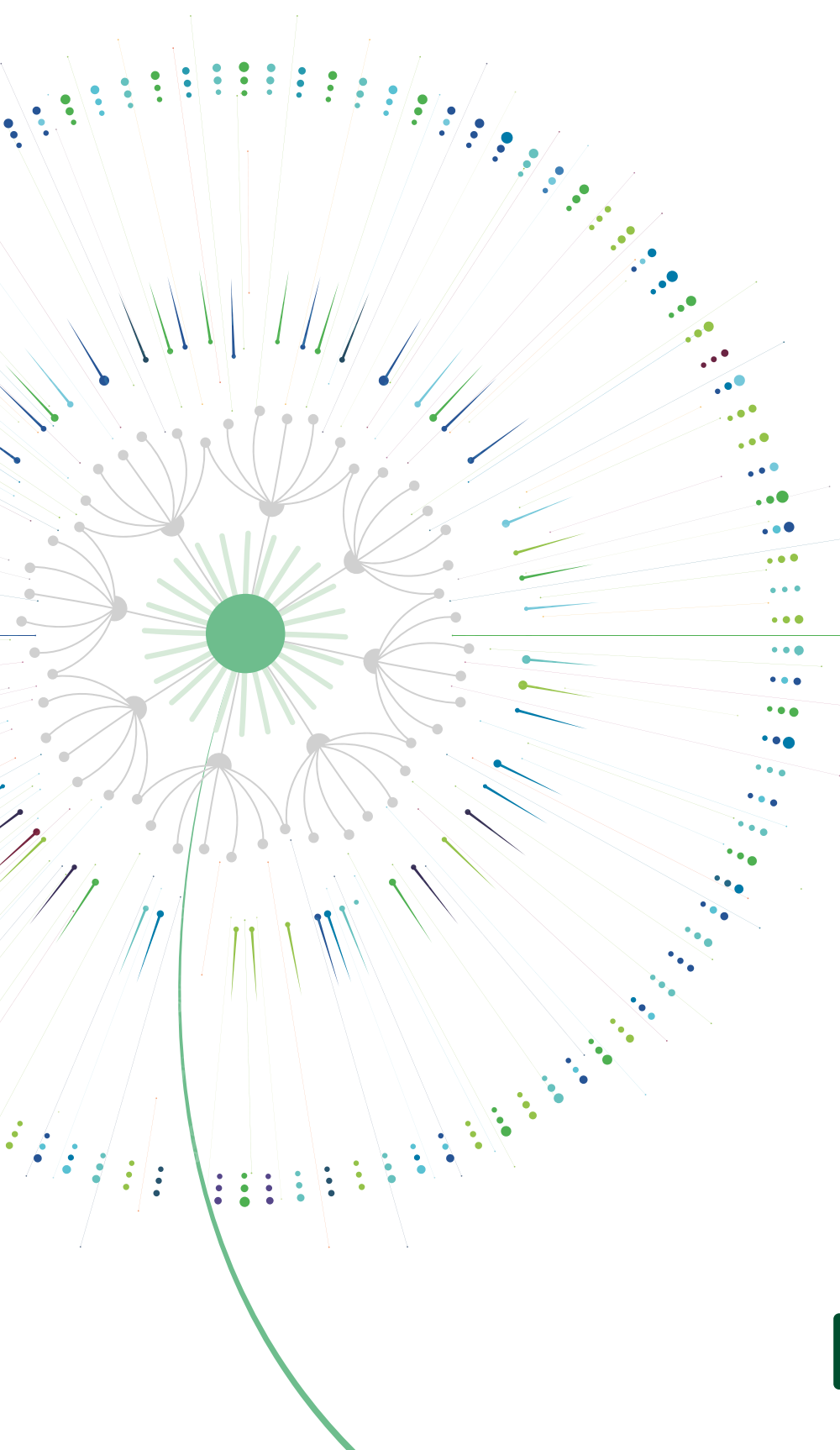




中國民航信息網絡股份有限公司 TravelSky Technology Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code : 00696)



Hazardous Waste

+
Employee Development
and Training

Energy Consumption

+
Direct Assistance



2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



ABOUT THIS REPORT

REPORTING GUIDELINES

This *Environmental, Social and Governance Report* (hereinafter referred to as the “ESG Report” or “This Report”) is intended to provide information on the performance of environmental and social aspects of TravelSky Technology Limited (the “Company”, or together with its subsidiaries, the “Group” or “TravelSky”) during the fiscal year of 2021. This Report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (the “Guide”) as contained in Appendix 27 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Ltd.* (the “Main Board Listing Rules”) issued by The Stock Exchange of Hong Kong Limited. (“SEHK”), the Global Reporting Initiative (GRI) *Sustainability Reporting Guidelines*, and the *Guidelines to the Central State-owned Enterprises Directly under the Central Government on Fulfilling Corporate Social Responsibilities* issued by the State-owned Assets Supervision and Administration Commission of the State Council (“SASAC”). This Report has been reviewed and approved by the Board of Directors of the Group.

REPORTING SCOPE

This Report covers the period from January 1, 2021 to December 31, 2021 (“the reporting period”), with some data for the preceding years. Unless otherwise specified, this Report covers the Company and its subsidiaries.

