



创新 引领美好生活
INNOVATION FOR A BETTER LIFE



Tayho Advance Materials Group Co., LTD. 2022

Environmental, Social and Governance (ESG) Report



Create value for users and
grow together with customer

No.10 Heilongjiang Road, Yantai Economic and Technological
Development Zone, Yantai City, Shandong Province, China

☎ 0535-6394123

✉ securities@tayho.com.cn

🌐 www.tayho.com.cn

Basis of Reporting 3

Data Source and Reliability Assurance 3

01 About Tayho 6

Key ESG Performance in 6
 2022Chairman's Messages 7
 Tayho At A Glance 9
 Development History 11
 2022 Milestones 13
 Corporate Culture 15
 Corporate Strategy 15
 Business Layout 16
 Enterprise Honors 17

06 Customer Rights Protection & Procurement Management 53

Customer Rights Protection 53
 Supply Chain Management 56

07 Safe Operation & Production 58

Production Safety Management 58
 Safety Education & Training 58
 Safety Risk Elimination 59
 Emergency Plan 61

02 ESG Governance 19

ESG Sustainability Philosophy 19
 Communication with Stakeholders 19
 ESG Material Issues 21

03 Party Governance 22

Organizational Structure 22
 Party Building Mechanism 22
 Party Building Practices 23

08 Technology Innovation & IP Protection 62

R&D System 62
 Projects Under Research 62
 IP Protection 67

09 Employee Care & Protection 68

Talent Recruitment & Management 68
 Employee Rights & Protection 70
 Employee Training & Development 72
 Employee Benefits & Care 72

04 Corporate Governance 24

Governance Structure 24
 Internal Construction & Risk Managemen 27
 Compliance & Business Ethics 29
 Investor Relations & Equity Protection 34

05 Environment Protection & Sustainable Growth 37

Environment Management 37
 Emergency Environmental Events Preplanning 41
 Energy Management 43
 Green Manufacturing Operations 45
 Pollution Prevention & Environment Protection 49

10 Social Welfare & Volunteer Activities 74

Public Welfare Activities 74
 Social Volunteer Activities 75
 Integrity In Tax Payment 75
 Health Construction 76

Appendix 79

Index of Indicators 79
 Feedback Form 80

Basis of Reporting



Time Range

This report is from January 1, 2022 to December 31, 2022. For the purpose of making the report more comparable and forward-looking, some contents have been extended.



Release Cycle

This is an annual report.



Report Scope

The main body of the report is “Tayho Advanced Materials Group CO., LTD.”, and its subsidiaries, the scope of this report is consistent with the Company's annual report, unless otherwise stated.



Data Source and Reliability Assurance

All the information and data quoted in this report are from the official documents, statistical reports and financial reports of Tayho Advanced Materials as well as the sustainable development practice information of various functional departments and business units that are tallied, summarized and reviewed by the Company.

The Company promises that this report contains no false records, misleading statements or major omissions. At the same time, without specification, the currency involved in this report is RMB.



Compilation Basis

State-owned Assets Supervision and Administration Commission
“Guidance on state-owned enterprises to better fulfill their social responsibilities”
State Capital Development Research [2016] No. 105;
Sustainable Development Goals of the United Nations;
Self-regulation Guide 1 for Listed Companies on Main Board-Standard Operation of SZSE;
Global Reporting Initiative “Sustainability Reporting Guidelines” (GRI Standards);
Corporate Social Responsibility Research Center of the Department of Economics of CASS
“The Chinese Corporate Social Responsibility (CSR) Report Preparation Guide” (CASS-CSR5.0)



Report Statement

This report is the first Environmental, Social&Governance (ESG) report published by Tayho Advanced Materials based on the principle of objectivity and truthfulness, this report aims to truly reflect the company's development and practice achievements in ESG in FY2022, to publicly report the company's operation to stakeholders, and to help the company's shareholders and creditors, partners, employees and other stakeholders gain an in-depth perspective of the company's social responsibility practice activities.



Report Acquisition

This report is published in electronic form. You can download the electronic copy of this report from the website of SZSE (<http://www.szse.cn/>) or the official website of the Company (www.tayho.com.cn) to obtain more information about the Company. If you have questions and suggestions about the report, please contact with us through email (securities@tayho.com.cn) or call 0535-6394123.



Comments Feedback

If you have any comments or suggestions on the sustainability of our company, please feel free to give us feedback through the contact information below to help us make continuous improvements to our report.

Company Website: <https://www.tayho.com.cn>

Correspondence address: No.10 Heilongjiang Road, Yantai Economic and Technological Development Zone, Yantai City, Shandong Province, China

Postal code: 264006

Tel: 0535-6394123

Company email: securities@tayho.com.cn



Appellation Description

For ease of presentation and reading, "Tayho Advanced Materials Group CO., LTD." will be referred to as "Tayho Advanced Materials", "we" or "the Company" hereinafter.

Company abbreviation	Company full name
Tayho Advanced Materials, we, the Company	Tayho Advanced Materials Group Co., LTD.
Xing Hua Company	Yantai Xinghua Spandex Co.
Yu Xiang Company	Yantai Yuxiang Fine Chemical Co.
Yantai Texrise Company	Yantai Texrise Material Technology Co.
Ningxia Texrise Company	Ningxia Texrise Material Technology Co.
Texrise Technologies Company	Ningxia Texrise Resource Recycling Technology Co.
Texrise Protective Company	Yantai Texrise Protection Technology Co.
Taixiang Company	Yantai Taixiang Property Management Co.
Ningxia Ningdong Company	Ningxia Ningdong Tayho Advanced Material Co.
Tayho Aramid Company	Ningxia Tayho Aramid Fiber Co.
Yu Xing Company	Yantai Yuxing Paper Products Co.
Newstar Company	Yantai Newstar Spandex Co.
Metastar Company	Yantai Metastar Specialty Paper Co.
Metastar Advanced Manufacturing	Yantai Metastar Advanced Manufacturing Co.
Sales Company	Yantai Tayho Advanced Material Sales Co.
Guangrui Testing Company	Shandong Guangrui Testing Technology Service Co.
Jingwei Intelligence Company	Yantai Jingwei Intelligent Technology Co.
Research Institute Company	Yantai Tayho Advanced Material Polymer New Material Research Institute Co.
Zhigu No.1	Yantai Zhigu No.1 Enterprise Management Partnership (Limited Partnership)
Tayho Hong Kong	Tayho Hong Kong Limited

About Tayho

Key ESG Performance in 2022

Economic Performance



Operating Income
RMB **3,750.13** million

Net Profit of Equity Holders
of Listed Companies
RMB **435.89** million

Total Assets
RMB **10,033.13** million

Shareholders' Net Assets
RMB **4,058.09** million

Environmental Performance



Environment Input
RMB **80** million

Power Consumption
2.80 million kW

Water Consumption
2,310,353.00 t

Total Greenhouse Gas Emissions
587,588.44 tCO_{2e}

Corporate Governance Performance



Shareholders' Meetings
4 Times

Board Meetings
11 Times

Supervisory Board Meetings
8 Times

Anti-Corruption and Integrity Training
6 Times

Internal Risk Training
6 Times

Legal Training
1 Times

R&D Performance



R&D investment
RMB **174.29** million

Patents Granted
194

Software Publications
21

Trademarks
27

Published Papers
138

Social Performance



Total Tax Payment
RMB **151.13** million

Public Input
RMB **1.06** million

Employee Training Input
RMB **2.93** million

Employee Training Coverage
100%

Safety Production Input
RMB **8.66** million

“ Chairman's Messages



2022 is the opening year of "three rounds of driven multiplication plan" of Tayho Advanced Materials, and also the vital year of comprehensive deepening reform. Facing the complex and severe business environment, the company always takes the mechanism and system reform as the "No.1 project", eliminates the bottleneck of system and mechanism, releases the vitality of enterprise development; always upholds the development strategy of "talent-led and innovation-driven", enhances the ability of scientific and technological innovation, accelerates product optimization and upgrading, and promotes management capability, achieving a turnover of RMB 3.80 billion and profit of RMB 500 million.

In this year, we seized opportunities and stacked up advantages. We accelerated the relocation of the old plant, eliminated more than 20,000 tons of outdated spandex production capacity, and reached 28% of the output of aramid business with higher profitability; We focus on both domestic and overseas markets, seized market opportunities, and increased the sales volume of inter-aramid and para-aramid by 24% and 17% respectively, export volume by 29% and export revenue by 30% year-on-year; established a marketing system integrating publicity, planning, operation and sales, and realized the marketing mode of "marketing first, sales second".

In this year, we coordinated development and scientific planning. Focusing on the goal of "three rounds of multiplication plan", integrated the construction of Yantai and Ningdong bases, continued to deepen the industrial layout, and formed the development pattern of "one headquarters and five parks"; Focusing on the main business of high-tech materials, the company has conducted 13 construction projects; the company has identified six new business development directions: smart wear, green manufacturing, bio-based materials, information and communication, new energy vehicles and green chemicals, planned and proved 53 new projects, carried out 36 technical research projects, promoted the development of 9 pilot projects and 12 small pilot projects, and implemented the construction of 5 projects.

This year, we reformed and innovated, then forged ahead. We integrated the company's innovation resources, enhanced the construction of innovation capacity, established the Institute of Strategic Planning and "Tayho Dream Workshop", set up a joint laboratory, built 3 pilot platforms, and completed 5 laboratories; we undertook 8 new science and technology projects above the municipal level, carried out 7 external project cooperation, obtained 34 patent authorizations, and participated in the formulation and revision of 16 national and industrial standards, and completed the identification of 2 small and medium-sized enterprises of science and technology.

In this year, we led by Party construction and concentrated our efforts. We revised and improved the "three lists" of the Party Committee and the front-keeping list of the Party organizations of the affiliated enterprises, clarified the boundary of the powers and responsibilities of the Party organization and other governance bodies, held 21 Party committees, studied and discussed more than 100 major decision-making matters, and gave full play to the leadership role of the Party Committee in "setting the direction, managing the overall situation and promoting implementation", to fully implement the responsibility system on Party discipline construction and governance integrity construction, sign the commitment of integrity and self-discipline at all levels, investigate 217 integrity risk points, and carry out 3 times of concentrated education on clean business.

As the grand plan of future gradually unfold, the battle drum pumping to hasten the launch of next expedition. 2023 has arrived, and the company will continue to move forward with an awareness of crisis, an awareness of urgency, and an sense of mission to lead the trend, with persistent effort to move forward towards the goal of "three rounds of multiplication" plan and accelerate the progress of becoming an outstanding enterprise with industry leadership, shareholder satisfaction, employee pride, and social respect!

// Tayho At A Glance

Tayho Advance Materials Group Co., LTD.(Stock Abbreviation: Tayho Advanced Materials, Stock Code: 002254.SZ) founded in 1987, identified as a technology-based advanced material enterprise integrating special fabric ODM global factory, new energy system solution provider and green chemical manufacturer.

Relying on the core technology innovation ability and full industry chain service, Tayho Advanced Material focuses on the main task of high-performance fiber, carries out original and leading technology research, continues to optimize the industrial structure and marketing mode, and becomes a leading enterprise in the international high-performance fiber industry; explores six new tracks of new energy automobile, smart wear, green manufacturing, information and communication, bio-based materials, and green chemical industry, and accelerates to become the trend of new material industry. Tayho Advanced Materials is a trendsetter in the new materials industry, the company serves in the fields of modern transportation, green environment protection, information and communication, medical and health care, security and protection, textile and garment, etc., to cater the diversified market demand of society and promote the high-end, green and intelligent development of new material industry.

Eight advantages of the company

Pioneer advantage

The pioneer in the industrialization of high-tech fibers such as spandex, meta-aramid and para-aramid in China and the setter of industry standards, with the advantage of market entry and establishing a firm position as the industry benchmark.

Technical advantage

Advanced R&D platforms in the industry, such as National Aramid Engineering Technology Research Center, National Certified Enterprise Technology Center and Postdoctoral Research Station, undertaken more than 20 national science and technology plan projects, received the National Science and Technology Progress Award three times, owned more than 190 authorized patents, and led and participated in writing more than 90 national and industry standards.

Capital advantage

With total assets of RMB 10 billion, operate with healthy financial status and excellent asset quality, attractive for capitals in various forms such as bank, bond and equity financing, and has competition advantage of acquiring resources.

Scale advantage

Production capacity is among the best in the industry, with strong ability to guarantee the supply of goods and a high market share.

Quality advantage

Strictly implement ISO9001, ISO14001, ISO45001 and IATF16949 management systems, and Newstar® Spandex, Tametar® Meta-aramid and Teparan® Para-aramid have all passed the international environmental protection textile standard 100 (Oeko-Tex Standard 100) certification.

Variety advantage

The leading products are all formed into series, with complete varieties and specifications, widely applicable fields, and capable to develop special varieties according to the market and consumers' demands.

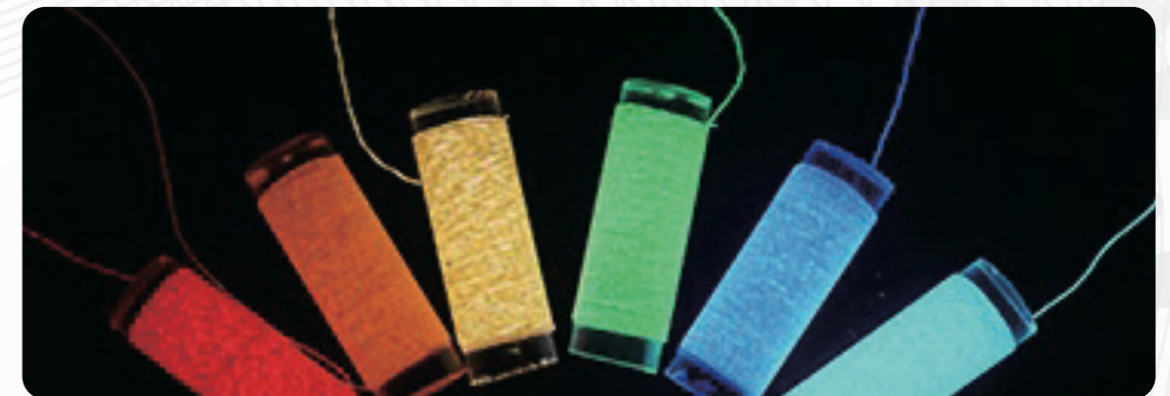
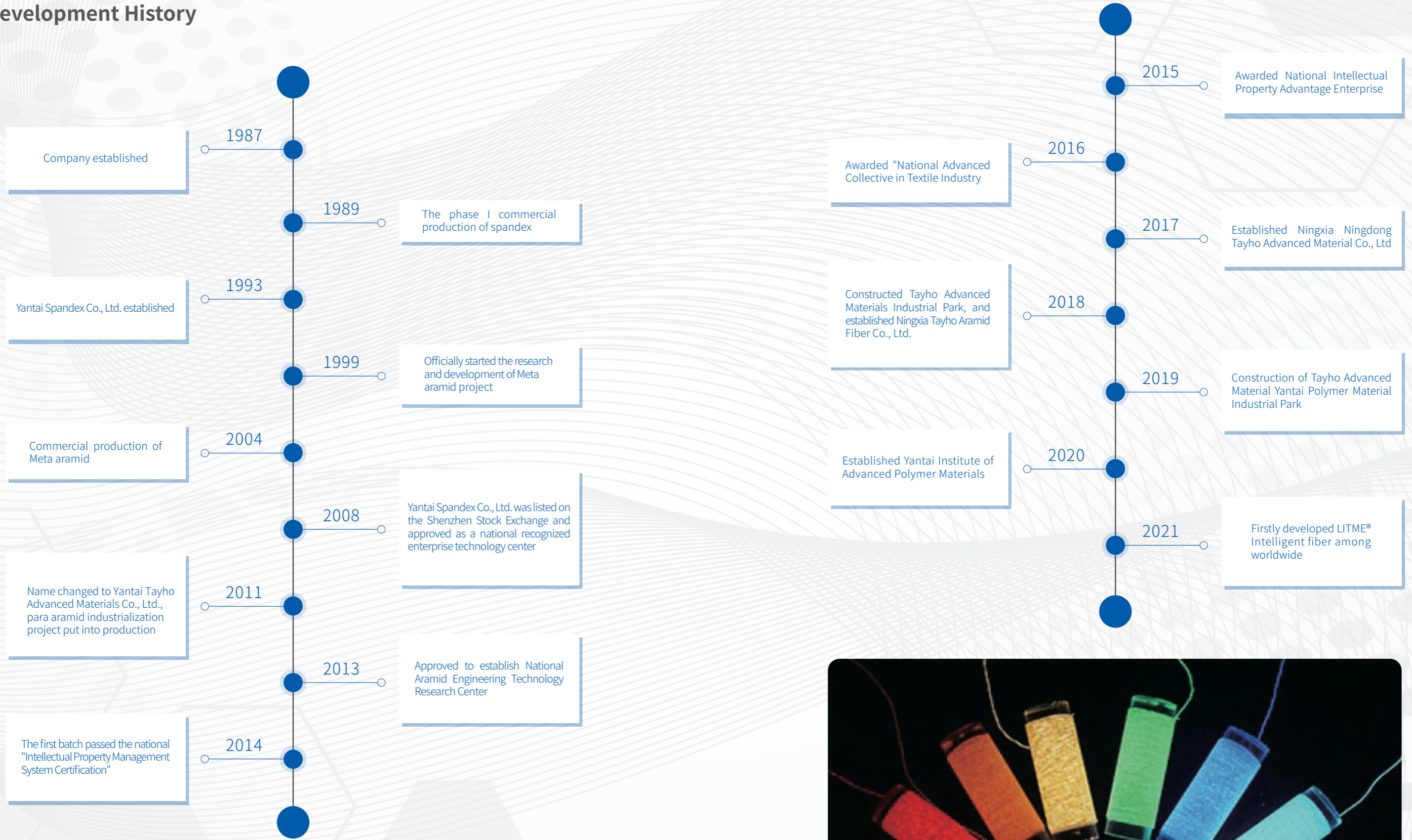
Brand advantage

Five major product brands: Newstar® Spandex, Tametar® Meta-aramid, Teparan® Para-Aramid, Metastar® aramid paper and LITME® Intelligent fiber, products sales in more than 50 countries and regions around the world, with 27 registered trademarks and was selected as one of the top 50 brands in China's brand value list and textile and garment brand value evaluation, the company has high reputation at domestic and overseas markets.

