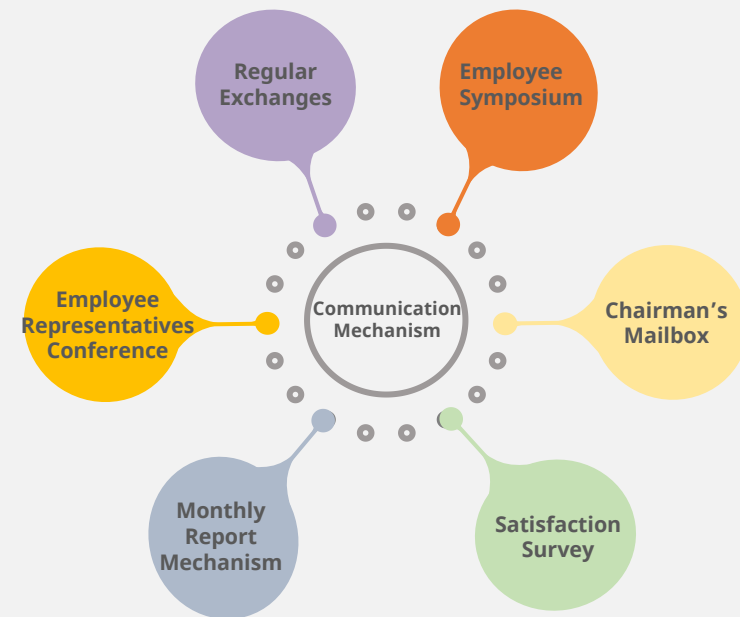


### Employee Communication

By establishing a smooth communication mechanism, we keep in touch with employees through various online and offline channels, such as regular employees' congress and chairman's mailbox, listen to their voices, and try to respond to their suggestions and feedback. In addition, we collect advices from all employees through the monthly report mechanism, and give extra performance points for those putting forward effective suggestions.

In 2021, we conducted annual employee caring satisfaction survey throughout ITG. A total of 1,180 employees submitted online questionnaires to help improve ITG's employee management and caring level.

In 2021, ITG saw no major labor disputes.







# Data Summary

## GRI Standards Content Index

## Data Summary

Environmental	Indicator	Unit	2021	
	<b>Greenhouse Gases</b>			
	Scope 1: Direct emissions*	tCO <sub>2</sub> e	1,274.64	
	Scope 2: Indirect emissions of purchased energy		2,192.67	
	Total greenhouse gas emissions		3,467.31	
	Density of GHG emissions	tCO <sub>2</sub> e/100 million RMB in operating revenue	0.75	
	<b>Waste Gases</b>			
	Total NO <sub>x</sub> emissions	ton	6.96	
	Total SO <sub>x</sub> emissions		0.01	
	Total PM emissions		0.91	
<b>Vehicle &amp; Equipment Fuel Consumption</b>				
Gasoline consumption	litre	45,387.06		
Diesel consumption		437,563.47		
<b>The Wastes</b>				
<b>Hazardous Wastes</b>				
Amount of transferred and disposed hazardous wastes	ton	0.30		
<b>General Wastes</b>				
Output of industrial wastes	ton	170.30		
Output of household wastes		439.24		
Amount of recycled industrial wastes		89.20		
Amount of recycled household wastes		57.05		
<b>Resource Consumption</b>				
<b>Energy</b>				
Power consumption	KWh	3,773,953.58		
Power consumption density	KWh/100 million RMB in operating revenue	812.03		

\*Since ITG's carbon inventory work in 2021 has not been completed, the scope 1 in this Report only includes GHG emissions from transportation facilities.

## Data Summary

Environmental	Indicator	Unit	2021	
	<b>Water Resources</b>			
	Water consumption	m <sup>3</sup>	51,899.85	
	Water consumption density	m <sup>3</sup> /100 million RMB in operating	11.17	
	<b>Packing Materials</b>			
	Plastics consumption	ton	1.00	
	Paper consumption		3.00	

Market	Indicator	Unit	2021	
	<b>Economic Contract Performance</b>			
	Number of contracts actually performed	copy	113,664	
	Number of contracts that should be performed		114,769	
	Economic contract performance rate	%	99.04	
	<b>Complaint Resolution</b>			
	Total number of complaints	case	8	
	Total number of complaints resolved		8	
Complaint resolution rate	%	100.00		