REPORT STATEMENT

The Board of Directors is fully responsible for the strategies and reporting on environmental, social and governance (“ESG”) issues of the Group. This Report is prepared in accordance with the four reporting principles of the Guide: materiality, quantitative, balance, and consistency. The Group determined the key disclosures of this Report through a materiality assessment and used the same statistical approach adopted in 2020 ESG Report to quantify the environmental and social performance. In this Report, the Group has disclosed information on all “comply or explain” provisions in the Guide. This Report is published in Traditional Chinese and English. For any discrepancy between the two versions, the traditional Chinese version shall prevail.

CONTACT INFORMATION

This report is available on the HKEX news of The Stock Exchange of Hong Kong Ltd. (www.hkexnews.hk) and on the Company’s official website (www.travelskyir.com). Please click the option “Announcements” or “Financial and ESG Reports” in the column of “Investor Relations” on our homepage to download the “Environmental, Social and Governance Report 2021”. If you have any comments on our ESG work or need a hard copy of the report, you can contact us by: kcxfz@travelsky.com.cn.

Due to various objective conditions, the preparation of this report may not be entirely satisfactory. You are welcome to put forward your comments and suggestions by scanning the QR code below. The Company will strive to improve the report in the future.



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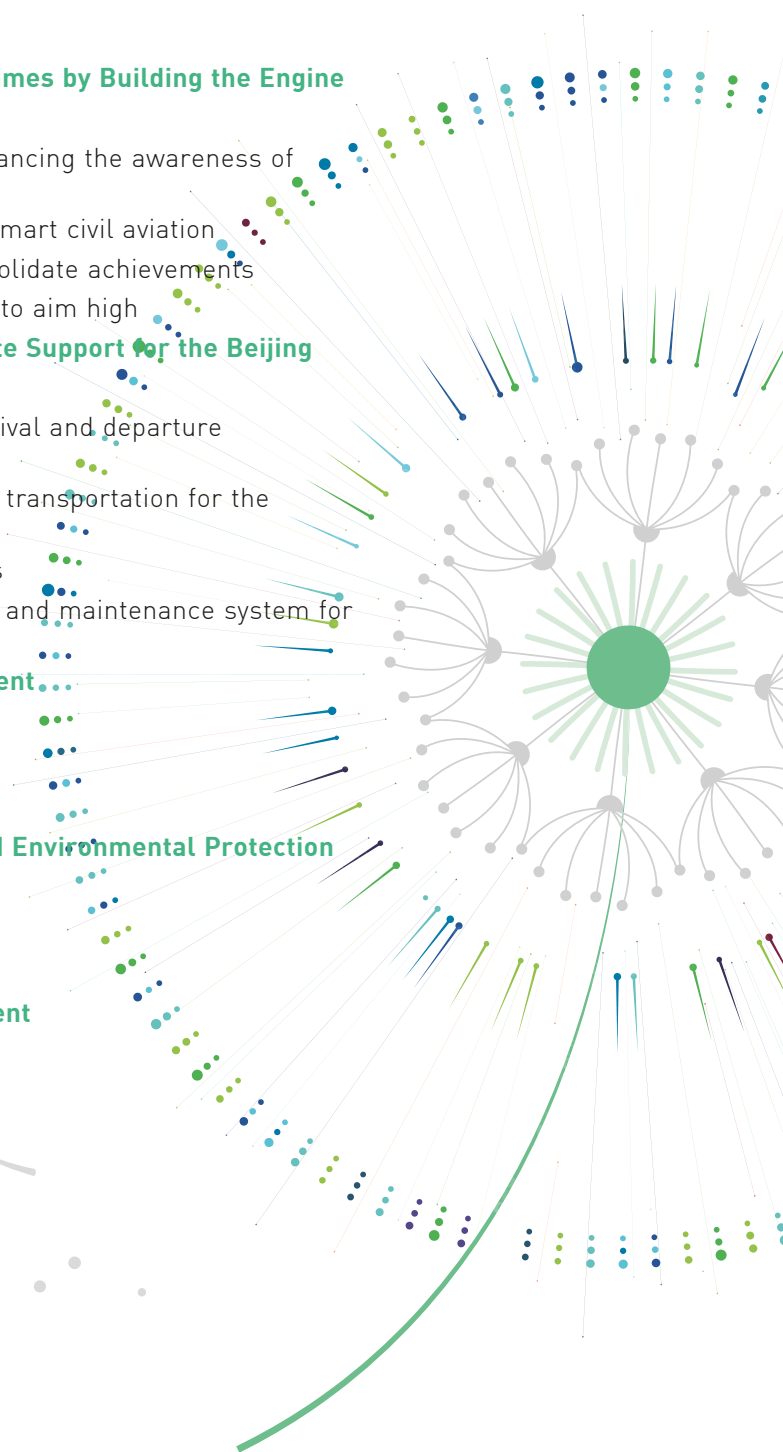
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A LETTER TO STAKEHOLDERS



● **Huang Rongshun**
Chairman

The year 2021 still witnessed profound socio-economic impact brought by COVID-19. However, as China's economy continued to improve, the civil aviation industry struggled for recovery. Faced with the complexity generated by the great changes and the pandemic both unseen in a century, we have overcome difficulties and forged ahead. Adhering to the new development philosophy, we strive for a balance between our development and environmental and social progress while pursuing sustainable, stable, and sound operation. Over the past year, while keeping track of the situation to make science-based decisions, we have implemented pandemic prevention and control, improved safety-related capabilities, and focused on main responsibilities and businesses. Our business structure was optimized with faster progress in innovation-driven development, technological breakthroughs, risk management and control. As a result, we have met the production and operation goals across the board and achieved higher profits. Recognized as a high-tech enterprise for 21 consecutive years, TravelSky is the holder of the first prize of Civil Aviation S&T Progress Award for three years in a row and is listed in the "Top 50 ESG Central Enterprises in ESG" by SASAC, kicking off the "14th Five-Year Plan" period with a good start.