Market advantage

With the industry's first-class sales team and sales network system, excellent resources of distributors and major customers, we have established a domestic sales network with product application as the main line, focusing on each professional region, radiating the national market and an overseas marketing network covering Europe, America, Asia and Africa.

Development History



// 2022 Milestones

January

the company's first "follow-on project" - Jingwei intelligent industrialization project was put into operation

March

The company was selected as the "Science Reform Demonstration Enterprise" by the State Council

April

Metastar company was selected as NEEQ listed company on Innovation board, and Guangrui Testing company was audited and recognized by the Provincial Science and Technology Department as the third batch of "science and technology-based small and medium-sized enterprises" in Shandong Province in 2022

May

the first batch of products from the 30,000 tons per year green differentiated spandex intelligent manufacturing project was officially output

June

Tayho Advanced Material Co., Metastar Co. and Jiaying Yagang Co. formed a strategic partnership in Yantai, Ningxia Ningdong Co. was recognized as an autonomous region's "specialized and innovative" small and medium-sized enterprise, and the "high performance Meta aramid industrialization project for protection" was selected as a new material innovation application demonstration project in Shandong Province

July

China Securities Regulatory Commission approved the non-public offering of shares of Metastar Co., the company awarded "Shandong Province Quality Benchmark"

August

Jingwei Intelligent Co. was awarded "Science and Technology Innovation Star" in the field of advanced materials in Shandong Province

September

LITME® flexible intelligent fiber won the silver medal in the first textile and apparel competition of the "Governor's Cup" industrial design competition; Ningxia Ningdong Co. was recognized as "Autonomous Region Enterprise Technology Center", Ningxia Ningdong Tayho Chemical Technology Co., Ltd. was established, Yantai Taihexing Company started the listing on the NEEQ, "Ningxia Hui Autonomous Region Spandex Engineering Technology Research Center Pilot Platform Construction" was established as a special project for the central government to guide local science and technology development in 2022, and the ECODY project was successfully started in pilot testing

October

Establishment of the "Entrepreneurship Center - Tayho Dream Workshop"

November

the implementation of the equity incentive plan, and Metastar Co. was awarded the national manufacturing single champion enterprise

December

Tayho Aramid Company passed the review of the autonomous region para-aramid engineering technology research center, the company's research institute, Lanzhou Institute of Chemical Physics of Chinese Academy of Sciences and Yantai Advanced Materials and Green Manufacturing Shandong Provincial Laboratory jointly established the "Joint Laboratory of Fiber Interface Control and Advanced Composite Materials", and Guangrui Testing Company passed the China National Accreditation Service for Conformity Assessment (CNAS) extended qualification recognition.

// Corporate Culture

Enterprise Mission	Innovation leads to a better life
Enterprise Vision	To become an outstanding enterprise with industry leadership, shareholder satisfaction, employee pride and social respect
Enterprise Values	Customer first, remain openness and consist synergy, keep integrity and persist on innovation, pursuit of excellence
Enterprise Strategy	Talent-led, innovation-driven

// Corporate Strategy

Tayho Advanced Material always adheres to the development strategy of "talent-led, innovation-driven", implements the two-wheel drive of innovation and entrepreneurship, gathers cutting-edge talents, integrates innovative resources, leads the development of advanced material industry, and strives to build an outstanding enterprise with industry leadership, shareholder satisfaction, employee pride and social respect.

// Business Layout

Spandex business: The company is the first spandex manufacturer in China, and our current production capacity ranks among the top five in China. The company's Newstar® spandex has excellent high elongation, high resilience performance, rich product varieties and complete specifications, can produce black spandex, chlorine resistant spandex, flame retardant spandex, high temperature resistant spandex, super fine spandex, coarse denier high elongation spandex and many other varieties, to meet the customization of large customers and market differentiation needs.

During the reporting period, the company timely started the relocation of Yantai Park, significantly eliminated lagged production capacity, actively promoted the construction of new projects, improved the supply capacity of a large number of high value-added products such as coarse denier yarn, high temperature resistance, etc., reduced production costs, improved production efficiency and comprehensive competitiveness through the conversion of old and new kinetic energy; according to the production and market situation, timely adjustment of product structure, focus on the promotion of new product features for Ningxia, strengthen contact and cooperation with terminal brands, downstream industry leaders, raw materials, equipment manufacturers and interaction, fully exploit internal and external resources, and strive to achieve a balance between production and sales and maintain the relative competitive advantage of the industry.



// Business Layout

Aramid business: The company is the first enterprise in China to realize the industrialization of meta-aramid, para-aramid and aramid paper, and its main products include Tametar® meta-aramid, Metastar® aramid paper and Tapanar® para-aramid and its deep processing products, meta-aramid production capacity ranks second in the world; aramid paper production capacity ranks second in the world; and para-aramid production capacity ranks fourth in the world, aramid business is also the key development direction of the company.

During the reporting period, the company's aramid business developed well. For meta-aramid, we increased production and sales of high value-added color yarn, focusing on securing supply in high-end fields such as protection and appropriately adjusting sales in industrial filtration; for para-aramid, we focused on outdoor optical cable, automotive hose and composite materials to continuously expand market share. At the same time, we will launch a non-public offering of shares to raise funds to accelerate the construction of new aramid production capacity and lay the foundation for production capacity to enhance international competitiveness.



Newstar® Spandex



Tametar® Meta aramid

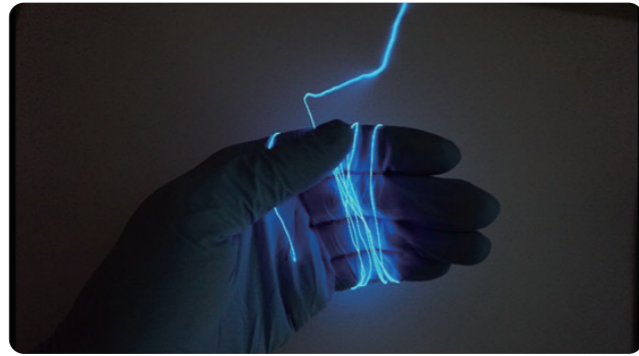
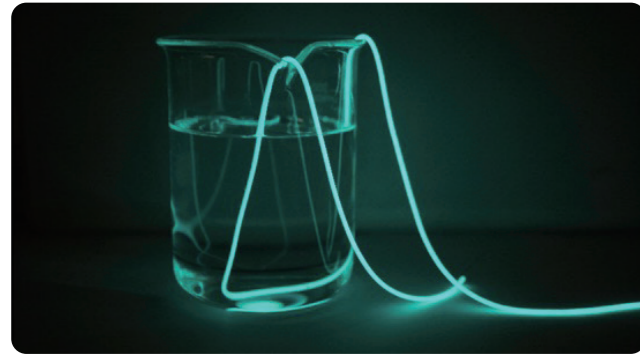


Tapanar® Para aramid



Metastar® aramid paper

Incremental business: Focusing on the main business of high-tech materials, the company has identified six new business development directions of new energy vehicles, smart wear, green manufacturing, bio-based materials, information and communication, and green chemicals, and the relevant projects have entered the stage of small trial and pilot development one after another. During the reporting period, the company's right-owned enterprise Jingwei Intelligent Technology achieved the world's first industrialized production of LITME® intelligent luminescent fiber. By combining luminescence technology with fiber preparation technology, LITME® fibers give textiles luminescence, color change and other functions, in addition to fine diameter, high strength, good flexibility, weaveable, washable and other characteristics, but also like ordinary fibers can be woven, knitted, embroidered, sewn and other forms of processing and weaving, for the automotive industry, intelligent clothing, information electronics, smart home, toys and accessories and other fields to provide a new At present, LITME® intelligent luminescent fiber is undergoing a market development period, while LITME® lithium battery pilot project will be put into operation in the second quarter of 2023.



LITME® intelligent luminescent fiber

Enterprise Honors

Honor	Issuing Unit
Yantai Multiplication Plan Incubation Enterprises	Yantai Municipal Committee and Municipal Government
2021 Advanced Chemical Materials Innovation Products	China Petroleum and Chemical Industry Federation
2022 Chinese textile and apparel brand competitiveness advantageous enterprises	China Textile Industry Federation
Group Member of Provincial Federation of Industrial Economics	Provincial Federation of Industrial Economics
Notification of China Brand Value Evaluation Results	China Brand Building Promotion Association
3 Governor's Cup Excellence Awards	Shandong Governor's Cup Industrial Design Competition Organizing Committee
2 silver prizes of Governor's Cup	Shandong Governor's Cup Industrial Design Competition Organizing Committee
Advanced fire fighting unit in 2022	Yantai Economic and Technological Development Zone Fire Safety Committee
Dalian University of Technology "The Little Giant"	Dalian University of Technology
China Fiber Trends	Chemical Fiber Association



Enterprise Honors

ESG Governance

// ESG Sustainability Philosophy

The company insists on the road of green and sustainable development, actively fulfills our social responsibilities, strives to carry out the mission of sustainable development, continuously explores the optimization and enhancement of the stock business, and at the same time proposes the new energy field, energy saving and consumption reduction, green development and green chemical recycling economy as the future incremental areas of the enterprise, opens up new paths of development around six new tracks of new energy vehicles, smart wear, green manufacturing, bio-based materials, information and communication, and green chemical industry, and contributes more models to promote the goal of "carbon peaking and carbon neutrality".

// Communication with Stakeholders

During the reporting period, the company continuously carries out communication with stakeholders, understands and responds to the concerns and demands of stakeholders through various communication channels, and takes them as important considerations in the organization's decision making to help the company continuously improve sustainable development management and achieve win-win cooperation.

Stakeholders	Topics of interest	Communication and Response
 Government and regulatory authorities	Law-abiding compliance Pay taxes according to the law Industry development	Integrity in business Proactive tax payment Participate in standard setting
 Investors / Shareholders	Return on investment Robust business operation Communication channels	Profit distribution Enhancement of risk management Shareholders' meeting Regular reports Earnings presentation Daily investor communication meetings

 Employees	Rights and benefits Career development Training and education Occupational health Care and support	Employee representative assembly Employee satisfaction survey Sound promotion mechanism Enriching training content Occupational health checkup
 Suppliers	Business ethics Win-Win Cooperation	Solid supplier management system Develop supplier code of conduct Supplier training and evaluation On-site research and visits
 Clients	Protection of rights and interests Product quality	Customer satisfaction survey Optimize product quality management system Improve product after-sales service
 Industry Associations	Product quality Respect and guarantee human rights Addressing climate change	Industry conferences Standard setting forums Academic research activities
 Community	Volunteerism Public charity	Organize volunteer activities Public welfare donation

// ESG Material Issues

The company identified a total of 23 important issues based on the dimensions of "importance to the company" and "importance to stakeholders", and ranked and specified them to guide the company to promote ESG work in a targeted and focused manner, and to actively and effectively respond to corporate development issues of general concern to stakeholders.

Highly important topics	
Environmental Issues	Energy saving and consumption reduction, Addressing climate change, Environmental management
Social Issues	Product and service quality, R&D innovation, Employee rights protection, Occupational health and safety, Employee training and development, Employee care
Governance Issues	Compliance management, "Three Boards" governance, Information disclosure, Internal control system
Moderately important topics	
Environmental Issues	"Three wastes" management, Water recycling
Social Issues	Supply chain management, Community welfare and investment
Governance Issues	Business ethics, Anti-corruption construction, Investor communication
Low-importance topics	
Environmental Issues	Clean energy development
Social Issues	Industry cooperation and development
Governance Issues	Integrity construction

Party Governance

// Organizational Structure

The company constantly strengthens organizational leadership, enhances the political consciousness of "two safeguards", the party committee continues to promote the institutionalization, regularization and standardization of political life within the party, conscientiously implements the spirit of important meetings and documents on primary-level party constructing, combines with the actual situation of the company, vigorously promotes the construction of party politics, ideology, style, discipline and anti-corruption, and continuously improves the cohesion and combat power of the party organization.



Organizational Chart of Party Committee of Tayho Advanced Material

// Party Building Mechanism

In order to thoroughly implement the requirements of "Regulations on the Work of Primary-level Organizations of State-owned Enterprises of the Communist Party of China (for trial implementation)" and "Notice on the Issuance of the Model Text of the List of Matters to be Studied and Discussed by the Party Committee of State-owned Enterprises" of the Organization Department of the Communist Party of China of Shandong Province (Lu Group Issued [2020] No. 8), adhere to and strengthen the overall leadership of the Party over State-owned enterprises, further improve the deliberative and decision-making system of the Party Committee of the company, give full play to the leadership role of The company's party committee "To take the direction, manage the overall situation and promote implementation", preventing the risk of decision-making, effectively clarify the party committee and other governance bodies power and responsibility boundary, further enhance the scientific, standardized and operable decision-making of the company's party committee, the company has formulated the list of matters to be researched and decided by the Party Committee, the list of matters to be researched and discussed before and the negative list of Tayho Advanced Material.

The major matters decided by the Party Committee mainly include the implementation of the party route and policy, the implementation of the main responsibility of the party in a strict manner, the appointment and removal of important personnel, the construction of the talent team, the construction of primary-level party organizations, ideological work, the construction of the party and government integrity and anti-corruption work, etc.

The party committee pre-study and discuss matters mainly including the company's strategic development planning, institutional reform, major projects, major business management and other activities involved in the "three important and one major" matters, collective research and decision-making. The Party Committee's pre-study and discussion will be in place, and the discussion opinions cannot replace other governance bodies to make decisions, in accordance with the principle of "no authorization for major matters and no pre-study for authorized matters", so as to plan the overall situation, discuss major issues and grasp the key points.

// Party Building Practices

Tayho Advanced Material adheres to and strengthens the overall leadership of the Party, and revises and improves the "three lists" of the Party Committee and the front gate-keeping list of the Party organizations of the affiliated enterprises. During the reporting period, the party committee was held 21 times, 9 breakthrough projects were carried out by the secretary, 8 projects were carried out by the party members' innovation studio, and 2 model benchmarks were set up by the party members' innovation studio, so as to realize the deep integration of party building activities and production and operation.