## Data Summary

	Indicator	Unit	2021
Employment	<b>Staff Composition</b>		
	<b>Gender Distribution of Employees</b>		
	Male	person	3,393
	Female		2,111
	<b>Total</b>		5,504
	<b>Age Distribution of Employees</b>		
	Under 30 years old	person	1,672
	30-50 years old		3,320
	Over 50 years old		512
	<b>Total</b>		5,504
	<b>Academic Attainment Distribution of Employees</b>		
	Doctor's degree	person	3
	Master's degree		497
	Bachelor's degree		2,289
	Associate's degree		842
	Below associate's degree		1,873
	<b>Total</b>		5,504
	<b>Function Distribution of Employees</b>		
	Sales personnel	person	3,677
	Technical personnel		145
	Financial personnel		317
Administrative personnel	1,365		
<b>Total</b>	5,504		

## Data Summary

Employment	Indicator	Unit	2021	
	<b>Gender Distribution of Management</b>			
	Male management	person	109	
	Female management		33	
	Proportion of female managers	%	23.24	
	<b>Contract Signing</b>			
	Employees signing labor contracts	person	5,504	
	Labor contract signing rate	%	100.00	
	<b>Employee Turnover</b>			
	Total number of resigned employees	person	924	
Total number of employees at the beginning of the year	5,256			
Total number of new employees in the year	1,172			
Annual turnover rate	%	14.37		
<b>Employee Training</b>				
Total annual investment in employee training	million RMB	2.21		
Total education and training person-times throughout the year	person-time	18,560		
Annual number of training sessions	session	447		

Community	Indicator	Unit	2021	
	<b>Volunteer Services</b>			
	Total number of volunteers	person-time	1,194	
Total number of volunteer service hours	hour	4,614		

## GRI Standards Content Index

The content index of this Report includes the "GRI Standards", and the "CASS-CSR4.0" issued by the Research Center for Corporate Social Responsibility of Chinese Academy of Social Sciences.

GRI Index		Disclosure Part	
<b>GRI 100: General Standards</b>			
<b>GRI 102: General Disclosure</b>			
<b>Organizational Profile</b>	102-1	Name of the organization	At a Glance
	102-2	Activities, brands, products, and services	
	102-3	Location of headquarters	
	102-4	Location of operations	
	102-5	Ownership and legal form	
	102-6	Markets served	
	102-7	Scale of the organization	
	102-8	Information on employees and other workers	Employee Management Data Summary
	102-9	Supply chain	Excellence Operation Responsible Supply Chain Industry Engagement
	102-10	Significant changes to the organization and its supply chain	At a Glance
	102-11	Precautionary principle or approach	Risk Management and Compliance
	102-12	External initiatives	ITG's 2021 ESG Honors
	102-13	Membership of associations	ITG's 2021 ESG Honors
<b>Strategy</b>	102-14	Statement from senior decision-maker	Chairman's Statement Party Building
<b>Ethics and Integrity</b>	102-16	Values, principles, standards, and norms of behavior	At a Glance
<b>Governance</b>	102-18	Governance structure	Effective Governance



## GRI Standards Content Index

GRI Index			Disclosure Part
<b>GRI 100: General Standards</b>			
<b>GRI 102: General Disclosure</b>			
<b>Stakeholder Engagement</b>	102-40	List of stakeholder groups	Stakeholder Engagement
	102-41	Collective bargaining agreements	Employee Management Data Summary
	102-42	Identifying and selecting stakeholders	Stakeholder Engagement
	102-43	Approach to stakeholder engagement	Stakeholder Engagement
	102-44	Key topics and concerns raised	Stakeholder Engagement
<b>Reporting Practices</b>	102-45	Entities included in the consolidated financial statements	About this Report
	102-46	Defining report content and topic boundaries	About this Report
	102-47	List of material topics	Stakeholder Engagement
	102-48	Restatements of information	This Report Does Not Cover It
	102-49	Changes in reporting	This Report Does Not Cover It
	102-50	Reporting period	About this Report
	102-51	Date of most recent report	
	102-52	Reporting cycle	
	102-53	Contact point for questions regarding the report	
	102-54	Claims of reporting in accordance with the GRI Standards	
	102-55	GRI content index	GRI Standards Content Index
102-56	External authentication	This Report Does Not Cover It	