We practiced new concepts and deepened reforms to bring new momentum for development. In 2021, we improved our sustainability governance by building framework, fulfilling responsibilities, improving policies, and promoting progress. We compiled and released the Development Plan of TravelSky During the “14th Five-Year Plan” Period, which included sustainable development for the first time. Steady progress was achieved in the three-year reform action while meeting our overall production and operation goals. We also strengthened strategic support for information network security in China and promoted the development of the digital industry. The arrival and departure information of the Beijing 2022 Winter Olympics was developed and applied to guarantee the safety of the civil aviation system during the event. We also completed the tasks to guarantee the safety of multiple major national events such as the celebration of the centenary of the founding of the CPC and the sixth plenary session of the 19th CPC Central Committee.

We made new strides through innovation-driven development and fulfillment of new missions in a new era.

In 2021, sticking to the bottom line of work safety, we intensified our efforts in smart civil aviation, the modern R&D system, and the technological innovation platform to improve our technological innovation capability. We strived to raise the innovation awareness of all employees and held the first scientific and technological innovation conference. A number of innovations were rewarded with provincial and ministerial honors. Based on the business philosophy of winning customers with services as well as the airport and regional economic development strategies, we kept exploring new applications of information products in various scenarios of passenger services. Committed to people-centrality, we protected the rights and interests of employees and shared what we have achieved with the public. We also engaged in rural vitalization. For example, a village in Shenchu County, to which we provide paired assistance, won the “Top Ten Most Beautiful Villages in China in 2021”.

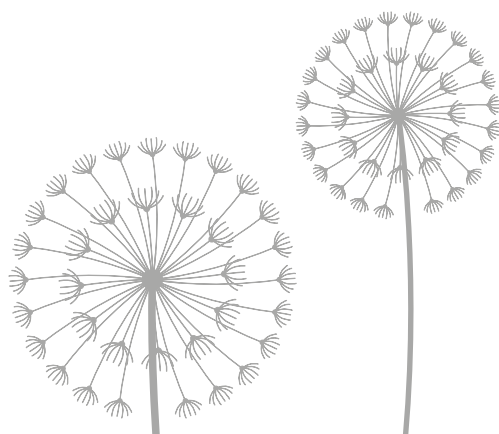
We realized efficient operation through energy conservation and carbon reduction, and entered a new phase for green development.

In 2021, while balancing regular COVID-19 response with the achievement of production goals, we established a task force for energy conservation and emission reduction in line with the concept of green development. We adopted multiple methods to explore operational models that have better energy efficiency and resource use, so as to reduce the emissions of greenhouse gases, sewage, hazardous and non-hazardous waste. Besides, we hired a third-party agency for carbon emission verification. The annual power usage effectiveness (PUE) of the Houshayu data center stood below 1.3 for the first time. Working to make green offices possible, we continued paperless communication to reduce energy consumption and stuck energy-saving signs in public areas to improve the environmental awareness of all employees. We also developed green products, such as the “Baggage Travel” smart travel plan, which has reduced carbon emissions by about 15,300 tons for the industry.

To achieve sustainable development requires each TravelSky employee to raise their awareness and make sustainable behavior part of their daily life. It is also inseparable from the business support of all stakeholders. In 2022, TravelSky will continue to practice the concept of sustainable development with practical actions, enhance the comprehensive competitiveness of the enterprise, and create more value for all stakeholders.

Huang Rongshun

Chairman



BOARD STATEMENT



The Board of Directors of the Company (the Board) is well aware that it is significant and necessary to realize the whole-process management of sustainability and improve ESG policies and strategies from the strategic and governance perspective.

The Board takes overall responsibility for the Company's ESG strategy and report. The Board and its Strategy and Investment Committee (Legal Compliance Committee), through regularly review the ESG report, and listen to the ESG progress report and the implementation report of the resolutions of the Board, evaluated, prioritized and managed important ESG related matters, and considered and reviewed the progress of ESG key performance and objectives.

During the reporting period, TravelSky implemented the resolutions of the Board on ESG, and made improvement in establishment of management system, responsibility implementation, system improvement and work promotion. We regularly reported to the Board. The work results were as follows: First, we built a five-tier management system with clear responsibilities for each tier, and we further clarified the responsibilities of the Board and its specialized committees, their working groups and relevant departments in ESG work. Second, we incorporated the requirements of improving energy and resource utilization efficiency, building green high-tech parks and contributing to rural vitalization into our development plan during the "14th Five-Year Plan" period. Third, we set up a leading group for energy conservation and emission reduction to decompose the tasks and objectives of energy conservation and ecological protection to relevant management departments and production departments. Fourth, we identified and incorporated ESG risks into overall risk management, and notified the Board and its subordinate audit and risk management committee. Fifth, we built a preliminary ESG indicator system with our own features based on the *ESG Reporting Guide* of the SEHK, improved the ESG information collection mechanism, standardized the data statistical caliber, and completed the four-year tracking of environmental indicators.