Group Oath-taking Ceremony for Preparatory Party Members



Theme party day activities clearing marsh action for all



Qilu Family Style Theme Exhibition

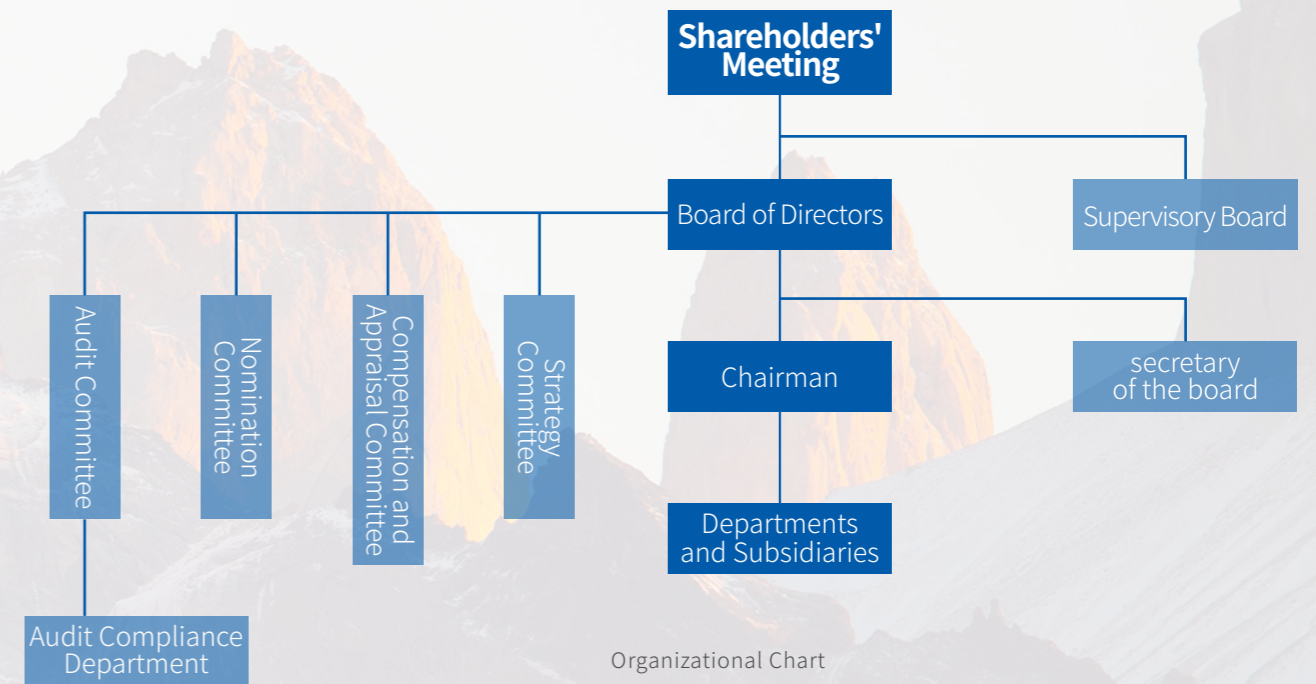


Laizhou Theme Party Day Activities

Corporate Governance

// Governance Structure

Tayho Advanced Material strictly complies with the requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Governance of Listed Companies* and other relevant laws and regulations, continuously optimizes the governance structure, and establishes a corporate governance structure with the shareholders' meeting, the board of directors and the supervisory boards as the main body. The corporate governance structure can ensure that all shareholders can fully exercise their rights and entitled equal status, especially the small and medium shareholders can be guaranteed to equal status.



// Shareholders' Meeting

The shareholders' meeting is the authority body of the company, which decides the company's operation policy and investment plan according to the law, and considers and approves the reports of the board of directors and the supervisory board. The company has formulated the Rules of Procedure of the General Meeting of Shareholders of Tayho Advanced Material Group Co., Ltd. to clarify the responsibilities and authority of the shareholders' meeting and ensure the exercise of the authority of the shareholders' meeting in accordance with the law. The company adopts the combination of on-site voting and network voting at the shareholders' meeting to facilitate shareholders' participation in the shareholders' meeting. Meanwhile, when the shareholders' meeting considers important matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized shareholders are counted separately, and the results of the separate vote count are disclosed in the announcement of the resolutions of the shareholders' meeting to fully reflect the opinions of small and medium-sized shareholders.

During the reporting period, the shareholders' meeting was held **four times** with **122 participants**.

// Board of Directors

The Board of Directors is the permanent executive body of the company, exercising the authority granted by the law, the articles of association and the shareholders' meeting. The company has formulated the Rules of Procedure of the Board of Directors of Tayho Advanced Material Group Co., Ltd. to clarify the work responsibilities, ensure the legality of the proceedings and resolutions of the Board of Directors, and improve the efficiency of the Board of Directors.

In planning the composition of the Board of Directors, the Company will consider the diversity of the Board members, including but not limited to gender, age, cultural and educational background, professional experience and skills. As of the end of the reporting period, the Company's Board of Directors consisted of 11 directors, including one female director. The existing board members of the Company have rich professional backgrounds in various fields such as law, accounting, economics, engineering and technology applications, and architectural design, etc. The board members have diversified professional backgrounds and actively utilize the knowledge of each profession to provide security for the Company's decision-making.

Board of Directors (positions)		11
By Title	President	1
	Vice president	1
	Directors	5
	Independent directors	4
By Age	41-50	2
	51-60	8
	61 and above	1
By Gender	Male	10
	Female	1
By Professional Background	Accounting	1
	Law	1
	Economy	5
	Engineering technology applications	3
	Architectural design	1

The Company attaches great importance to the construction of the independence of the Board of Directors and thus established the Work System of Independent Directors. The independent directors supervise and express independent opinions on matters such as connected transactions, internal control, external guarantees and renewal of the appointment of accountants of the Company in accordance with the *Guiding Opinions on the Establishment of Independent Director System in Listed Companies and the Work System of Independent Directors*. As of the end of the reporting period, there were 4 independent directors of the Company, accounting for 36% of the total composition, and 6 external directors, accounting for the rest 54.54%. There are four special committees under the Board of Directors of the Company, namely the Audit Committee, Nomination Committee, Remuneration and Evaluation Committee and Strategy Committee, in which the independent directors are in the majority and act as the convenor of each special committee, providing scientific and professional opinions and references for the decision-making of the Board of Directors of the Company.

	Independent directors	Non-independent directors	Whether the independent director serves as a director member
Strategy Committee	1	6	No
Nomination Committee	2	1	Yes
Audit Committee	2	1	Yes
Compensation and Appraisal Committee	3	0	Yes

During the reporting period, the Board of Directors was convened **11 times** with **11 participants** and **100%** attendance; the Audit Committee was convened **6 times**; the Remuneration and Evaluation Committee was convened **5 times**; the Strategy Committee was convened **2 times**; and the Nomination Committee was convened **1 time**.

// The Supervisory Board

The Supervisory Board is a permanent supervisory body to supervise the behavior of directors and managers of the company, and is responsible to the shareholders' meeting and reports on its work; the Supervisory Board consists of three supervisors, among whom, there is one employee representative. The company has formulated the Rules of Procedure of the Supervisory Board of Tayho Advanced Materials Group Co., Ltd. to continuously regulate the operation of the Supervisory Board of the company and safeguard the legitimate interests of the company, shareholders and employees.

During the reporting period, the Supervisory Board was held **8 times**, with **3 participants** and **100%** attendance rate.

Internal Construction & Risk Management

// Internal Control System

In strict compliance with *the Basic Standard for Enterprise Internal Control, the Guidelines for the Application of Enterprise Internal Control* and other relevant regulations, the company has formulated the Internal Audit System, the Internal Audit Implementation Rules, the Internal Control Management Measures and other systems related to risk management and internal control of the company, and through continuous supervision and effective evaluation of the operation of the company's internal control, it is confirmed that the company's internal control can cover major aspects of the company's operation and management, the internal control design is sound and reasonable, the internal control implementation is effective and there is no significant omission.

During the reporting period, the company conducted 28 internal audit projects and issued 9 audit reports to prevent risks and promote management improvement; organized 3 themed training sessions and 2 special training sessions on risk control to strengthen the audit of engineering projects, legal affairs and contract management.



During the reporting period, the company conducted a self-evaluation of the effectiveness of internal control of its head office and subsidiaries, and the total assets of the units included in the evaluation accounted for 100% of the total assets of the company's consolidated financial statements and the total operating revenue accounted for 100% of the operating revenue of the company's consolidated financial statements, and no significant deficiencies in the design and implementation of internal control of the company were found throughout the year.

The company's annual Internal Control Evaluation Report is published on the website of Shenzhen Stock Exchange together with the annual report.



Internal Control Audit Report



Internal Control Evaluation Report

// Risk management

The company implements national laws and regulations and relevant regulatory requirements, strengthens risk management, compliance management and internal control work, for the concept of promoting the company's business compliance, we carried out internal audits in various aspects, strengthens the follow-up and implementation of rectification and reform of the issues found in the audits, and establishes a ledger of rectification and reform issues; strengthens the construction of risk and internal control management system, standardizes system management, combines external supervision and internal system, and carries out business and management processes of the company combined with external supervision and internal system, the company's business and management processes were sorted out and the level of risk control management of all staff was improved; supervision of guarantee business was strengthened to ensure legal compliance of business and necessary supervision of guarantee business of the company and its holding subsidiaries, and neither the company nor its holding subsidiaries were subject to losses due to overdue guarantees, guarantees involving litigation and losses due to unsuccessful judgments on guarantees, and there were no violations of laws, regulations and rules such as the Stock Listing Rules.

Through the operation, analysis and evaluation of the internal control system, the company has effectively prevented the risks in operation and management and promoted the achievement of internal control objectives. The company will continue to strengthen the internal control construction, further establish and improve the internal control system that is appropriate to the scale of the company's operation and business scope, and promote the healthy and sustainable development of the company.

Compliance & Business Ethics

// Compliance Management

The company has established the Audit Compliance Department as an internal audit function to inspect and supervise the authenticity and integrity of the company's financial information and the establishment and implementation of the internal control system. The Audit Compliance Department is responsible to the Audit Committee and reports to the Audit Committee. The Audit Compliance Department maintains independence, inspects and evaluates the completeness and reasonableness of the internal control systems of the company's internal agencies, holding subsidiaries and participating companies with significant influence and the effectiveness of their implementation; assists in the establishment and improvement of anti-fraud mechanisms, identifies key areas, key aspects and main contents of anti-fraud, and pays reasonable attention to and checks possible fraudulent acts during the internal audit process; Report to the Audit Committee on a regular basis, including but not limited to the implementation of the internal audit plan and the issues identified in the internal audit work.

The Audit and Compliance Department implements appropriate review procedures in accordance with relevant regulations to evaluate the effectiveness of the company's internal controls; conducts regular audits of the deposit and use of funds raised and reports the results of the inspections to the Audit Committee in a timely manner.

// Information Security Management

Tayho Advanced Materials attaches great importance to data information security management, in order to ensure the company's data information security, guarantee the confidentiality, integrity and availability of the company's information system, combined with the actual situation of the company, formulate the "Information Security Management Measures of Tayho Advanced Materials Group Company Limited", "Information System Operation and Maintenance Management Measures of Tayho Advanced Materials Group Company Limited" and other information security management norms and strictly implement them to ensure the stable operation of the company's information system, the confidentiality of important information security, effectively prevent information accidents and continuously improve the company's information security management level.

Volatile organic compounds are treated by water spraying tower. After spraying, the sewage enters the biochemical sewage station and the exhaust gas is discharged into the atmosphere;

The nitrogen oxides of gas-fired boilers use low-nitrogen burners, and the exhaust gas is discharged into the atmosphere.

// Tayho Advanced Materials Network Security Awareness Training

Tayho Advanced Materials attaches great importance to information security and the stable maintenance and operation of online systems. In order to improve the level of information security management of the company, the company gathered employees and special responsible persons for network security awareness training to improve the staff's literacy in preventing information risks and lay the foundation of company information.



// Integrity Building

In order to thoroughly implement the requirements of Yantai City's "Capacity and Integrity Construction Year" activities, consistently consolidate the prevention and punishment of corruption, further tighten the cage of integrity risk prevention and control, and promote the company's sustainable high-quality development, the company has formulated a special supervision work plan according to the Municipal Commission for Discipline Inspection's "Division of Work Plan on the Implementation of the City's "Capacity and Style Building Year" activities and the relevant requirements of the "Special Supervision Work Plan in the Field of State-owned Enterprises", focusing on the potential corruption arising from the ineffective performance of the leadership team, the potential corruption arising from the ineffective construction of style, and the potential corruption arising from the ineffective prevention and control of integrity risks.

Anti-Corruption Mechanism

Institutional guarantee: The 2022 Implementation Plan of the Party Committee of Tayho Advanced Materials Group Co., Ltd. for the Comprehensive Strict Control of the Party, Party Wind and Integrity Construction and Anti-Corruption Work.
Responsible Department: Disciplinary Inspection Committee of Communist Party of China Tayho Advanced Materials Group Co., Ltd.

Integrity

For employees: It is stipulated in the employee handbook that employees are prohibited from offering, giving, receiving bribes, discounts, or things of value of any kind, directly or indirectly, to any person or organization under any circumstances.

Whistleblower Protection

Prohibit retaliation, strict confidentiality of whistleblower information.

Reporting channels

Tel: 0535-6955023
E-mail: thjw@tayho.com.cn
Address: No.10 Heilongjiang Road, Yantai Economic and Technological Development Zone, Shandong Province

/// Anti-Corruption Training

By holding the mobilization and deployment meeting of integrity construction, coordinating the implementation of "ten probity projects", comprehensively strengthening integrity construction, insisting on party building as the leader, ideological propaganda as the guide, deepening education as the basis, mobilizing the enthusiasm and initiative of all party members and cadres, creating a clean political environment, making every effort to build the brand of "Clean Tayho", combining the company's 30 years of development history, constantly enriching the spiritual connotation and ideological value of developing integrity culture, making it the ideological consensus and value pursuit of the majority of party members and cadres.

Clean Tayho

Strengthen the integrity of publicity, to create an atmosphere of integrity

Maintain anti-corruption determination, continue to correct the behave and discipline

Carrying political responsibility and building a integrity baseline

Create a culture of integrity and cultivate a clean ecology

Increase strict control and governance, adhere to the case will be investigated, punish corruption, focus on investment-intensive, resource-intensive key areas and key links of supervision and integrity risk prevention and control.

Build a clear subject, layers of conduction, accountability and strong responsibility for the implementation of the mechanism.



Integrity construction mobilization and deployment meeting



The secretary of the discipline committee



Watch the warning education film



Secretary of the Discipline Inspection Committee gave an honest party class to the party members and cadres of the project group



Secretary of the Discipline Inspection Commission gave an honest party class to cadres of Ningdong Park

// Antitrust Training

The company strictly abides by *the Anti-Unfair Competition Law, the Anti-Monopoly Law* and other laws and regulations, advocates winning competitive advantages with excellent quality and services, and discards unethical and illegal business practices. The company never engage in any behavior that excludes competitors, refuses to seek competitive advantage by unethical or illegal business practices, and strictly prohibits employees from obtaining unfair benefits through unfair methods; uses various methods such as supplier evaluation, supplier selection and bidding to promote fair competition in the industry; regulates the company's publicity and advertising behavior in accordance with the law, and ensures that advertisements for products or services do not contain false or misleading statements and Comply with the relevant requirements of the Fair Business and Advertising Law. The Company continued to carry out education on laws and regulations to create a healthy and transparent business atmosphere and a good business competition environment. During the reporting period, the Company actively organized employees to conduct training and study on anti-monopoly law, conducted legal training **once** and participated in legal training **48 times**; the Company did not have any legal proceedings related to improper competition.

编号	名称	操作
9023 & 考试	审计合规部	⊙
EG202304110071	反垄断法培训学习	⊙
9022 & 考试	人力资源部	⊙
9004 & 考试	烟台铂士达氟纶有限公司	⊙

Anti-monopoly special training and learning

Investor Relations & Equity Protection

// Investor Relations Management

For further improve the corporate governance structure, standardize the work of investor relations, strengthen the information communication between the company and investors, deepen investors' understanding and recognition of the company, promote long-term and stable good relationship between the company and investors, enhance the company's integrity, core competitiveness and sustainable development, effectively protect the legitimate rights and interests of investors, especially the public investors, and realize the value of the company To maximize the value of the company and the interests of shareholders, the company has formulated the Investor Relations Management System of Tayho Advanced Materials Group Co. Ltd according to the laws, regulations, rules and regulations and the articles of association of the company, such as the Self-regulatory Guidelines for Listed Companies of Shenzhen Stock Exchange No. 1 - Standardized Operation of Listed Companies on the Main Board, combined with the actual situation of the company.

The Securities and Investment Department of the Company is the functional department of investor relations work, led by the Secretary of the Board of Directors, responsible for the daily affairs of investor relations management, specifically responsible for the organization and coordination of investor relations management affairs, the formulation of a complete investor relations management work system and implementation rules, and responsible for the implementation and enforcement.

<h3>Investor Relations Management Purpose</h3>	Promote a positive relationship between the company and investors, and enhance investors' further understanding and familiarity with the company.	
	Build a stable and quality investor base and gain long-term market support.	
<h3>Investor relations management principles</h3>	Form a corporate culture of serving investors and respecting them.	Promote the investment philosophy of maximizing the overall interests of the company and the growth of shareholders' wealth in parallel.
	Increase the transparency of corporate disclosure and improve corporate governance.	
	The principle of full disclosure of information.	The principle of honesty and trustworthiness.
	The principle of compliant disclosure of information.	The principle of high efficiency and low consumption.
	The principle of equal opportunity for investors.	The principle of interactive communication.