## GRI Standards Content Index

GRI Index		Disclosure Part
<b>GRI 200: Economic Topics</b>		
<b>GRI 103: Management Approach</b>		
103-1	Explanation of the material topic and its boundary	Corporate Governance Leads to Sustainability
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
<b>GRI 201: Economic Performance</b>		
201-1	Direct economic value generated and distributed	At a Glance
<b>GRI 205: Anti-corruption</b>		
205-1	Operations assessed for risks related to corruption	Act with Integrity
GRI Index		Disclosure Part
<b>GRI 300: Environmental Topics</b>		
<b>GRI 103: Management Approach</b>		
103-1	Explanation of the material topic and its boundary	Innovation Drives Green Development
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
<b>GRI 301: Materials</b>		
301-1	Materials used by weight or volume	Responsible Supply Chain Climate Change and Green Industries Green office
<b>GRI 302: Energy</b>		
302-1	Energy consumption within the organization	Climate Change and Green Industries Green Office Data Summary
302-2	Energy consumption outside of the organization	
302-4	Reduction of energy consumption	
303-5	Water consumption	
<b>GRI 305: Emissions</b>		
305-1	Direct (Scope 1) GHG emissions	Climate Change and Green Industries Technology-empowered Green Supply Chain Green Finance Green Healthcare Technology Green Office Environmental Protection Activities Data Summary
305-2	Energy indirect (Scope 2) GHG emissions	
305-4	GHG emissions intensity	
305-5	GHG emission reductions	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	

## GRI Standards Content Index

GRI Index		Disclosure Part
<b>GRI 300: Environmental Topics</b>		
<b>GRI 306: Wastes</b>		
306-3	Waste generated	Climate Change and Green Industries Green Office Data Summary
GRI Index		Disclosure Part
<b>GRI 400: Social Topics</b>		
<b>GRI 103: Management Approach</b>		
103-1	Explanation of the material topic and its boundary	Excellent Operation Creates Shared Value Fulfill Social Responsibility Growing with Employees
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
<b>GRI 401: Employment</b>		
401-1	New employee hires and employee turnover	Employee Caring Data Summary
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	
401-3	Parental leave	
<b>GRI 403: Occupational Health and Safety</b>		
403-1	Occupational health and safety management system	Work Safety Employee Care Data Summary
403-2	Hazard identification, risk assessment, and incident investigation	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
<b>GRI 404: Training and Education</b>		
404-1	Average hours of training per year per employee	Career Development Data Summary
404-2	Programs for upgrading employee skills and transition assistance programs	
<b>GRI 405: Diversity and Equal Opportunities</b>		
405-1	Diversity of governance bodies and employees	Employee Management Data Summary



## GRI Standards Content Index

GRI Index		Disclosure Part
<b>GRI 404: Training and Education</b>		
<b>GRI 413: Local Communities</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	Strengthen Agriculture and Enrich Rural Areas Reliable Energy Provision Inclusive Financing Promotes Rural Vitalization Health and Wellbeing of communities Caring for the Community Our Response to Pandemic and Disaster Data Summary
<b>GRI 414: Supplier Social Assessment</b>		
414-1	New suppliers that were screened using social criteria	Responsible Supply Chain Data Summary
<b>GRI 418: Customer Privacy</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protection of Clients' Rights and Interests Information Security
<b>GRI 419: Socioeconomic Compliance</b>		
419-1	Non-compliance with laws and regulations in the social and economic area	Effective Governance

## Reader Feedback

Dear readers,

Greetings!

Thank you very much for reading the "2021 ESG Report of Xiamen ITG Group Corp., Ltd". To further improve the quality of our ESG management and report, we sincerely invite you to make valuable comments and suggestions on this Report and help us to continuously improve it. We will fully consider your comments and suggestions, and promise to properly protect your information from third parties.

1. What kind of stakeholders are you?			
Employees	Government or regulatory agency personnel	Suppliers and partners	Shareholders or investors
Customers	Peers	Community residents	Media organizations
NGOs	Scientific research institutions	Banks	Others: _____
2. Do you think this Report fully reflects ITG's ESG management performance in 2021?			
Fully	Generally	Partially	Not at all
3. Do you think the information disclosed in this Report is true?			
Very true	Generally true	Partially true	Completely untrue
4. What do you think of the framework structure of this Report?			
Clear	OK	Mediocre	Confused
5. Do you think this Report is readable?			
Very readable	Generally readable	Poorly readable	Difficult to understand
6. Do you have any comments and suggestions on our ESG management work? If yes, please write in the underlined blanks.			
No	Yes, _____		
7. Please leave your name and contact information.			
Name:	Contact information (mobile number or email address):		



**ENVIRONMENTAL SOCIAL AND  
GOVERNANCE REPORT OF 2021**

**Xiamen ITG Group Corp., Ltd**  
(Stock Code: 600755.SH)