On March 24, 2022, the Board deliberated on the report, confirmed that the report fully disclosed the ESG progress and effectiveness of TravelSky during the reporting period, assured that no fictitious record, misleading statement, or material omission is included in this report, and approved its release.

ABOUT US

COMPANY PROFILE

TravelSky Technology Limited is the leading provider of information technology solutions for China's aviation and travel industry. The core businesses of the Company include aviation information technology service, distribution information technology service, accounting, settlement and clearing service for the aviation industry, etc. The Group has been devoted to developing leading products and services that satisfy the needs of all the industry participants – ranging from commercial airlines, airports, air travel products and services suppliers to travel agencies, institutional customers, travelers and cargo shippers – to conduct electronic transactions and manage travel-related information.

The Company was incorporated in the People's Republic of China (the "PRC" or "China") on October 18, 2000. Its H shares (stock code: 00696) were listed on The Stock Exchange of Hong Kong Limited on February 7, 2001. On December 27, 2002, the American depositary shares under the Sponsored Level I American Depositary Receipt Programme established by the Company commenced trading on the U.S. over-the-counter market (OTC). The H shares of the Company have been added to the lists of MSCI Emerging Markets Index, Hang Seng Composite LargeCap & MidCap Index, Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect since 2015.

As of the date of this report, the largest shareholder of the Company is China TravelSky Holding Company Limited, which holds an equity interest of approximately 29.29% in the Company. A total of approximately 38.84% of the equity interest in the Company is held by 14 domestic shareholders, including China Mobile Capital Holding Co., Ltd., China National Aviation Holding Company Limited, China Southern Air Holding Company Limited and China Eastern Air Holding Company Limited. The remaining 31.87% of the equity interest in the Company is held by holders of its H shares.

As of December 31, 2021, the Group has 20 domestic subsidiaries in China, including Accounting Centre of China Aviation Limited Company ("ACCA"), Cares Shenzhen Co., Ltd., Civil Aviation Cares of Qingdao Ltd., etc. The Group has nearly 10 overseas wholly-owned subsidiaries in many countries and regions, including Hong Kong, Singapore, Republic of Korea, Japan and the USA. Meanwhile, the Group holds equity interests in over 10 associates, including Shanghai Civil Aviation East China Cares System Integration Co., Ltd., Aviation Cares of Southwest Chengdu, Ltd., TravelSky Mobile Technology Limited, etc.

The Group had 6,608 employees as of December 31, 2021.



PERFORMANCE SUMMARY

As the leading provider of information technology solutions for China's aviation and travel industry, the Company stands at a core-sector along the value chain of China's aviation and travel service distribution. The Company has been devoted to serving the needs of all industry participants ranging from commercial airlines, airports, travel products and service providers, travel agencies, travel service distributors or agents, corporate clients, travelers and cargo shippers, as well as major international organisations such as International Air Transport Association ("IATA") and government bodies, with the scope of services covering the provision of critical information systems on flight control, air ticket distribution, check-in, boarding and load planning, accounting, settlement and clearing system, etc. With over four decades of tenacious research and development, the Company has built up a complete industry chain for aviation and travel information technology service, established a relatively comprehensive and competitively priced product line of aviation and travel information technology service with robust functionality, aiming to help all industry participants to expand their business, improve service quality, minimise operational costs and enhance operational efficiency, and ultimately bring benefits to travelers.

In 2021, the depth and persistence of the impact of the COVID-19 on the civil aviation industry exceeded expectations, the processed system capacity of the Group's electronic travel distribution (ETD) system on domestic and overseas commercial airlines was approximately 432.7 million, representing an increase of approximately only 5.0% over the same period in 2020.

The profitability of the Company experienced a year-on-year increase, which is attributable to that the Company enhanced efforts in market expansion and communication with customers, reversed credit impairment losses, and further strengthened cost control in 2021, and that there has been an increase in the business of airport digital products. The revenue and operating results of the Group mainly came from the Group's operations in China. For Year 2021, profit before taxation of the Group was approximately RMB663.9 million, representing an increase of approximately 111.3% over that in the year ended December 31, 2020 ("Year 2020"). Net profit attributable to shareholders of the parent was approximately RMB551.3 million, representing an increase of approximately 52.0% over that in Year 2020.

The basic and diluted earnings per share of the Group in Year 2021 were RMB0.19. The Board recommended the distribution of a final cash dividend of RMB0.055 per share for Year 2021.

For complete business and performance information, please visit the SEHK's website (www.hkexnews.hk) or the company's compliance website (www.travelskyir.com) "Investor Relations" column "Announcements", View the 2021 Annual Report under Financial and ESG Reporting.

CORPORATE CULTURE

Development vision

To become the main IT service provider in aviation and tourism industry and a country-leading, world-class information service provider

Development approach

Building platforms, pooling data and nurturing the industry ecosystem

Core values

Putting people first, strengthening the safety foundation, building trust with services, and driving long-term development through innovation

Business philosophy

Putting information security first
Winning customers with services
Creating values with information

Code of conduct

Striving for self-improvement through innovation and creativity
Shouldering responsibilities to make a difference
Working with stakeholders for win-win results
Taking a down-to-earth approach to improve quality and efficiency

HIGHLIGHTS

TravelSky Technology Limited Environmental, Social and Governance Report 2021 has fully implemented the mandatory disclosure provisions revised or added in the third edition of the ESG Guide and the “comply or explain” provisions. In line with the international ESG report disclosure concept, this report, for the first time, refers to the relevant indicators in the *GRI Sustainability Reporting Standards*, which not only meets the requirements of regulatory agencies for the disclosure of ESG reports of listed companies, but also provides domestic and foreign investors with more perspectives to learn about TravelSky’s ESG performance.