// Information Disclosure

In order to regulate the company's information disclosure behavior, strengthen the management of information disclosure affairs and protect the legitimate rights and interests of investors, the company has formulated the "Management System of Information Disclosure Affairs of Tayho Advanced Materials Group Company Limited" in accordance with *the Code of Governance for Listed Companies, Measures for the Management of Information Disclosure of Listed Companies, Rules for Listing of Stocks on Shenzhen Stock Exchange, Guideline No. 5 for Self-regulation of Listed Companies on Shenzhen Stock Exchange - Management of Information Disclosure Affairs* and "Articles of Association of Tayho Advanced Materials Group Company Limited" and other relevant regulations.

Information disclosure is an ongoing obligation of the company. We fulfill our information disclosure obligations and observe the discipline of information disclosure in accordance with the principle of open, fair and equitable treatment of all shareholders. During the reporting period, **80** disclosures of various announcements were completed.

// Investor Communication

The Company treats all investors equally, protects the right to information and other legitimate rights and interests of all investors, strictly complies with information disclosure rules, and fully communicates with investors through various means such as on-site or online investor exchange meetings, briefing sessions, visits to institutional investors, issuance of consultation letters, establishment of hot-lines, faxes and e-mails.

The Company attaches full importance to the construction of a network communication platform, opens an investor relations column on the Company's website, accepts questions and suggestions from investors through e-mail or forums, and responds in a timely manner. The Company regularly updates and enriches the content of the Company's website, placing press releases, company overview, information on operating products or services, statutory information disclosure materials, investor relations contact methods, special articles, executive speeches, stock quotes and other relevant information of interest to investors on the company's website to ensure that investors have real-time access to our information.

During the reporting period, **274** on-site research visits were received, **40** research documents were uploaded, and **221** responses to investors' questions were made through the interactive platform.

// Shareholder Rights Protection

To perfect and improve the scientific, continuous and stable dividend decision-making and supervision mechanism, increase the transparency and operability of profit distribution decisions, actively reward investors, guide investors to establish long-term investment and rational investment concepts, and safeguard the legitimate rights and interests of investors, the Twelfth Meeting of the Tenth Board of Directors of the Company considered the formulation of the "Dividend Return Plan for Shareholders in the Next Three Years".

After setting aside the legal reserve and arbitrary reserve in full, the Company shall distribute in cash not less than 10% of the profit available for distribution in each year, and the accumulated profit distributed in cash in the last three years shall be less than 30% of the average annual distributable profit achieved in the last three years, provided that the conditions for cash dividends as stipulated in the Articles of Association are met. The Company may separately distribute profits in the form of shares or increase its share capital by way of transfer of provident fund on the premise of ensuring the full distribution of cash dividends.

Profit distribution(RMB)			
	2020	2021	2022
Number of dividends per 10 shares (tax included)	7.00	5.00	3.00
Equity base for distribution proposal (shares)	684,394,502	684,394,502	862,934,983
Amount of cash dividends (including tax)	479,076,151.40	342,197,251.00	258,880,494.90
Ratio of cash dividend amount to total profit distribution	100%	100%	100%

Environment Protection & Sustainable Growth

// Environment Management

The company takes environmental protection as an important part of sustainable development strategy, and in order to realize the unification of economic, social and environmental benefits and to standardize and strengthen the company's environmental protection management, the company prepares "Environmental Management System Document" according to "Environmental Protection Law of the People's Republic of China; Soil Pollution Prevention and Control Law of the People's Republic of China", "Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the People's Republic of China" and other relevant laws and regulations, develops and improves the environmental protection management system, actively promotes the environmental protection management system to strengthen the company's ability of environmental protection.

Environmental Management Policy

Comprehensive planning, rational layout, comprehensive utilization, turning harm into benefit, rely on team-work, collective action, protect environment, benefit the mass

Environmental Management Mechanism

System and system construction	A total of three companies and subsidiaries have passed the environmental management system certification. During the reporting period, four environmental protection systems were optimized and upgraded, including "Measures for Hazardous Waste Management", "Responsibility System for Hazardous Waste Pollution Prevention and Control", "Management System for Investigation of Hidden Dangers and Rectification Work of Environmental Protection Facilities" and "Compilation of Environmental Management Systems".
Environmental Impact Assessment	When undertaking new construction, alteration or expansion projects, environmental assessments and declarations must be made, and the "three simultaneous" system of environmental protection must be strictly observed, and the design and construction units must be strictly supervised to ensure that the environmental assessments and approval requirements are carefully implemented. During the reporting period, the Company completed the environmental assessment and approval of seven projects, including the industrialization of functionalized meta-aramid with high efficiency and integration and the industrialization of high elongation and low modulus para-aramid.
Environmental Emergency Response Plan	Emergency plan drills were organized and carried out strictly according to the plan. During the reporting period, the Company implemented six emergency drills for environmental emergencies, continuously improved environmental emergency materials and equipment, and enhanced emergency response and disposal capabilities for environmental emergencies.
Environmental Schedule Supervision	Standardize the management of emission permits, complete routine accounting and monitoring of environmental indicators, continue to carry out special inspections of environmental protection, and promote the stable operation of environmental protection facilities. During the reporting period, 12 special inspections were carried out, 86 environmental protection issues were found and 86 were rectified and fed back, with a 100% rectification rate.
Environmental Performance Management	The company has formulated the "Environmental Protection Reward and Punishment System" to regularly carry out supervision and inspection of environmental protection work, incorporate environmental protection into the performance assessment, and strictly assess the company's environmental protection to reduce and gradually eliminate accidents of excessive pollutant emissions.

Rules of the Environmental Management System Document Systema	Responsibilities and Measures
Environmental protection responsibility system	Establish and improve the environmental protection management system that combines the responsibility of administrative leaders at all levels and all employees
Environmental protection management system	Implementation of national laws, regulations and policies to protect the natural environment for the production and operation of this enterprise
Environmental protection inspection and testing system	Check the use of raw materials, equipment maintenance, waste generation, storage and disposal of hazardous substances in the production process
Environmental protection reward and punishment system	Strictly assess the company's environmental protection, reduce and gradually eliminate accidents of excessive pollutant emissions
Management of wastewater entrusted operation (Heilongjiang Road plant)	On-duty operators inspect the operation of each sewage station for every two hour and make operational inspection records, and record wastewater online discharge data every two hours:COD, ammonia nitrogen, PH value
Dynamic investigation and rectification work management system	Strengthen the dynamic management of pollution sources in each workshop to ensure that the treatment capacity of pollution control facilities are compatible with actual production capacity and ensure the treatment outcome
Environmental inspection management system	Ensure the company's normal production and actively respond to unusual environmental incidents such as odors from the plant boundary and complaints from surrounding residents about the company
Company's hazardous waste management measures	Strengthen the management of hazardous waste in the process of comprehensive utilization of the company to prevent hazardous waste from polluting the environment
Solid waste and garbage dumping management regulations	Regulate the control of solid waste to reduce the generation of solid waste and pollution to the environment
Changes management system	Standardize changes management within the company to eliminate or reduce potential accidents caused by changes
Soil pollution control system	Strengthen the management of the company's soil pollution prevention and control, protect and improve the ecological environment, prevent and control soil pollution, and protect the health of employees

Rules of the Environmental Management System Document Systema	Responsibilities and Measures
Safety and environmental protection reporting incentives	Strengthen the full supervision of production safety and environmental protection, and encourage the reporting of production safety and environmental protection accidents and hidden dangers, illegal acts of production safety and environmental protection
Hazardous waste pollution prevention and control responsibility system	Follow the environmental protection "prevention-oriented, prevention and management together" policy and "three simultaneous" provisions, so that production and construction and environmental protection synchronous planning, synchronous implementation, synchronous development
Soil pollution potential risks investigation system	Ensure that environmental hazards are effectively controlled in production and operation activities to prevent pollution accidents which may resulted
Management system for related parties and outside workers (units)	Strengthen the management of outsiders and important operation activities to prevent and reduce the occurrence of safety accidents by outsiders within the company

ISO14001 Certification



Environmental assessment approvals applied for and latest obtained by Tayho Advanced Material			
Project Name	Project Address	Approval time	Document number
High-performance meta-aramid for emergency rescue with high efficiency integrated industrialization project	No.1 Taiyuan Road	2022-01-24	YanKaiHuan【2022】3
Functionalized meta-aramid high-efficiency integrated industrialization project	No.1 Taiyuan Road	2022-01-24	YanKaiHuan【2022】4
High elongation and low modulus para-aramid industrialization project	No.1 Taiyuan Road	2022-01-26	YanKaiHuanBiao【2022】17
Ningxia Tayho Aramid Fiber Co., Ltd. 12,000 tons/year protective para-aramid project	Ningdong Campus	2022-01-28	NingDongGuanHuan(2022) 15
New functional paper-based materials industrialization project of Yantai Metastar Special Paper Co.	Development Zone C-59 Community	2022-08-02	YanKaiHuanBiao【2022】87
R&D Center Construction Project of Yantai Metastar Specialty Paper Co.	Development Zone C-59 Community	2022-08-15	YanKaiHuanBiao【2022】93
40,000 tons/year fiber greening treatment technology industrialization project	Penglai Chemical Industry Park	2022-10-10	YanHuanShen【2022】63

Emergency Environmental Events Preplanning

// System Establishment

In order to establish a sound emergency mechanism for environmental pollution accidents, strengthen the four working mechanisms of risk assessment, hidden danger investigation, accident warning and emergency disposal, improve the ability of enterprises to respond to emergent environmental pollution accidents and the scientific, effective and operable nature of enterprise emergency plans, and ensure the safety of life and occupational health of employees and people around the company, the company in accordance with the "Environmental Protection Law of the People's Republic of China" "Emergency Response Law of the People's Republic of China", "Management Measures for the Record of Emergency Response Plan for Environmental Incidents in Enterprises and Institutions (for Trial Implementation)", "Guidelines for the Evaluation of Emergency Response Plan for Environmental Incidents in Shandong Province (for Trial Implementation)" and other relevant laws and regulations, the company prepares "Emergency Response Plan for Environmental Incidents in C59 Plant of Yantai Tayho Advanced Materials Co."

// Emergency Preparedness Procedure

The emergency plan prepared by the company is based on the principles of "saving people first, environment first, pre-emptive treatment, prevention of harm expansion, rapid response, scientific response, combination of emergency work and occupation responsibilities", focusing on clarifying the on-site organization and command mechanism, emergency team division of labor, information reporting, monitoring and early warning, response process and measures under unfavorable scenarios, emergency resource security, etc., and highlighting the disposal measures to be taken under possible environmental emergency scenarios, the content and manner of notification to potentially affected residents and units, the content and manner of reporting to environmental protection authorities and relevant departments, and the manner of interface with government plans.

Emergency Preparedness Working Principles

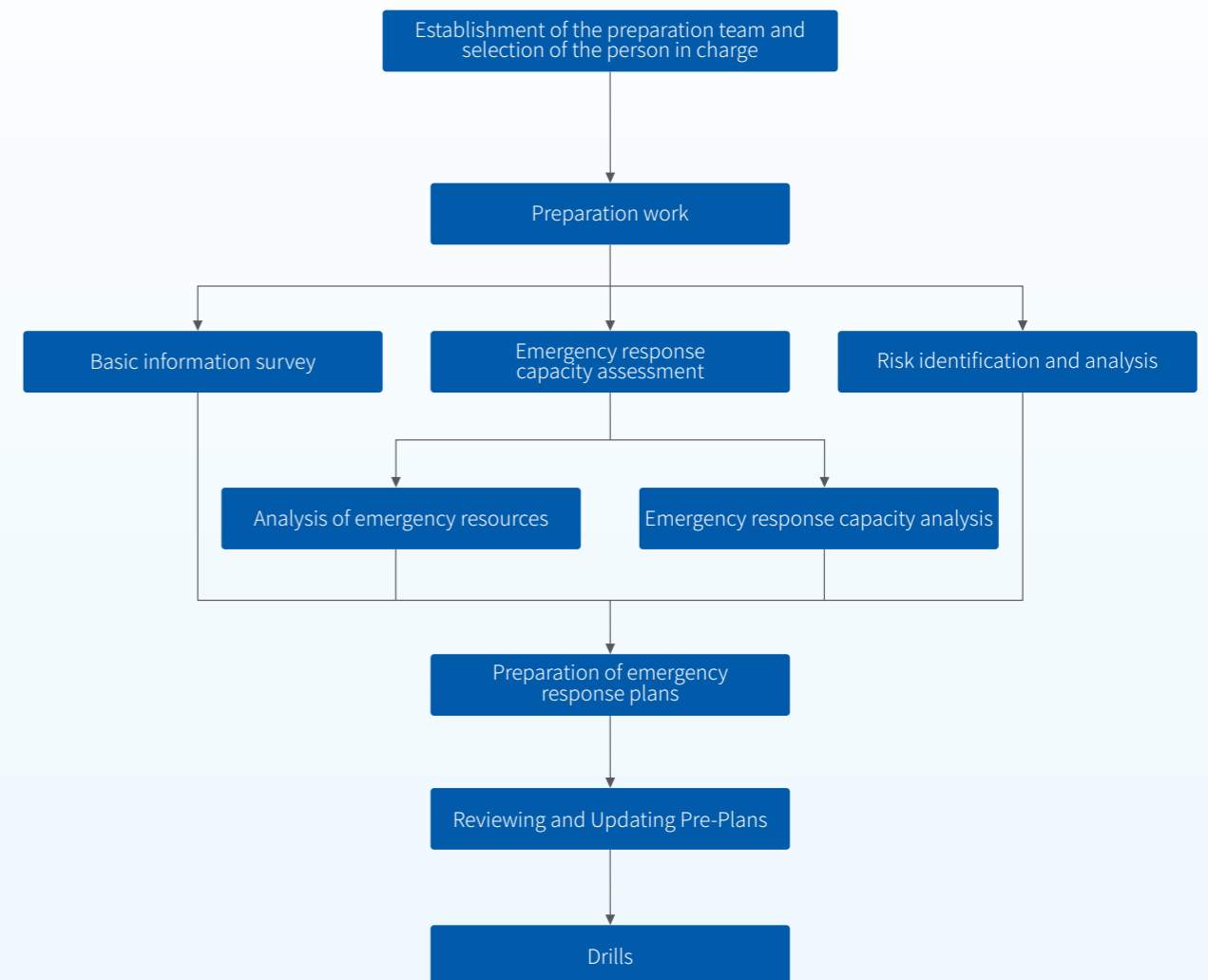
Adhere to the people-oriented, safety first. Strengthen the monitoring, surveillance and implementation of supervision and management of environmental incident hazards, establish an environmental incident risk prevention system, actively prevent, timely control and eliminate potential risks, improve the ability to prevent and handle environmental incidents, avoid or reduce the occurrence of environmental emergencies as far as possible, eliminate or mitigate the medium- and long-term impact caused by environmental incidents, maximize public health and protect the lives and property of the people.

Insist on unified leadership and graded responsibility. Under the unified leadership and organization of the company, establish and improve the emergency plan for production safety at all levels, and each workshop and department actively implement the emergency plan and emergency mechanism for production safety in accordance with their respective responsibilities and authority.

Emergency Preparedness Working Principles

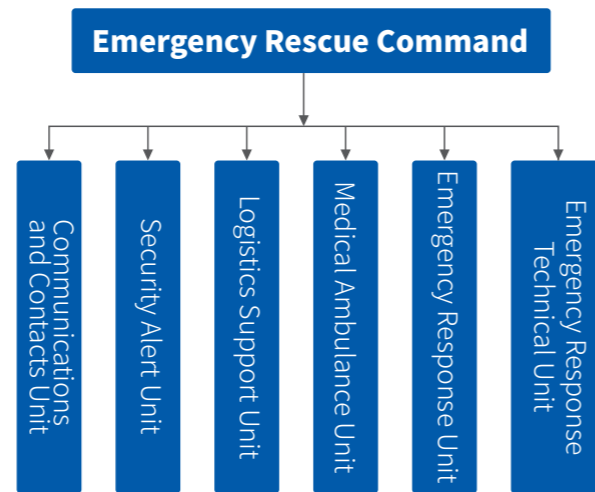
Adhere to the norms of the law and strengthen management. According to the relevant laws, regulations, rules and regulations, combined with the characteristics of the enterprise, to strengthen the Bureau of emergency management, so that the work of dealing with emergencies standardized, institutionalized, rule of law.

Insist on rapid response and coordinated response. Strengthen the construction of emergency rescue teams, establish a coordination system, rely on workers and social forces, the formation of a unified command, responsive, functional, coordinated and efficient operation of the emergency management mechanism.