This report includes sci-tech innovation feature “Shouldering Responsibility of the Times by Building the Engine of Innovation” and the Beijing 2022 Winter Olympic Games (“Beijing 2022”) feature “Enabling Technology-based Accurate Support for the Beijing 2022.” These two features reflect our implementation of the new development philosophy by strengthening the innovation-driven development strategy of tackling key technologies, and also demonstrate a good corporate image and our responsibility by leveraging the advantages of a high-tech enterprise to empower the Beijing 2022.



DEVELOPMENT HISTORY

In 1979

China Aviation set up an organization to conduct research on the establishment of a computerized passenger service system for civil aviation, the key projects of the National "Seventh Five-Year" Electronic Revitalization Plan* (國家「七五」電子振興計劃), and other relevant issues.

In 1987

The CAAC decided to establish the Civil Aviation Computer Center of China* (中國民用航空計算機中心).

In 1996

Civil Aviation Computer Center of China was renamed as China Civil Aviation Computer Information Center* (中國民航計算機信息中心) (the predecessor of the company's largest shareholder China TravelSky Holding Company), and was restructured from an institution into an enterprise.

In 2001

The Company's H shares were successfully listed on the Main Board of the Stock Exchange (Stock Code: 00696.HK) with an issue price of HKD4.10 per share and a market value of approximately HKD3.6 billion.

In 2003

The Company completed the construction project of the airport passenger processing system (APP) for the top 100 domestic airports in terms of passengers.



From 1984 to 1985

- In 1984, the Civil Aviation Computer Station* (民航計算機總站) under the State Administration of Civil Aviation* (民航總局) (now known as the Civil Aviation Administration of China) (the "CAAC") was established.
- In 1985, Inventory Control System (ICS) and civil aviation and commercial data network were established.

In 1991

Accounting Centre of China Aviation* (中國航空結算中心), the predecessor of ACCA (a wholly-owned subsidiary of the Company), was established and China Aviation Revenue Accounting System* (中國航空收入結算系統) was launched 3 years later.

From 2000 to 2001

- In 2000, the Company was jointly founded by China Civil Aviation Computer Information Center* (中國民航計算機信息中心) and all domestic commercial airlines.
- In 2001, the main project of Electronic Travel Distribution (ETD) system service plan was inspected and accepted by the State.

In 2004

ETD system processing capacity exceeded 100 million passengers.



In 2007

In order to provide civil aviation passenger information security services for the Beijing Olympic Games, the Company expanded mainframe and opened platform resources, built mainframe and opened backup system, and improved the backup system of new-generation airport passenger processing front end system (NewAPP).

In 2009

ACCA became the world's largest billing and settlement plan data processing center.

In 2017

The development of the new-generation passenger service information system was completed and the new data centre in Shunyi, Beijing, was gradually put into use.

In 2020

- The Company was granted "20th Anniversary Partner Award (20週年合作夥伴獎)" by IATA.
- The former wholly-owned subsidiary of the Company, TravelSky Mobile Technology Limited* (中國航信移動科技有限公司) (now as an associated company which provided service with mobile application, "Umetrip", as major product) completed mixed-ownership reform and employee stock ownership plan.
- Our self-developed platform, "Baggage Travel", was recognized as the public information platform of the full-process baggage tracking system of civil aviation of China by CAAC.

In 2021

- The Company has been certified as a "High and New Technology Enterprise" for 21 consecutive years.
- The Company has won the first prize of China Air Transport Association Civil Aviation Science and Technology Progress for 3 consecutive years.
- The Company was awarded "Best Investor Relations" Award and "Best ESG" Award of the "2021 China Financing Award".
- The Company was named to the "Top 50 Central Enterprises in ESG" by State-owned Assets Supervision and Administration Commission.
- The Company has successfully completed the guarantee task of civil aviation passengers information system during the holding of major events, such as the celebration of centenary of the founding of the CPC, the Sixth Plenary Session of the 19th Central Committee of the CPC, the National Games, the China International Fair for Trade in Services, and the China International Import Expo.

2007 2008 2009 2011 2015 2017 2019 2020 2021

In 2008

- The Company was the first in the world to realize the 100% electronic application of airline tickets and was granted "Simplified Business Strategic Partner Global Outstanding Contribution Award* (簡化商務戰略合作夥伴全球傑出貢獻獎)" by International Air Transport Association ("IATA").
- The Company acquired all registered capital and properties of ACCA.

In 2011

- ETD system processing capacity exceeded 300 million passengers.
- A mobile Internet-oriented mobile application, "Umetrip", was independently researched and developed.