Contingency planning procedures for environmental emergencies

In order to ensure the effective collaboration of all departments in emergency response and the effective utilization of emergency resources, the company establishes an emergency response organization system and sets up an emergency command department and emergency response teams, including emergency disposal team, communication and liaison team, security alert team, logistics support team, medical rescue team, emergency disposal technology team and other emergency response teams. If the emergency response team is understaffed due to staff shortage or other reasons, the staff of other non-emergency response organizations in the company or emergency response organizations of neighboring enterprises should be deployed in a timely manner.



Emergency rescue command of environmental emergencies

Energy Management

Energy consumption of Tayho Advanced Materials

Energy Type	Consumption
Natural gas	6.85 million Nm3
Coal	48,000 tons
Heat	18,000.00 million kJ
Steam	124,100 tons
Total electricity consumption	280 million kWh
Total energy consumption	179,900.33 tons of standard coal
Energy consumption intensity	0.48 tons of standard coal / RMB million of revenue
Office water consumption	30,000 tons
Water for production	2,280,353 tons

For improving the company's energy management capacity, rationalize the use of energy, reduce energy consumption, improve energy utilization efficiency and the company's economic benefits, and promote the company's green, low-carbon and sustainable development, the company formulated the Energy Management Measures to regulate the use of electricity, water power, steam and other energy norms. The company conscientiously implements the Energy Conservation Law, strictly implements the energy conservation target responsibility system, scientifically prepares energy conservation planning, improves energy management system, establishes energy conservation incentive mechanism, promotes energy conservation and consumption reduction with energy conservation technology progress, and energy conservation work steps into a scientific and standardized track.

ISO14001 certification

The image displays two versions of an ISO 14001:2015 certification certificate for Tayho. The left certificate is in Chinese, and the right one is in English. Both certificates are issued by TÜV Rheinland and cover the design and production of aramid fibers and products. The certificates include details such as the standard (ISO 14001:2015), the certificate number (01 104 127728), the certificate holder (Tayho), and the validity period (from 2022-10-11 to 2023-12-19).

Energy management measures

Electricity usage management

1. Power Center is responsible for electric power management, reasonable transformation of power supply system, reduction of power line loss, improvement of power supply quality, adjustment of working condition of power-using equipment, reasonable distribution and balance of load, and efforts to improve the company's load;
2. The power center is responsible for capacitor management and timely adjustment of reactive power compensation equipment capacity according to load and voltage changes;
3. Each electricity-using unit should implement electricity planning and conservation, and strictly implement the electricity quota issued by the company.

Energy management measures

Water usage management

1. Each department should strengthen the management of water facilities, implement the fixed person and correspond responsibilities, and the Department of Energy and Engineering Equipment should regularly inspect and strengthen the water conservation education for the staff;
2. When water pipelines fail or leak, report to the Department of Energy and Engineering Equipment in time. The Department of Energy and Engineering Equipment is responsible for regular maintenance and inspection of the pipeline. No one is allowed to install, dismantle or uninstall water pipelines and water facilities without permission;
3. Improve the utilization rate of water, implement multiple uses of water, and try to use advanced new water-saving techniques and equipment in each water-using unit.

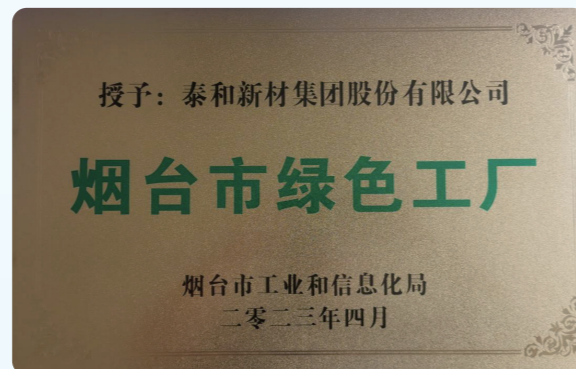
Steam usage management

1. Ensure that there are no leaks in the steam pipeline, and that the Department of Energy and Engineering Equipment conducts regular inspections; each steam-using unit installs pressure gauges at the end of each branch pipeline or access equipment; newly installed or long-discontinued steam pipelines must be flushed, using high temperature and high pressure to form high-speed airflow for the purpose of cleaning pipelines;
2. The power center is responsible for the thermal insulation of the steam pipeline, and the thermal insulation material with good thermal insulation performance and high durability should be selected to ensure that the thermal insulation material is not damaged during use.
3. Each steam-using unit should ensure steam-using equipment and its accessories remains sealed, reduce the run, bubble, drip, leak phenomnal to save steam, and protect the safety of equipment and personnel. In the production process, operators should eliminate steam and water overflow of heat-using equipment, steam-using equipment and heating pipes, valves, steam traps and connecting parts from running, bubbling, dripping and leaking, and the Department of Energy and Engineering Equipment regularly inspects and maintains heat-using equipment and its accessories and insulation structure.

Green Manufacturing Operations

// Emission reduction measures

The company has adopted a series of energy saving and emission reduction measures, including the promotion of the use of water-saving appliances, the utilization of steam waste heat and pressure, and the use of solar energy. The company has organized internal clean energy use and taken energy structure adjustment initiatives, including the replacement of trams with oil trucks and the use of photovoltaic power generation equipment. The company has installed photovoltaic power generation equipment using the roof of the parking lot, with a total installed capacity of **380KW**, which is expected to generate **460,000 kWh** of electricity annually and **reduce carbon dioxide emissions by 478 tons** per year; the company adopts new nano-ceramic insulation materials for steam pipes, which improves the insulation performance by more than **30%** and **reduces steam loss by thousands of tons** per year; the company uses the heat of high-temperature and high-pressure steam to generate electricity, which can generate **3 million kWh** per year.



// Initiatives to help "carbon peaking and carbon neutrality" target

1. The company actively fulfills its social responsibility and proposes to take the new energy field, energy saving and consumption reduction, green development, green chemical recycling economy and other fields as the "new track" of the future incremental fields of the enterprise, and strives to practice the mission of sustainable development;

2. Construction of photovoltaic power generation project in the parking lot of Polymer New Material Industrial Park, with an annual power generation of about 460,000 kWh and an annual reduction of carbon emissions of about 478 tons;

3. Carry out steam energy gradient utilization, targeting the high quality steam heat at the steam inlet, and utilize the heat through the steam turbine to achieve power generation and electricity saving while achieving steam temperature and pressure reduction; targeting the steam condensate discharged from production, make 7 degrees centigrade cold water through the lithium bromide unit to reduce the use of electric refrigeration units;

4. Promoting the use of nano-ceramic new thermal insulation materials, the thermal insulation material has a good thermal insulation effect, and the difference between the surface temperature of the material and the ambient temperature can be controlled within 15 ° C, which is more than 30 % higher than the traditional thermal insulation material ;

5. By using the air source heat pump system, the power consumption is reduced while heating the office building.



Photovoltaic power generation equipment

// Green low-carbon, energy-saving first" publicity week

June 15 is National Low Carbon Day, and the theme of 2022 Low Carbon Day is "Implementing 'Double Carbon' Action, Building a Beautiful Home". Tayho Advanced Materials carried out a series of activities around the low-carbon day and the theme of the publicity week "Green low-carbon, energy-saving first".

1. Study the notice of activities related to the 2022 National Public Institution Energy Conservation Awareness Week and National Low Carbon Day;
2. Watch the launching ceremony of the National Public Institution Energy Conservation Awareness Week;
3. Send the digital activity materials to mailbox, and push to departmental groups in each department; in Heilongjiang Park, Emeishan Park and the new park, organize all staff to sign, and hang banners in each factory area to make further publicity to staff.



// Green office measures

In order to strengthen scientific management and fully implement the energy-saving measures, the company has developed a series of green office measures, the specific measures are as follows:

1. Clearly require all staff to make full use of natural lighting during office hours, reduce electricity consumption of lighting equipment, turn off the lights when leaving the office and workplace, cut off the power supply of office equipment, and resolutely eliminate the phenomenon of "unoccupied lights and long-lasting lights";
2. Reduce the standby energy consumption of office equipment such as computers, printers, copiers, etc. When not in use, shut down and cut off the power in time to reduce standby consumption;
3. Strengthen the daily maintenance and management of equipment, timely inspection of various fittings and valves to eliminate the phenomenon of "running and dripping";
4. Office air-conditioning set a reasonable temperature, not less than 26 °C in summer, not higher than 20 °C in winter.



// Technological innovation to reduce emissions

The company always adheres to the policy of "innovation in energy conservation and emission reduction, leading sustainable development", takes ecological efficiency as the first priority, undertakes the social responsibility of energy conservation and emission reduction, takes energy conservation improvement and low emission transformation as the key work, takes energy conservation and emission reduction as the important hand to transform the development mode and improve the quality and efficiency of the economy, improves energy and resource utilization efficiency through the conversion of old and new production capacity and industrial upgrading, and strives to achieve high-quality and sustainable development. Through the conversion of old and new production capacity and industrial upgrading, we will improve the efficiency of energy and resource utilization and strive to achieve high-quality sustainable development. The input-output ratio of all products of the company has reached over 97%.

Meta aramid empower energy saving

Meta-aramid solvent technology development

The company's meta-aramid division actively responds to the company's call to comprehensively promote energy saving, cost reduction and efficiency improvement and upgrading, and launched the solvent energy-saving recovery new process technology development project in January 2021. During the implementation of the project, the division of labor is optimized and efficiently organized, and the waste liquid processing volume is increased by more than 90%, which effectively improves the solvent recovery efficiency and ensures the normal start-up of the production line.

Meta aramid empower energy saving

Meta-aramid solvent technology development

Secondly, it significantly reduces steam energy consumption and carbon emission, saving 45% energy compared with the original double-effect distillation unit, and compared with 2020, the steam unit consumption in 2021 is reduced by 7.56 tons/ton silk, and the comprehensive energy consumption per unit product is reduced by **0.93 tons of standard coal**, or **17.71%**, saving **71,820 tons** of steam per year, saving **8,835 tons of standard coal** per year and reducing **24,000 tons of carbon dioxide**. Thirdly, the stability of finished DMAC has been improved, and all the testing indexes have been newly improved, and the purity is stable above **99.95%**, which is more conducive to improving the quality of meta aramid of the company.

Optimization and improvement of meta-aramid polymerization process

In 2021, the first production project of "14th Five-Year Plan" of Tayho Advanced Materials - High-performance meta-aramid for protection and high efficiency integrated industrialization project was put into production. As a key production technology, the polymerization process will be upgraded to meet the requirements of capacity release, technology upgrading and efficiency optimization, and the process advantages will be rapidly transformed into economic advantages, which will provide a strong guarantee for the company to achieve the goal of "three wheels multiplication" and efficient and sustainable development.

The new project uses the third generation of interposition polymerization process with independent intellectual property rights, on the basis of basically no increase in investment, to maximize production capacity and increase production efficiency by a factor of one. At the same time, the increase in production capacity will lead to a significant reduction in fuel power consumption and tail gas emissions, achieving cost savings, energy efficiency, energy saving and emission reduction targets, the ton of product electricity consumption decreased by 40%, the unit product energy consumption reduced by 0.15 tons of standard coal, according to statistics, the annual electricity savings of 11.4 million kWh, annual savings of 1,425 tons of standard coal, emissions reduction of 3,800 tons of carbon dioxide. At the same time, through polymerization process improvement and industrial upgrading, we can improve production efficiency and achieve a 30% reduction in investment density. Relying on the existing workshop, the investment cost of plant and equipment will be reduced by about RMB 120 million, helping to key energy emission reduction and improve quality and efficiency.



Volatile organic compounds are treated by water spraying tower. After spraying, the sewage enters the biochemical sewage station and the exhaust gas is discharged into the atmosphere;

Pollution Prevention & Environmental Protection

// Pollution Prevention System

The company strictly complies with the provisions of the Law of the People's Republic of China on Environmental Impact Assessment, the Law of the People's Republic of China on Environmental Protection, the Law of the People's Republic of China on Prevention and Control of Air Pollution, the Law of the People's Republic of China on Prevention and Control of Water Pollution and other relevant laws and regulations and the requirements of the Environmental Quality Standard for Surface Water, the Comprehensive Sewage Discharge Standard and other relevant standards, and establishes company systems such as the Management of Sewage Commissioned Operation (Heilongjiang Road Plant), the Soil Pollution Prevention System, and the Hazardous Waste Pollution Prevention and Control Responsibility System in accordance with the law to improve the company's pollution prevention system and promote its green and sustainable development.

Pollutant Treatment

Exhaust gas treatment

Volatile organic compounds are treated by water spraying tower. After spraying, the sewage enters the biochemical sewage station and the exhaust gas is discharged into the atmosphere;
The nitrogen oxides of gas-fired boilers use low-nitrogen burners, and the exhaust gas is discharged into the atmosphere.

Sewage treatment

Chemical oxygen demand and nitrogen oxides using anaerobic - oxygen depletion process, after treatment by the town sewage network sewage town sewage plant;
When recording data, if the sewage online monitoring data exceeds the internal control index (COD_{Cr} ≤ 350mg/L, ammonia nitrogen ≤ 35mg/L, pH7~9), samples are taken from the sewage sampling port for analysis and laboratory tests to identify the reasons for exceeding the standard and prevent continuous exceeding of the standard.

General solid waste disposal

The dust generated in the company's production is recycled directly to the finished product packaging;
Waste woven bags, waste cartons, waste bottles and cans, waste paper, metal trimmings, etc. generated are put into designated areas or storage bins for general recyclable waste;
Non-recyclable waste is put into the non-recyclable waste area or garbage bin.

Hazardous solid waste disposal

Waste oil should be placed in designated drums by the department generating the waste oil;
Filter cartridges replaced by filters shall be placed in airtight bins;
Solid waste such as waste paint, residual paint, waste asphalt residue, etc. generated during construction shall be required to be collected and stored in designated hazardous waste sites by the contractor;
Waste lamps, oil wiping cloths, waste batteries, waste electric batteries, etc. are put into hazardous waste storage boxes, special storage facilities or handed over to the units that purchase the products for unified management.

Waste Discharge

Emissions of Tayho Advanced Materials and its subsidiaries

Types of Emissions	Emissions
Production wastewater	1,347,690.00 tons
Chemical oxygen demand (COD)	78.10 tons
Nitrogen oxides	53.60 tons
Particles	7.76 tons
Sulfur Dioxide	30.14 tons
Hydrogen chloride	17.59 tons
Volatile Organic Compounds (VOCs)	7.14 tons
Other general non-hazardous pollutants	30,138.29 tons

Tayho Advanced Materials Pollutant Emission Standards

Major pollutants and characteristic pollutant types	Name of main pollutants and characteristic pollutants	Emission concentration /intensity	Pollutant emission standards implemented	Excess emissions
Total volatile organic compounds (gas)	Volatile Organic Compounds	1.66mg/m ³	60mg/m ³	N/A
Sulfur dioxide (gas)	Sulfur Dioxide	0.82mg/m ³	50mg/m ³	N/A
Smoke and dust (gas)	Particulate matter	3.094mg/m ³	10mg/m ³	N/A
Nitrogen oxides (gas)	Nitrogen oxides	49.07mg/m ³	100mg/m ³	N/A
Chemical oxygen demand (COD)	COD	41.1mg/L	500mg/L	N/A
Ammonia nitrogen (water)	Ammonia nitrogen	2.464mg/L	45mg/L	N/A

Waste name	Category	Generation volume (ton)	Storage volume at the end of the year (tons)	Storage volume at the beginning of the year	Removed quantity (tons)
Sludge	Sludge	686.16	0	0	686.162
Calcium sulfate	Other industrial solid waste (SW59)	19,552.80	0	0	19,552.8
Diatomaceous earth	Other industrial solid waste (SW59)	2,347.67	0	0	2,347.67
Ammonium chloride	Other industrial solid waste (SW59)	6,096.65	0	0	6,096.65
Scrap	Other industrial solid waste (SW59)	1,455.01	0	0	1,455.01
miscellaneous salt	Other industrial solid waste (SW59)	3,633.72	0	142.52	3,776.24
Sludge	Sludge (SW07)	56,263.58	0	0	56,263.58

// Prevention and Control of Soil Pollution

The company insists on the principle of "prevention-oriented, protection-first, classification management, risk control, pollution accountable, and full participation" for soil pollution prevention and control. To strengthen the management of soil pollution prevention and control, protect and improve the ecological environment and prevent soil pollution, the company has formulated the "Soil Pollution Prevention and Control System" and "Soil Pollution Hidden Danger Investigation" to eliminate the hidden danger of soil pollution accidents and protect the health of employees with practical actions.

Classification of land pollution accident hazards

Soil pollution accident hazards are divided into general hazards and major hazards. General risk refers to the ability to immediately rectify, in a short period of time to adjust the process can be eliminated, and will not cause the atmosphere water body soil emergencies; major risk refers to the complexity of the situation, which is difficult to complete the treatment of risk in the limited term, which may produce larger environmental hazards risks, such as toxic and hazardous substances leak into the atmosphere, water bodies, soil and other environmental media secondary to the larger environmental emergencies accidents.