From 2015 to 2016

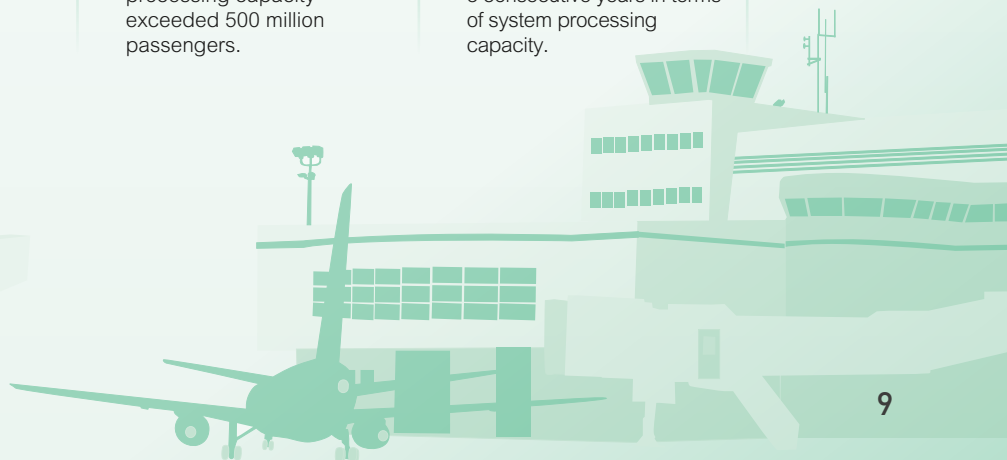
- The H shares of the Company were added to the lists of MSCI Emerging Markets Index, Hang Seng Composite LargeCap & MidCap Index, Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.
- In 2015, the Company obtained the first batch of National Operation and Maintenance Qualification Certificate-Level 1* (運行維護一級資質證書).
- In 2016, ETD system processing capacity exceeded 500 million passengers.

In 2019

- The Company obtained the certificate for "Important Software Enterprise under the National Planning Layout" for 14 consecutive years.
- The "Aggregator (聚合)" platform based on new distribution capability (NDC) was awarded the highest NDC level 4 certification by IATA.
- ETD system processing capacity approached 700 million passengers and ranked third in the world for 3 consecutive years in terms of system processing capacity.

On February 7, 2021

The Company has been listed for 20 years with the market value of more than HKD50 billion.



FEATURE 1: SHOULDERING RESPONSIBILITY OF THE TIMES BY BUILDING THE ENGINE OF INNOVATION



Innovation holds the key to development and the future. Closely focusing on what China and the industry need to achieve development, TravelSky puts independent development of key systems at the center and the innovation incentive mechanism as the support, to integrate innovation platforms, projects, and talent. Aiming to produce results, benefits, and talent, we pursue breakthroughs in our technological innovation capability to help China become a country of strong civil aviation.

IMPROVING THE INNOVATION MECHANISM AND ENHANCING THE AWARENESS OF INNOVATION

TravelSky continues to optimize the building of a technological innovation system, accelerates the implementation of the plan for establishing a modern R&D system, and builds a high-end innovation platform. We coordinate innovation management, build an open collaborative innovation system, and improve the technological innovation environment. By doing so, we enhance the awareness of technological innovation and the ability to tackle key problems, boosting our R&D efficiency.

In 2021, Our R&D investment reached RMB973,807 thousand

Creating an innovation platform	Coordinating innovation management	Carrying out joint innovation
- We create a provincial- and ministerial-level scientific and technological innovation platform, pass the three-year review by the CAAC for a key laboratory of civil aviation with good results, complete the annual operation evaluation of the Beijing Big Data Engineering Technology Research Center and the Beijing Design Innovation Center and pass the annual review. - We establish a national sci-tech innovation platform and apply for a national enterprise technology center.	- We organize the first scientific and technological innovation conference. - We launch the "931 To-the-peak Action Plan" to enhance technological innovation capabilities. - We optimize the reward and evaluation mechanisms for technological innovations. - We build an R&D information management platform to achieve hierarchical management of sci-tech projects and full data coverage.	- We improve collaborative innovation and join the industrial technology alliance such as the "Civil Aviation Science and Education Innovation Research Alliance", "Central State-owned Enterprise Beidou Industry Collaborative Development Platform", and "PK System Ecological Alliance." - We conduct technological cooperation and exchanges with Huawei, CICT, Sugon, CEC, and other enterprises. - We build a joint innovation base for key information infrastructure.

- Measures to improve the innovation mechanism



CASE

TravelSky holds the first scientific and technological innovation conference

On September 30, 2021, TravelSky held the first scientific and technological innovation conference. During the conference, we followed the instructions by General Secretary Xi Jinping on scientific and technological innovation, the requirements of the SASAC and the Civil Aviation Administration of China (CAAC) on scientific and technological innovation, and TravelSky's innovations during the "13th Five-Year Plan" period (2016-2020). We also analyzed the current situation and challenges and made arrangements for innovation during the "14th Five-Year Plan" period (2021-2025). The meeting also granted the outstanding contribution award of "13th Five-Year Plan" scientific and technological innovation, the 2020 R&D general manager award, general manager award on innovation commercialization, and the 2020 patent award.



- TravelSky holds the first scientific and technological innovation conference

Feature 1: Shouldering Responsibility of the Times by Building the Engine of Innovation



CASE

TravelSky strengthens strategic cooperation and security support for critical information infrastructure

In 2021, TravelSky established partnerships with Huawei, CICT, Sugon, CEC, and other enterprises. We leveraged our partners' technological advantages in key information infrastructure such as domestic IT infrastructure, data centers, high-performance computing, big data analysis, and information security with in-depth exchanges and cooperation in the localization of IT infrastructure, mainframe replacement, green data center construction, laboratory joint innovation to ensure information security. On this basis, we approved the construction of a "joint innovation base of key information infrastructure" to provide strong support for the smooth development of research cooperation projects.