Among them, major risks will be implemented "listed supervisory" system, those which listed in the system will be announced to public, specify responsible person rectification time frame supervisory department. The company is directly responsible for major risk listed and supervised, general major risk by each workshop department is responsible for listing supervision; The company will seriously investigate duty implementation for the workshop and relevant personnel who do not conduct thorough investigation, report in a timely manner, fulfill their responsibilities and rectify the situation. ; due to poor rectification of risks, resulting in environmental accidents or serious consequences, the company will strictly and seriously be held accountable.

Key Performance

During the reporting period, the Company strictly complied with the disclosure requirements of the chemical industry in the "Self-regulatory Guideline No. 3 - Industry Information Disclosure for Listed Companies of Shenzhen Stock Exchange" and was not subject to administrative penalties for environmental issues.

// Environmental Activities

The company attaches great importance to environmental protection work and continuously increases the investment in environmental protection. In 1995, the company was awarded the title of "Advanced Enterprise in Environmental Protection" by the State Environmental Protection Bureau; in 2009, the company passed the A-level audit of clean production in Shandong Province; in 2017, the company passed the audit of ISO14001 environmental management system. The company has invested about **RMB 80 million** in various environmental protection funds, with annual environmental protection operating costs of about **RMB 30 million**, and paid all environmental protection taxes on time.

// World Environment Day Activities

On June 5, 2022, on the occasion of the 50th anniversary of the first United Nations Conference on the Human Environment, China's Ministry of Ecology and Environment adopted "Building a Clean and Beautiful World" as the annual theme of World Environment Day. "This theme aims to promote the whole society to enhance the awareness of ecological protection, to join the construction of ecological civilization, and to further reflect China's role as an important participant, contributor and leader in the construction of global ecological civilization while building a beautiful China.

Tayho Advanced Materials actively held a series of environmental day promotional activities, such as distributing environmental protection brochures to local citizens; showing the company's fashionable and technological products and distributing gifts to the participating citizens; promoting the concept of environmental protection and holding a signing activity to build a clean and beautiful world together.



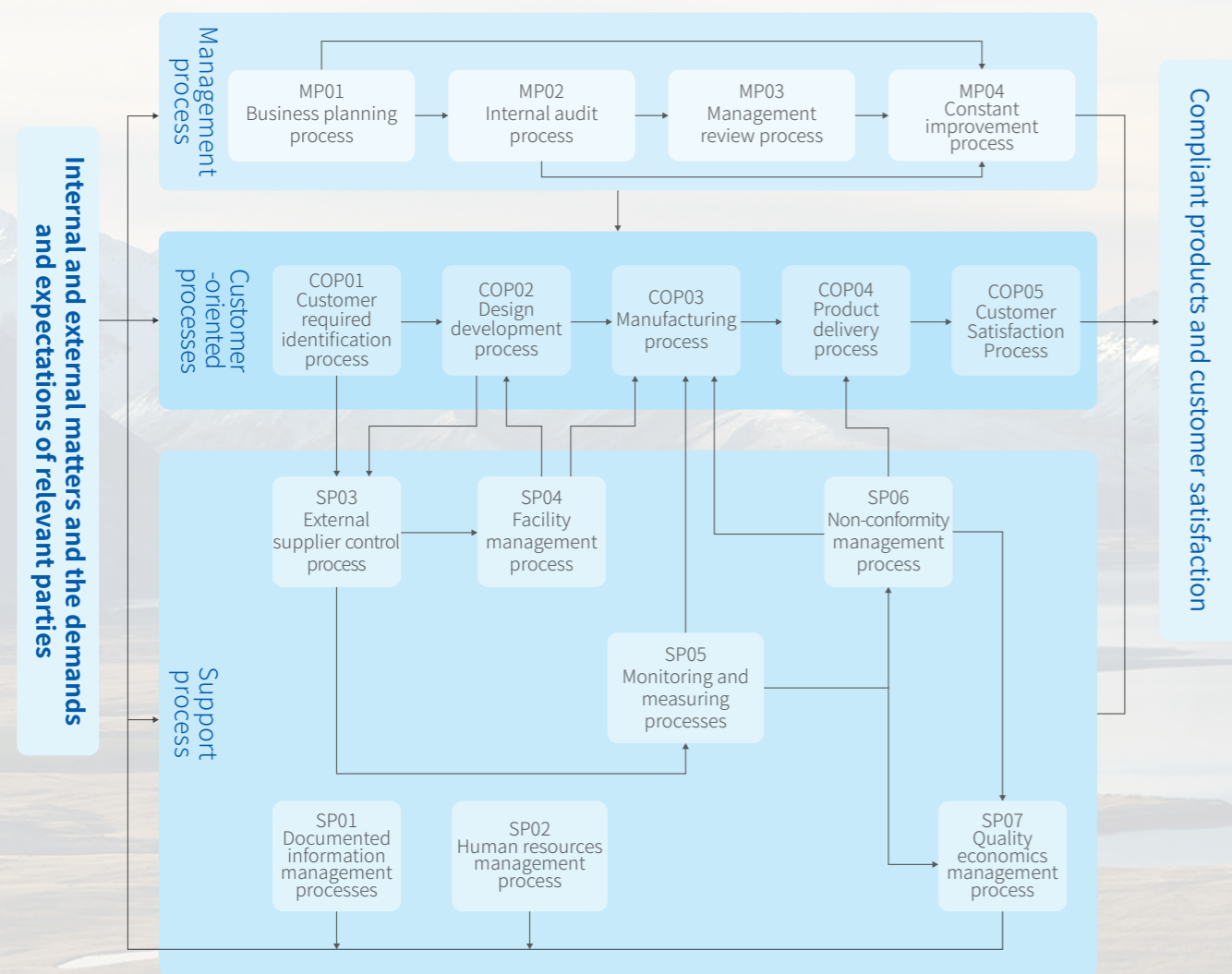
Tayho Advanced Materials will continue to focus on the concept of "carbon neutrality" and "green development", take up the corporate environmental responsibility, provide more new material solutions for the sustainable growth of the world, and build an ecologically harmonious, clean and beautiful new world.

Customer Rights Protection & Procurement Management

Customer Rights Protection

Quality Management

Tayho Advanced Materials attaches great importance to the quality management of products and related operations, aims at the high quality design, production and service of products, compiles the Management Manual of Tayho Advanced Materials Group Co. The company has established the ISO9001:2005 management system organization, clarified the management responsibilities at all levels, and strictly implemented the quality control process to ensure the best quality products and services for customers. With unremitting perseverance, we adhere to the original mission of quality. The company has now passed the ISO 9001 quality management system certification. During the reporting period, the product qualification rate was **99.67%**.

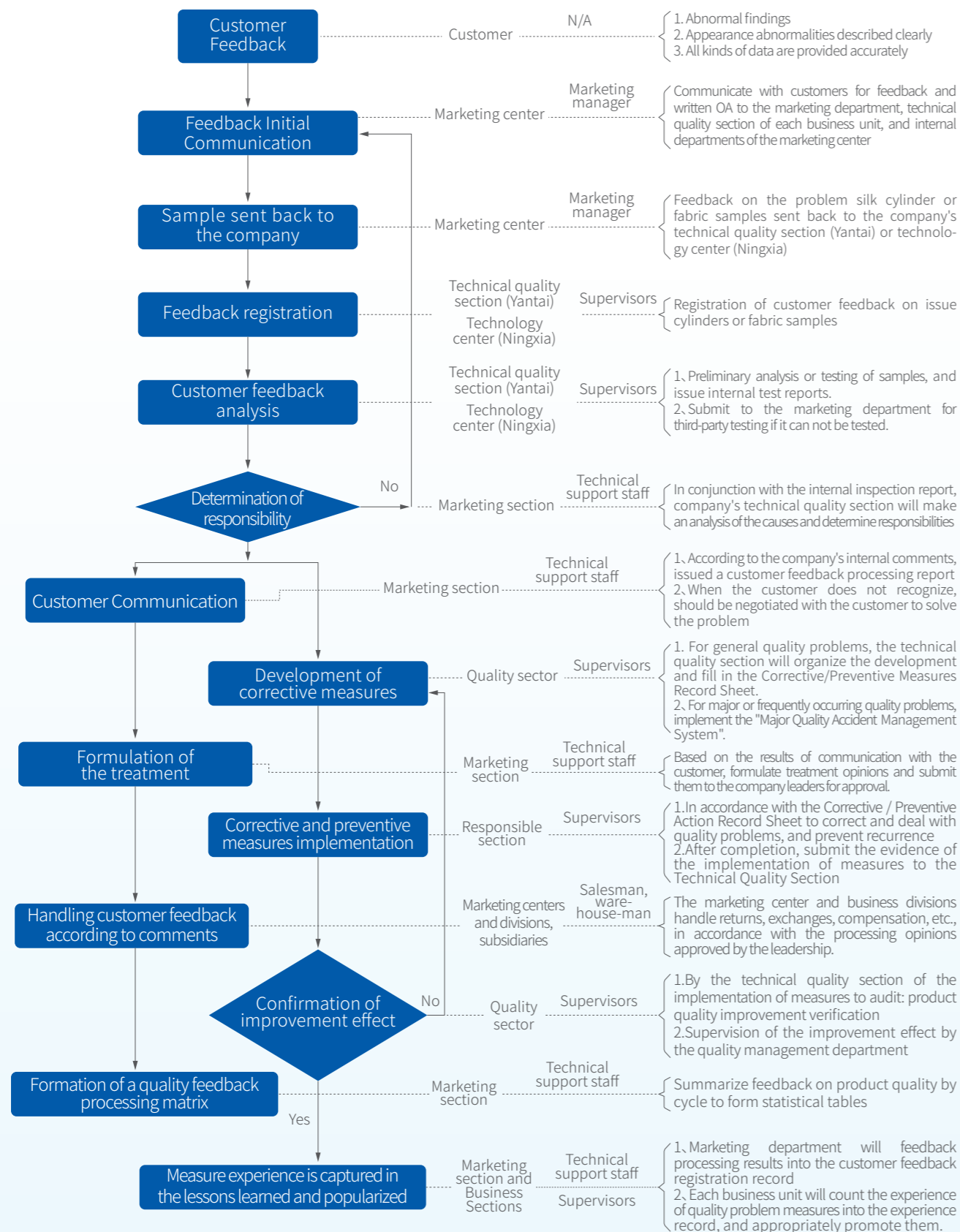


Quality Management System Process Map



After Sales Service

To focus on the feedback of each product quality of the company, strengthen the management of product quality feedback of the company, timely and accurate handling of quality feedback matters, the company assigned market technical service personnel stationed in the field market, after-sales feedback disposal, promote the sound protection system of customer rights and interests and customer feedback mechanism of product quality and service quality of the company, Tayho Advanced Materials according to its own situation, formulate the "Quality Feedback Management Of Finished Products" and implement According to its own situation, Tayho Advanced Materials formulates "Quality Feedback Management of Finished Products" and implements systematically regulations, clarifies the responsibilities of each department, forms a clear quality feedback service process, improves the efficiency of customer feedback processing, and continuously improves customer satisfaction. During the reporting period, customer complaints and feedback are dealt with in a timely manner, and the processing and resolution rate is 100%.



Customer Satisfaction

In order to implement the spirit of quality management system requirements of Tayho Advanced Materials, and fully understand the customer satisfaction level of the company's products and services, the company launched a product satisfaction survey to customers in the form of questionnaires, the survey for customers around the world issued a total of 171 questionnaires, returned 159, customer satisfaction is 98.18%, in addition. In addition, the company combines customer feedback and suggestions to improve the product and service process to promote the improvement of the company's product and service quality..

Supply Chain Management

Supplier Management

For improving the supplier management level, establish and develop a stable, reliable and high-quality supplier team, standardize the development, selection, management and maintenance of suppliers, Tayho Advanced Materials Group Co., Ltd. has formulated the supplier management system, established a supplier management platform, clarified the responsibilities of supplier management, managed the whole life cycle of suppliers, classified management, formed a dynamic quantitative assessment mechanism for suppliers, implemented the concept of social responsibility in the process of supplier management, working hard to establish a long-term stable supplier team, and created a high-quality, healthy and green supplier cooperation network.

Supplier Management System	Formulate "Supplier Management System" and "Procurement Supply Chain Management System" of Tayho Advanced Materials
Supplier access process	Process review of supplier capabilities and qualifications, identification of qualified suppliers.
Supplier evaluation system	for the annual procurement amount greater than RMB 2 million, more than 3 times the number of equipment and material suppliers for four times a year dynamic evaluation, based on the evaluation results are divided into four levels, A (100-90), B (89-80), C (79-70), D (<70), for the high rating of suppliers to implement priority procurement and other positive incentive policies.
Supplier elimination system	For suppliers with D rating and have not taken improvement measures; suppliers who cause significant economic loss or reputation loss to the company due to product quality, delivery time, performance, integrity and other issues; suppliers who have fraud, bribery and other acts and violate business ethics to cancel the supplier qualification.

Supplier classification management

In order to improve the efficiency of procurement management, suppliers are classified by supply license status, material usage, supply importance and strategic importance, and targeted management is conducted according to the characteristics of suppliers.

Supervision of supplier management

Supervision of the supplier management process by the Audit and Compliance Department, the Disciplinary Committee and other departments.

Supplier Performance

Number of suppliers with quality management system certification 560

Number of suppliers with environmental management system certification 560

Number of suppliers with occupational health and safety management system certification 560

Rate of spending on purchases from local suppliers 24.68%

Procurement Management

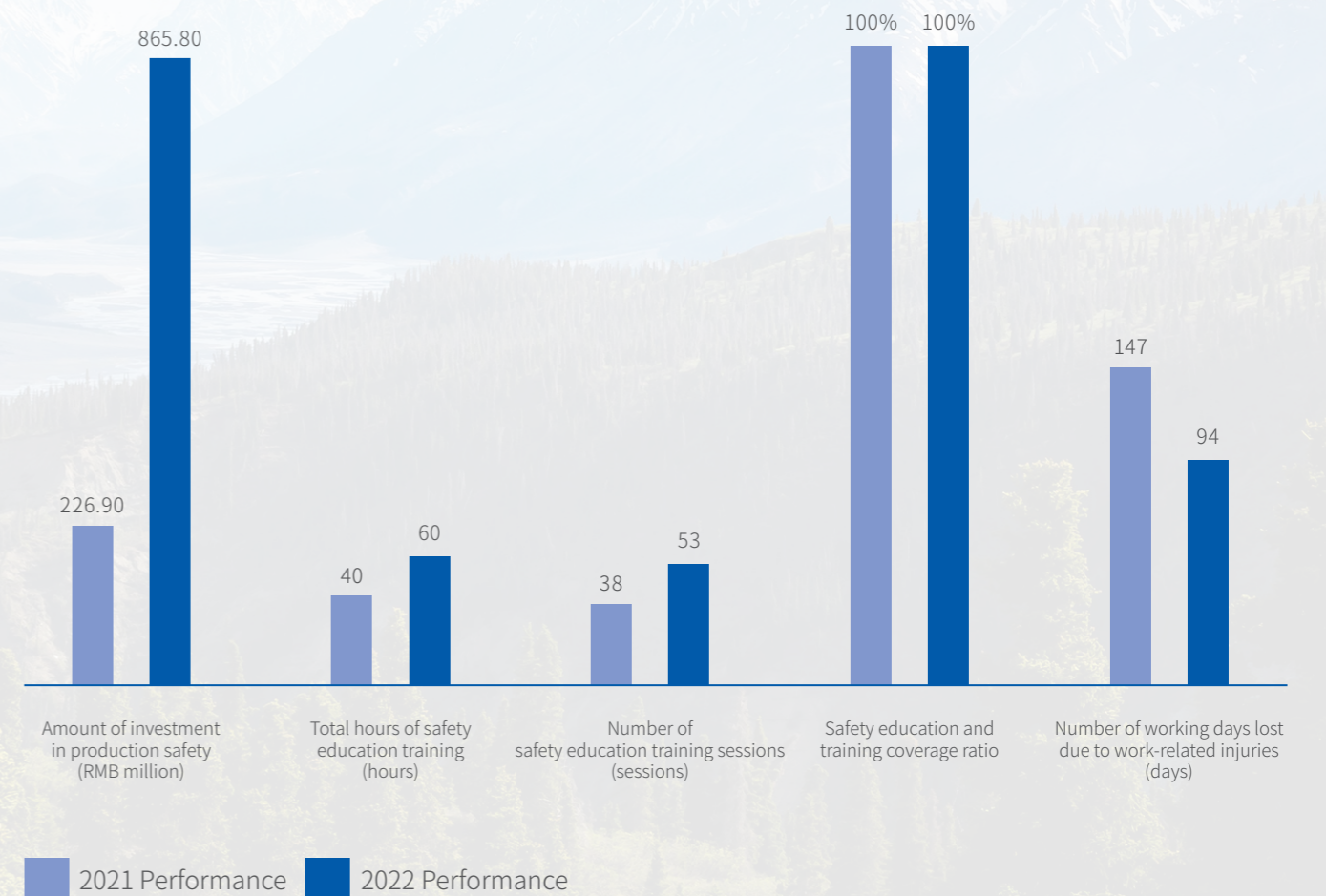
For the purpose of standardizing the procurement management work and improving the level of procurement management, Tayho Advanced Materials hereby formulates the "Procurement Supply Chain Management System of Tayho Advanced Materials Group Co.,Ltd." based on *Code of Practice for Procurement by State-Owned Enterprises, Law of the People's Republic of China on Bidding and Tendering* and other related regulations, further clarified the procurement supply chain management principles of "secure supply, timely supply, economic supply and green supply", construct a unified digital procurement platform, ensure the level of scientific decision-making, formalized standardized procurement procedures, regularly test the performance of procurement outcome, thus persistently enhancing the level of company's procurement management.

Safe Operation & Production

Production Safety Management

Tayho Advanced Materials always puts production safety in the first place of the company's operation, in accordance with the "Safety Production Law of the People's Republic of China", "Safety Production Regulations of Shandong Province" and other laws and regulations and the relevant requirements of the company's safety production, formulate the "Compilation of Safety Production Management System of Tayho Advanced Materials Group Co., Ltd", implement the responsibility of safety production management, clarify the safety management objectives, safety management standards, safety management processes, records, form all kinds of production safety management, prevention, risks investigation and other normative system of forty articles and strictly implement them, ensure the effective operation of the company's safety management, continuously deepen production safety management and implement production safety.

Safety Management Performance



// Safety Education & Training

To consolidate the safety awareness of employees and ensure the production safety of the company, Tayho Advanced Materials organizes safety publicity and education activities such as "Fire Fighting Knowledge Contest" and "Lectures on Safety Production and Environmental Protection" according to the educational needs of different functions of the company, departments and posts. We make full use of safety lectures, safety activities, safety drills and other forms to carry out comprehensive safety education for employees, strengthen their safety knowledge, enhance their safety consciousness, and laid a solid foundation for the safety development of the company. During the reporting period, the company invested RMB140,000 in production safety training.

// Safety production and environmental protection lecture

The company hired Pu Yue, a lawyer from Shandong Help Business Law Firm, to analyze and interpret some articles of the new version of the *Production Safety Law* from the perspective of a professional lawyer by combining theory and typical accident cases, which strengthened the understanding and awareness of employees on the new version of the *Production Safety Law* and enhanced the consciousness of strict implementation.



// Safety Risk Elimination

Tayho Advanced Materials attaches great importance to the prevention of all kinds of safety risks. To eliminate the potential threat brought by safety risks, the company regularly inspects the facilities, environment and management of the equipment on a monthly basis, and records the problems to form a hidden danger investigation and management ledger, supervises the whole process of rectification, and implements acceptance of the rectification results to ensure that the safety is foolproof.

// Safety risk inspection

The company attaches great importance to preventive and corrective measures for safety risks, and regularly conducts inspections for the facilities.



// Emergency Plan

In order to ensure the safe and effective operational environment of the company, improve emergency management measures, strengthen prevention and disposal capabilities of all kinds of accidents, avoid major accident damage, the company combined with own operating conditions and related regulations, developed "accident emergency rescue management system" "fire safety management system" "special equipment safety management system" and many other emergency safety management system, formulated comprehensive emergency rescue plans for different equipment and circumstances of emergencies, and regularly conduct drills for each plan. Through the effect of the drills, the plan process is continuously improved to effectively provide protection for the life and safety of all employees. During the reporting period, the company conducted **one** comprehensive emergency drill, **six** special drills and **33** on-site disposal plans.

// Liquid ammonia leakage accident emergency rescue drill

To conscientiously implement the national safety production, the company carried out a comprehensive exercise of liquid ammonia leakage accident emergency rescue in the liquid ammonia tank area on June 23, 2022. The exercise simulated a real liquid ammonia leakage scenario and carried out a practical exercise to strengthen the situation command ability of the emergency rescue command, so that the staff understood and mastered how to carry out alarm, safety evacuation, process processing and other routine operations once a major safety production accident occurred, as well as familiar with the procedures and requirements of emergency drills, so that the staff's safety awareness was tested and enhanced by practice.



Technology Innovation & IP Protection

// R&D System

Tayho Advanced Materials attaches great importance to the enterprise independent research and development capability, in order to standardize the company's research and development process and protect the company's research results from infringement, the company, based on the relevant national regulations and policies, combined with its own situation, formulated the "Basic System of Technological Innovation Management of Tayho Advanced Materials Group Co.", formed a complete R&D process and establish an effective R&D incentive mechanism, so that the company's independent R&D capability becomes stronger continuously and lays a solid foundation for sustainable and high-quality development. As of the end of the reporting period, the total number of R&D team of the company was 290, among which 60 people had master's degree or above, accounting for 20.69% of the total R&D team.

R&D Performance	
R&D investment	RMB 174.29 million
R&D team	290 ppl.
Masters and above	60 ppl.
Masters and above percentage	20.69%
Company core technical staff	60 ppl.

// Projects Under Research

Intelligent, digital projects

Tayho Advanced Materials continuously promotes company's digital transformation,, realizes all-round intelligent management, effectively improves the overall advanced management level of the company, establishes the image of innovative enterprise, raise the company's popularity, provides scientific and systematic management environment for the subsequent development of the company, enhances the core competitiveness of the enterprise with continuous technological innovation and digital empowerment, and creates an intelligent and digital park with full-scene coverage.

Polymer New Material Industrial Park Smart Park

The company utilizes information technology and intelligent means to build a smart park for the company's polymer new material industrial park, invests in the construction of a data center and command center in the park, deploys a central computer room that meets the needs at the company level, and provides a powerful brain for the company's information technology business system.

Laboratory Management System (LIMS)

Through the deployment of the Laboratory Management System (LIMS) on line operation, a standardized and standardized R&D experiment management platform is established to improve the management level and efficiency of the laboratory, provide timely and accurate quality information for production, provide a reliable and accurate knowledge base and big data retrieval platform for the R&D department, and establish an enterprise knowledge base, talent base, and product base for quick retrieval and reuse. The information system that realizes data sharing, data analysis, data tracing, pragmatic and flexible business functions, and meets the needs of business departments.

Enterprise Resource Planning System (ERP System)

The ERP system of enterprise resource planning system is built and integrated with business systems such as intelligent storage system and procurement supply chain platform to realize the integrated digital management mode of production, supply and sales, while the digital intelligent financial cloud platform of Tayho Advanced Materials (digital intelligent mobile reimbursement cloud platform, digital intelligent taxation cloud platform and digital intelligent bank-enterprise association cloud platform) has been created.

Intelligent production technology

The new project establishes intelligent three-dimensional warehouse to realize the fully automated process management of incoming, palletizing and outgoing finished products, and integrates the intelligent three-dimensional warehouse management system with the ERP system of the enterprise, forming an important part of the integrated management of production, supply and sales, while solving the situation that ordinary warehouses require manual sorting and palletizing, reducing the cost investment of human, material and financial resources. The spandex project adopts automatic tube dropping and automatic packaging production line, in the case of doubling the production capacity, the tube dropping staff is basically the same as the original workshop, packaging reduces the number of people by **60**, the production efficiency is increased by about **40%**, and the unit cost is reduced by about **RMB 500 per ton**.

// Greening Project

Tayho Advanced Materials constantly promotes the greening process of the company, continuously improves the whole production process of environmental protection and emission reduction and helps to reach the carbon peaking and carbon neutrality goals as soon as possible.

Scrap Recycling Project

The company vigorously promotes the recycling and reuse of product wastes. The recycling and reuse of meta-aramid waste can produce 300 tons of meta-aramid; the recycling and reuse of para-aramid waste raw liquid can produce 100 tons of pulp per year; the waste yarn of spandex is recycled, dissolved then re-spun, which can produce 1,400 tons of spandex per year.

Steam Waste Heat Gradient Utilization

Turbine power generation + pump linkage: Using the heat of high temperature and high pressure steam, the unit has a single generator power of 500KW and a pump power of 500KW, which can generate about **3 million kWh** of electricity per year and save about **3 million kWh** of electricity per year for the pump after it is put into operation, and can reduce **20,000 tons** of carbon dioxide emission per year.

Lithium bromide unit steam waste heat recovery: Using the heat of steam condensate, the cooling capacity of the unit can reach **1,000KW**, which can save **1.3 million kWh** of electricity and reduce **8,000 tons** of CO2 emission per year, and reduce the temperature of steam condensate to below 50°C.

Parking lot photovoltaic power generation

The construction of photovoltaic power generation project in the parking lot of Polymer New Material Industrial Park, which will generate about **460,000 kWh** of electricity per year and reduce carbon emission by about **478 tons** per year after it is put into operation, and the feasibility study of steam waste heat utilization project, which will save about **4 million kWh** of electricity and reduce carbon by **4,500 tons** per year after it is put into operation.

// Environmental projects

In terms of exhaust gas treatment equipment, Tayho Advanced Materials is equipped with **46 sets** of process exhaust gas treatment facilities, with treatment processes including water spraying, UV photolysis and low-temperature plasma.

// Product Quality Enhancement

Through the establishment of "standardization + technological innovation" synergy-driven total quality management mode, internal production operation, quality control and application development Tayho Advanced Materials combined to promote company's standardized control, the downstream market to actively participate in the industry product standards, such as the formulation and revision of a variety of ways to ensure the stability of product quality, has been unanimously recognized by downstream customers.

Establish "standardization + technological innovation" synergistic driven total quality management model

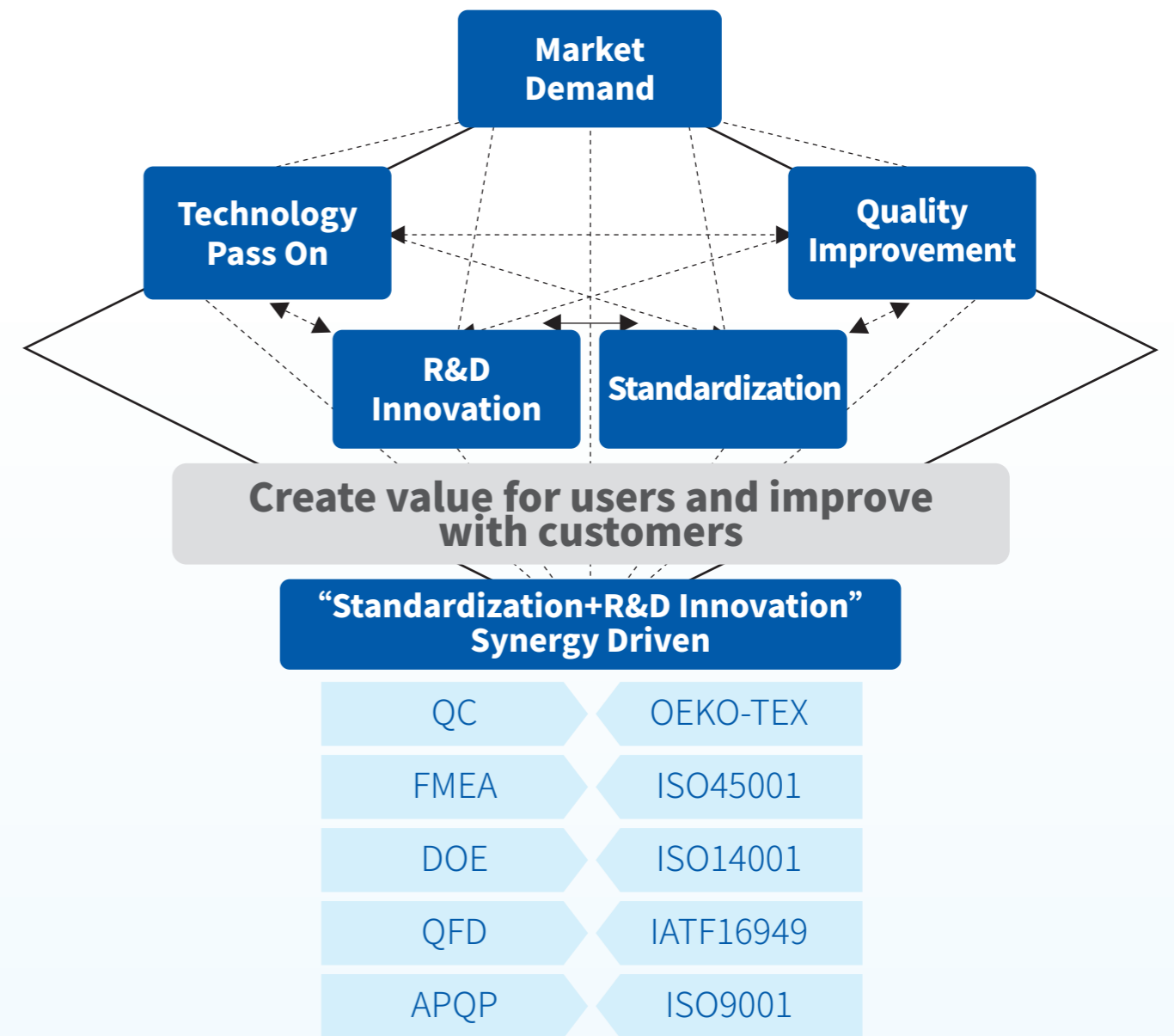
Tayho Advanced Materials upholds the market development concept of "creating value for users and growing together with customers", and implements comprehensive quality management by improving the quality of work of all employees as the entry point. Firstly, adhere to innovation-driven, continuously develop new technologies, new products and new applications for market demand and industrial trends, drive projects, implement technological innovation incentives, and continuously encourage technicians to apply for provincial and municipal projects. Integrate customer demand for quality into project objectives;

Establish "standardization + technological innovation" synergistic driven total quality management model

secondly, standardization-driven, establish strict standardized control process, implement standardized procurement process, standardized process operation, standardized quality feedback process standardization, quality determination standardization, technical index standardization, etc. to improve internal product quality. At the same time, we actively participate in the formulation of national and industry product standardization to drive the internal and external industry chain coherence and unification, drive industry development and promote market application. The company has formed a total quality management driven by standardization + technological innovation synergy, quantified and analyzed process parameters through DOE, searched for key factors and controlled the factors related to them. According to the actual demand, we discriminate and choose different experimental designs to discover ways to control various influencing factors, and exchange the least investment for the greatest benefit, so that the product quality can be improved and the process can be optimized. At the same time, QC activities are implemented within the company to improve quality and reduce consumption.

Promote standardized control of production operation, quality control and application development within the company

The company starts from the basis of system, process and other quality management standards to seek for details and reality, so as not to manufacture defective products, not to accept defective products, not to flow defective products. In production operation, we implement 6S management, SOP standardization management and process document consistency management; in quality control, we mainly implement enterprise standard control and internal control standard upgrading; in application development, we mainly implement active participation in external standard making and revision. With the Quality Control Department as the leading department, we take the quality system as the means to carry out process improvement and control. Taking the current ISO9001, IATF16949, ISO14001 and ISO45001 systems as the grasp, we will continuously improve the management processes that affect quality and eliminate the phenomenon of two layers of quality system and process management; we will strengthen the applicability and effectiveness of the system through internal and external audits and management reviews to ensure the system is on the ground. Take the technology and quality department as the leading department to refine the process and standard, and to strengthen the execution of the process and standard. Strengthen the accuracy of the process and standards, and promote the upgrading of internal control standards. Internal inspection and testing standards are issued by the quality control department or technical quality department, technical and process documents are developed and issued by the technical quality department, and the production department has no right to develop its own standards or processes to ensure the uniformity and uniqueness of the manufacturing process implementation. Focus on controlling the production process and the consistency of the process and standards to achieve "stability" in the control of "change"; at the same time, the quality control department takes the lead with the technical departments, sales companies, production departments to promote the upgrading of internal control standards to achieve "stability" in the "change", the combination of product standards and customer demand, improve the internal control of product standards to create a key brand of products.



Actively participate in the revision of product standards in the industry with respect to downstream markets

Through the release and implementation of standards to improve the quality of products in the industry. Participating standards such as GB/T33536-2017 "Protective clothing Forest fireproof clothing", GB/T36795-2018 "Technical conditions and evaluation methods for rubber-impregnated aramid cord fabrics", FZ/T63022-2014 "Aramid 1313 sewing thread", etc. have greatly promoted product market application, standardized industry order and market environment, and enhanced product sales and customer reputation.