CARRYING OUT TECHNOLOGICAL RESEARCH TO BUILD SMART CIVIL AVIATION

As an active participant in major national and industry research, we strengthen the management of government-led sci-tech project applications, exchanges, and industry-university-research cooperation. We also engage in sci-tech and engineering projects in key fields and conduct cutting-edge technology application research and commercialization. Committed to improving the quality of technological innovation, we keep improving our localization capability and independent innovation and continue to create innovative products with industry-wide influence and international competitiveness, promoting the smart civil aviation.

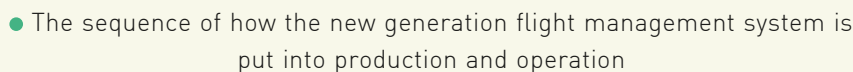
Sci-tech innovation projects

- Three projects, including the civil aviation joint fund, the flight schedule research of airport clusters, and the big data demonstration project of the Ministry of Industry and Information Technology are approved as national sci-tech innovation projects.
- One project is selected into the Civil Aviation Joint Fund Guidelines.
- Two top-level sci-tech innovation projects are completed and submitted for acceptance.

● Progress in technological innovation in 2021

CASE

In civil aviation, the flight management system is one of the three core systems supporting civil aviation passenger services, laying the foundation for the civil aviation business system and airline revenue control. Such a system has complex business and intensive transactions, requiring strong real-time performance and sound security and reliability. The system has long been supplied with the mainframe of foreign companies that hold major technologies. In order to change the situation, TravelSky focused on how to bypass foreign mainframes while building a new generation flight management system that is autonomous, controllable, safe, and reliable. The system, throughout its development, required an average of more than 400 developers every year, meeting more than 300 demands and realizing more than 1,000 functions. A total of 3.62 million lines of code were written. In 2021, the new generation flight management system was put into operation in 50 airlines, marking that China's civil aviation has achieved technological independence in flight management. This also tells that TravelSky has the ability to build globally leading systems.



Feature 1: Shouldering Responsibility of the Times by Building the Engine of Innovation



PROTECTING INTELLECTUAL PROPERTY RIGHTS TO CONSOLIDATE ACHIEVEMENTS

As technological innovation goes deep and wide, TravelSky has made several breakthroughs with many awards and patents granted. To further stimulate innovation and creativity, we have formulated and released the *Interim Measures for Patent Management of TravelSky* and the *Interim Measures for Rewarding TravelSky Technological Innovations*. We encourage employees to pursue technological innovation and reward inventors or designers accepted and granted patents by the China National Intellectual Property Administration, units, teams, or individuals receiving national or provincial sci-tech progress awards or making outstanding contributions in establishing technical standards at all levels and building national or provincial innovation platforms. At the same time, we invite external intellectual property institutions to provide full-process support for R&D personnel in their patent application. No less than two special intellectual property training sessions for R&D personnel are held annually to improve the quality of patents and patent authorization.

In 2021:

- Two projects, "High-Performance International Civil Aviation Freight Rate Search System" and "Research and Application of Intelligent Passenger Services at Super-large and Complex Airports", won the first prize of Civil Aviation Science and Technology Award by China Air Transport Association.
- Two projects, "Green Intelligent Infrastructure Operation and Maintenance for Civil Aviation Data Centers" and "Revenue Promotion System Based on Massive Multi-Source Civil Aviation Passenger Service Data such as PNR" won the third prize of Civil Aviation Science and Technology Award by China Air Transport Association.
- Won the "Ten Years Outstanding Contribution Award" in the "China Software Cup" College Student Software Design Competition.

In addition, TravelSky sets standards. In 2021, we applied for 9 group standards and one industry standard and completed 22 group standards, contributing to the sustainable development of the industry.

In 2021:

- We applied for 169 patents.
- We commercialized 17 technological innovations.
- One invention patent won the 22nd China Patent Excellent Award.
- We rewarded 25 patents.
- We rewarded 421 patent applicants.



CASE

“The Method and Device of Evaluating the Reliability of Flight Information Inquiry Systems” wins the 22nd China Patent Excellent Award

“The China Patent Awards”, the highest domestic award in intellectual property jointly organized by the China National Intellectual Property Administration and the World Intellectual Property Organization (WIPO), is highly recognized. In May 2021, the patent of TravelSky, *Method and Device of Evaluating the Reliability of Flight Information Inquiry Systems* (201510999473.1), stood out among many competitors to become a holder of the China Patent Excellent Award, the first such honor for TravelSky. It fully reflects our efforts to strengthen the high-quality pursuit of intellectual property rights, develop high-value patents, and enhance our innovation strength in recent years. It also acknowledges our continuous improvement of the intellectual property management system and level.

REMAINING COMMITTED TO OUR ORIGINAL MISSION TO AIM HIGH

During the “14th Five-Year Plan” period, TravelSky will unswervingly implement the innovation-driven development strategy. Led by key technology research and smart civil aviation building, we will improve innovation capabilities by breaking common and key strangleholds on the development of enterprises and the industry. We will remain steadfast to the key principle of “Six Ones” in technological innovation, vigorously promote smart civil aviation, and launch the technological innovation capability improvement plan (“931 To-the-Peak Action Plan”). We will also accelerate the “213 Project” by optimizing the R&D system, building a high-end corporate think tank, and establishing a joint experiment base for innovative products. We will seize strategic opportunities, strengthen innovation and self-confidence, and aim high, making ourselves a champion of industry digitalization, the national pillar in information services, and a world-class integrated information service enterprise!