// IP Protection

In strict accordance with the *Patent Law of the People's Republic of China, the Rules for the Implementation of the Patent Law of the People's Republic of China* and other relevant laws and regulations, and taking into account the actual situation of the company, Tayho Advanced Materials has formulated and continuously improved the Patent Management Measures of Tayho Advanced Materials Group Company Limited, and continuously promoted and strengthened the management, protection and application of the company's intellectual property rights to provide solid support for the company's research and development. As of the end of the reporting period, the company has obtained 194 authorized patents, including 77 invention patents and 117 utility model patents. In terms of other intellectual property rights, the company has obtained 21 software publications, 27 trademarks and 138 papers.

IP Performance

Cumulative number of granted patents	194
Number of granted invention patents	77
Number of licensed utility model patents	117
Number of Software Publications	21
Number of trademarks	27
Number of papers published	138

Employee Care & Protection

// Talent Recruitment & Management

Compliance Employment

Tayho Advanced Materials attaches great importance to the introduction and development of talents. In order to improve the company's staff recruitment and hiring mechanism, standardize and fair staff recruitment management, the company has formulated the Recruitment Management System of Tayho Advanced Materials Group Co., Ltd. to institutionalize the talent management system, improve the efficiency of talent introduction and continuously strengthen the construction of the company's talent pool. The company always practices legal compliance employment, equal opportunity employment and diversified talent employment, and always insists on the principle of fair competition, while prohibiting any form of child labor, forced labor, discrimination and abuse and other acts against human rights awareness; on the other hand, the company actively introduces talents with different backgrounds through internal and external recruitment, campus and social recruitment to form a diversified talent structure of the company and help the company's healthy and sustainable. The company also actively recruits talents from different backgrounds through internal and external recruitment, campus and social recruitment to form a diversified talent structure of the company, which will contribute to the healthy and sustainable development of the company.

Staff Structure

As of the end of the reporting period, the number of employees of the Company was 2,606. During the reporting period, the Company recruited 684 new employees, including 150 female employees and 534 male employees; 591 employees were recruited through social channels and 93 employees through campus channels.

2022 Staff Structure

Total number of employees in service	2,606
--------------------------------------	-------

Employee Gender Composition

Male	2,033
Female	573

Employee Age Composition	
Under 30 years old (not included)	934
30-40 years old (not included)	998
40-50 years old (not included)	518
Over 50 years old (including)	156
Employee Education Level	
College and below	1,946
Undergraduate	540
Master and above	120
Employee Function Composition	
Production staff	2,042
Sales staff	115
Technical Staff	290
Finance Staff	51
Administrative staff	108
Employee Grade Composition	
Total number of senior management employees	9
Total mid-level management employees	39
Total number of general employees	2,558
Employee turnover	
Total number of employees who left during the reporting period	215
Total number of departing male employees	167
Total number of female employees who left	48

Employee Rights & Protection

Employee rights and benefits system protection

Tayho Advanced Materials always adheres to the people-oriented employment concept and is committed to safeguarding the legitimate rights and interests of employees. The company strictly abides by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other laws and regulations, insists on signing labor contracts with all employees on the principle of openness and fairness and unified standards, and provides employees with market-oriented salary and perfect welfare system according to the Salary Management System of Tayho Advanced Materials Group Co. The company has signed labor contracts and provided market-oriented salary and perfect welfare system for the employees according to the Remuneration Management System of Tayho Advanced Materials Group Co. During the reporting period, the company signed labor contracts with all employees according to the law, **the labor contract coverage rate is 100%, the insurance and housing fund coverage rate is 100%, and the satisfaction rate of the company's employees is 95%.**

Democratic management of employees

To establish a modern enterprise system, fully safeguard the legitimate rights and interests of employees and establish coordinated and stable labor relations, the company, according to the *Trade Union Law of the People's Republic of China*, *Labor Law of the People's Republic of China*, *Company Law of the People's Republic of China* and related regulations, has formulated the "Constitution of the Trade Union Committee of Tayho Advanced Materials Group Co." which will play an active role in improving the working life of employees, promoting the democratic spirit of the company, and fully protecting the right to information, participation, expression and supervision of employees. During the reporting period, **the company held 2 staff meetings and voted on 10 motions.**

Employee Congress

During the reporting period, the Company held the Seventh Session Fourth and Fifth Staff Congresses and considered and passed the motions that are practically related to the interests of the employees, such as the "Management Measures for Staff Housing Loan of Tayho Advanced Materials Group Company Limited", "Remuneration Management System of Tayho Advanced Materials Group Company Limited (2022 Version)" and the supplementary amendment to the "Staff Handbook".



// Employee Occupational Safety

The company attaches great importance to the physical and mental health of employees, strictly abides by the "Law of the People's Republic of China on Safety Production", "Law of the People's Republic of China on Prevention and Control of Occupational Diseases" and other relevant laws and regulations, formulates and forms EHS objectives, creates a healthy and safe working environment by organizing health check-ups for employees and actively rectifying hidden dangers of personnel, and effectively guards the health of every employee. The company has now passed ISO 45001 Occupational Health and Safety Management System Certification. During the reporting period, the company's staff medical examination coverage rate was 100%, and the incidence rate of occupational diseases among employees was 0%.

// ISO14001 certification

认证证书

标准 **ISO 45001:2018**
证书登记号码 **01 213 127728**

证书持有者: **泰和新材**
烟台泰和新材料股份有限公司
中国山东省烟台经济技术开发区黑龙江路 10 号
邮编: 264006
所包括场地已列于证书附件上

认证范围: 复捻长丝、间位芳纶纤维、对位芳纶纤维和芳纶制品的设计开发和生产

证明完成了审核并满足了 ISO 45001:2018 标准的要求。

有效期: 证书有效期从 2022-10-11 至 2023-12-19。此证书须经过符合要求的监督审核保持有效。初次发证始于 2020 年

2022-10-13

TÜV Rheinland Cert GmbH
Am Grauen Stein · 51105 Köln

授权代表办公室: 莱茵检测认证服务(中国)有限公司, 北京市北京经济技术开发区荣华中路 15 号院 4 号楼 3 层 301 室、12 层 1203 室(北京自贸试验区高端产业片区亦庄组团), 100176

www.tuv.com | IAF | DAKKS | TÜVRheinland® Precisely Right.

// Employee Training & Development

The company attaches great importance to the growth of talents and capacity enhancement, with the purpose of constructing better enterprise with talents, and with the orientation of strengthening the comprehensive performance ability of employees, the company provides diversified education and training opportunities for employees with rich contents. Through special lectures, case training, lectures on laws and regulations, as well as thematic party classes and other forms of education, the company has continuously deepened employees' legal awareness, strengthened their ideological construction, and helped employees at all levels to grow with high quality. During the reporting period, the Company invested a total of RMB 2.93 million in employee training, conducted 103 training sessions, and received a total of 13,517 training sessions with a total training duration of 172 hours, with an average training duration of 12 hours for each employee, and the employee training coverage rate reached 100%.

// Employee Benefits & Care

Staff Welfare

To effectively safeguard the legitimate rights and interests of employees, care for the lives of employees, and build a harmonious and stable employment relationship, the company continued to strengthen basic welfare expenses, continuously improve the treatment of employees and enhance their sense of collective belonging. During the reporting period, the Company spent a total of RMB22,084,900 on basic welfare and RMB10,485,800 on special welfare. In addition, to help employees solve their basic housing difficulties and enhance their sense of belonging and happiness, the Company adopted the "Measures for the Management of Employee Housing Loan" to provide employees with interest-free loans to buy houses.

Staff Caring

Tayho Advanced Materials attaches importance to the quality of work and life of employees, pursues the enterprise and the employees to enjoy together, actively organizes and carries out holiday care, cultural co-creation and other forms of activities, creates a healthy, warm and harmonious company atmosphere, strives to improve the happiness index of employees, enhances the centripetal force and cohesion of employees, lays a mass foundation for the high-quality development of the enterprise, and creates a warm and reassuring working environment for employees.

Dumpling wrapping activity for Dragon Boat Festival

Mid-autumn welfare distribution

Fruit welfare distribution

Yantai Subculture Co-creation

Corporate Culture Project Kick-off Meeting

Twinning support to fulfill social responsibility

Protection of female employees' rights and interests

The company highly regard on the protection of women's rights and interests, strictly complies with the *Law of the People's Republic of China on the Protection of Women's Rights and Interests*, the *Special Provisions on Labor Protection for Female Employees* and other laws and regulations, organizes the labor union to sign the Special Collective Contract on the Protection of Women Employees' Rights and Interests with the company, including encouraging women to participate in the democratic management of the enterprise, insists on equal pay for equal work and other aspects of the contract to protect women's rights and interests, defends equality between men and women with practical actions, and protects the rights of female employees to enjoy prenatal checkup leave, maternity leave, breastfeeding leave and other leave rights in accordance with the law, and firmly protects the basic rights and interests of female employees.

Women's Day Flower Arrangement Event

The company organized a flower arrangement activity on Women's Day and encouraged female employees to participate.



Social welfare & volunteer activities

Public Welfare Activities

Tayho Advanced Materials has always been concerned about social welfare, actively undertaking corporate social responsibility and practicing the original intention of the enterprise. In order to regulate the management of the company's external donation behavior, the company based on the "Law of the People's Republic of China on Public Welfare Donation" "Notice on Standardizing the Management of Municipal Enterprises' External Donation" and other public welfare related regulations and requirements, combined with the internal situation of the company, formulated the "Management Measures of External Donation of Tayho Advanced Materials Group Co., Ltd.," specified approval procedures to standardize the practice of social welfare activities, promote the healthy development of society, and to remain true to the mission, caring and responsible enterprises.

Performance of Public Welfare Activities

Total investment in public welfare	RMB 1.06 million
Volunteer Activities	4 times
Volunteer Activities Participation	80
Total time for volunteer activities	428 hours

Societal Donation Unit

Bank 中国光大银行
CHINA EVERBRIGHT BANK

中国光大银行 电子回单

电子回单号: 20221021901302022524000000001		电子回单查询码: 未生成		
付款人	户名	烟台泰和新材料股份有限公司	收款人	烟台市慈善总会
	账号	38080188000000000000	账号	53505030120100007087
	行名	中国光大银行股份有限公司烟台经济技术开发区支行	行名	烟台银行股份有限公司莱山支行
金额	¥ 150,000.00			
金额大写	人民币壹拾伍万元整			
用途	捐款			
	验证码	95906A570B162A6C	流水号	901302022524
	记账日期: 2022-10-21			

重要提示: 本回单不作为收款方发货依据, 请勿重复记账。

/// Social volunteer activities

Tayho Advanced Materials actively encourages company's party and employees to participate in social volunteer activities to take practical actions, practice environmental protection ideology, promote the heart of public welfare, spread the spirit of helping people continuously, and help build a green and environmentally friendly society.

/// Yantai Golden Beach clearing action

Yantai Huang Bohai Sea's new area was infested with seaweed, bringing great harm to the ecological environment. On the morning of July 24, Tayho Advanced Materials' Party members voluntary to formed a service team to hold the theme party day activity of "Clean the sea with me" at the beach of Huang Bohai New Area, practice actions to devote to the universal seashore cleanup operation, protect the beach ecological environment with practical actions, and encourage more people to join the team of caring for the environment.



/// Integrity In Tax Payment

Tayho Advanced Materials attaches great importance to the enterprise's obligation to pay taxes according to the law, strictly abides by the provisions of various national tax laws and regulations, adheres to the principle of compliance with the law and integrity in tax payment, pays taxes in accordance with the law, timely and fully, contributes to the development of the local economy and demonstrates social responsibility. During the reporting period, the Company did not commit any illegal acts such as under-reporting, underpayment, omission or omission of tax payment. During the reporting period, the Company paid taxes amounting to RMB 151,260,000.

/// Public Health Construction

In order to contribute to the construction of social public health, Tayho Advanced Material vigorously invests in health donation projects, contributes human and material resources to social communities in need, and strives to build a healthy society.

/// Red Cross Donation

In order to help social welfare and contribute to the power of Tayho's love, Tayho Advanced Materials donated RMB 1 million to the Red Cross to support the cause of humanitarian welfare.



// Distribute healthy nutrition materials to employees

To protect employees' health and strengthen their bodies, the company issues healthy nutritional materials for employees.



// Community Health Construction Activities

In order to help community health construction, the company organized party service members to distribute masks for the residents of the Jiahe community on February 13. After more than 3 hours of busy work, through carefully checking the identity information, confirming the collection and other procedures, the scheduled masks in the three communities were all basically distributed to the residents.



Mask distribution site

On the afternoon of February 14, the pioneer service team of party members entered the Elite Apartments to carry out virus disinfection, as there were no party members and community workers in the Elite Apartments under the jurisdiction of the Jiahe Community. Wearing masks, gloves, goggles and other personal protective equipment, members of the Pioneer Service Team came to Elite Apartments with disinfection tools equipped in advance and sprayed each floor, each building, each elevator room and each hygiene corner several times, not letting go of any corner and disinfecting in a serious and orderly manner.



Headings		GRI指标	CASS-ESG 5.0
Basis of Reporting		102-1/102-45/102-46/102-50/102-52/102-53/102-54	P1.1/P1.2/P1.3/G3.7
About Tayho		102-1/102-2/102-3/102-6/102-10/102-14/102-16	P4.1/P4.2/P4.3/P4.4/A2
ESG Governance	ESG Sustainability Philosophy	102-15	G3.2
	Communication with Stakeholders	102-40/102-44	G3.5/G3.6
	ESG Material Issues	102-44	G3.5
Party Governance		\	\
Corporate Governance	Governance Structure	102-18/102-22	G1.1/G1.2
	Internal Construction & Risk Management	102-11/102-15/102-30	G1.4/G1.10
	Compliance & Business Ethics	205-2	G1.6/G1.7/G1.10
	Investor Relations & Equity Protection	201-1	G3.6/G3.7
Environment Protection & Sustainable Growth	Environment Management	302-5/303-2	E1.1/E1.4/E.16
	Emergency Environmental Events Preplanning	103-2	E1.4
	Energy Management	302-1	E2.1/E2.2/E2.4
	Green Manufacturing Operations	302-4/302-5/305-5	E1.8/E2.4/E2.14
	Pollution Prevention & Environmental Protection	201-1/303-1/303-2/305-1/306-2	E3.1/E3.2/E3.3/E3.4/E3.5/E3.6/E3.8
Customer Rights Protection & Procurement Management	Customer Rights Protection	417-1	S5.1/S5.2/S5.5
	Supply Chain Management	102-9/204-1	S6.1/S6.2
Safe Operation & Production	Production Safety Management	403-1	S3.4/S3.12
	Safety Education & Training	403-5	S3.5/S3.8
	Safety Risk Elimination	403-2	S3.6
	Emergency Preparedness	403-2	S3.7
Technology Innovation & IP Protection	R&D System	103-2	V2.1/V2.3
	Projects Under Research	302-4	V2.2/V2.4/V2.5
	IP Protection	103-2	V2.4
Employee Care & Protection	Talent Recruitment & Management	102-7/401-1/405-1	S1.2/S1.3/V3.2
	Employee Rights & Protection	401-2/403-6	S1.1/S1.4/S1.6/S1.8/S1.11
	Employee Training & Development	404-1	S2.3/S2.4
	Employee Benefits & Care	401-2	S1.10
Social welfare & volunteer activities	Public Service Activities	415-1	V3.6/V3.7
	Social Volunteer Activities	203-2	V3.4

Headings		GRI指标	CASS-ESG 5.0
Social welfare & volunteer activities	Integrity In Tax Payment	203-2	V1.1
	Public Health Construction	203-1/203-2	V3.3
Index of Indicators		102-55	A4
Feedback Form		102-53	A5

// Feedback Form

Dear reader,

Thank you for reading this report. We value and look forward to hearing your feedback on this report. Your comments and suggestions are solid basis for us to continuously improve our level of corporate ESG disclosure and promote corporate ESG management and practices. We welcome and appreciate your valuable comments!

1. Your overall assessment of our ESG compliance is:

Very good good Fair Poor Bad

2. Your overall evaluation of this report is:

Very good good Fair Poor Bad

How well do you think we are doing in terms of stakeholder communication?

Very good good Fair Poor Bad

4. How do you think we are doing in terms of product liability?

Very good good Fair Poor Bad

How do you think we are doing in terms of environment, safety and occupational health?

Very good good Fair Poor Bad

6. How do you think we are doing in terms of employee responsibility?

Very good good Fair Poor Bad

7. How do you think we are doing in terms of ESG?

Very good good Fair Poor Bad

8. Do you have any comments or suggestions about our performance of ESG and this report?