● Certificate of Award for Civil Aviation Science and Technology Award of China Air Transport Association

FEATURE 2: ENABLING TECHNOLOGY-BASED ACCURATE SUPPORT FOR THE BEIJING 2022



Technology makes a splendid Winter Olympics possible. In the Beijing 2022 Winter Olympics airport operation team, TravelSky plays a central role by providing precise technical support: arrival and departure information, baggage tracking, in-Olympic-village check-in... We are fully dedicated and contribute to the Beijing 2022 Winter Olympics (Beijing 2022) with smart technology.



CASE

TravelSky receives a letter of thanks from the Arrival and Departure Center of the Beijing Organising Committee for the 2022 Olympic and Paralympic Winter Games

The arrival and departure tasks of the Beijing Olympic Winter Games and the Paralympic Winter Games were completed in March 2021, which were highly recognized by the Beijing Committee of CPC, the People's Government of Beijing Municipality, the Beijing Organising Committee for the 2022 Olympic and Paralympic Winter Games, the International Olympic Committee and the International Paralympic Committee.

The Arrival and Departure Center of the Beijing Organising Committee believes that the arrival and departure information system, as an important carrier of arrival and departure information management, has played an irreplaceable role in providing reliable services for the Beijing 2022. The interconnectivity, data sharing and mutual recognition between the arrival and departure information system and the civil aviation production and operation system have met the information demands of the whole process of arrival and departure under the background of COVID-19 prevention and control, contributing to realizing the goal of Olympic-related personnel's "safety in arrival and departure".

INDEPENDENTLY DEVELOPING WINTER OLYMPICS ARRIVAL AND DEPARTURE INFORMATION SYSTEM

TravelSky's arrival and departure information system serves as the "data brain" of the Beijing 2022. It connects with many databases such as the flight dynamics of the Beijing Capital International Airport, the National Immigration Administration, and the registration system of the Beijing Organising Committee for the 2022 Olympic and Paralympic Winter Games (BOCWOG). We ensure the accuracy and security of arrival and departure data through 24/7 monitoring. The project team checks the operation of the 18 cloud servers of the arrival and departure information system every day, and assists the arrival and departure center to proofread data in the airport arrival and departure screen, the "My 2022" application, and the operation visualization screen of BOCWOG. We also provide on-site explanations about how to use the arrival and departure data for the airport ground service and baggage transportation teams, accommodation units of the Winter Olympic village, and transportation teams.



- TravelSky arrival and departure information system project team works on the front line

GOING ALL OUT TO ENSURE THE QUALITY OF BAGGAGE TRANSPORTATION FOR THE BEIJING 2022

Supported by the CAAC and BOCWOG, TravelSky actively participates in the baggage security of the Beijing 2022 by setting up a baggage service team with a clear division of labor. Meanwhile, Using the self-developed full-process baggage tracking system for civil aviation passengers – “Baggage Travel”, we ensure full-process tracking, location inquiry, and warnings for baggage of the Beijing 2022 visitors to guarantee the quality of the baggage transportation and improve visitors’ satisfaction. The “Baggage Travel” platform is connected to overseas baggage data and athlete data collected by the arrival and departure information system. At the same time, through TravelSky’s private cloud and stream computing, baggage-related data are cleaned, integrated, and standardized to provide real-time and accurate baggage information.

01

We develop two visualization tools of the Beijing 2022 screen and the baggage monitoring screen, through which on-duty staff can monitor system resources in real time and report baggage data. They can resolve issues as soon as they identify them to have overall monitoring of Beijing 2022 baggage services.



03

We add another 12 servers to reduce service pressures, remove potential risks brought by a single server connection with the Beijing Capital International Airport, and adopt server clusters to ensure system reliability.

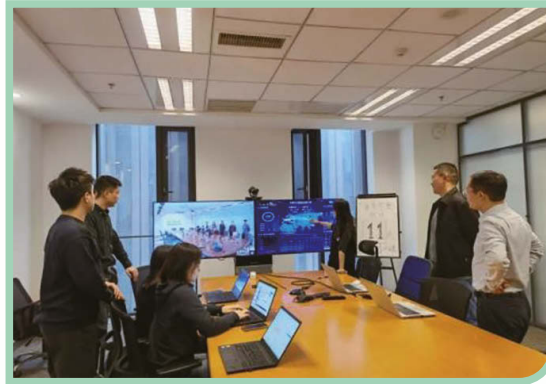
02

We formulate emergency plans and send support teams and technical experts to the Beijing Capital International Airport for the maintenance of the “Baggage Travel” platform.

- TravelSky’s measures to ensure the quality of luggage services

The original baggage information messages provide important information about “baggage source and destination”. In March 2021, TravelSky started testing baggage information messages with overseas airlines. With active communication, we reduce their concerns about data security and personal privacy protection and encourage full testing. In the absence of international inbound flights during COVID-19, the test team worked with several airlines to conduct repeated experiments and solves technical problems such as non-standardized formats, impeded transmission links, and incorrect configuration of the sender. At the end of September in 2021, the first round of testing for all 43 airlines was completed, and at the end of November, the second round of testing for airlines applying for transportation services for the Beijing 2022 was finished. So far, 100% of baggage information messages sent by all airlines were received.

Feature 2: Enabling Technology-based Accurate Support for the Beijing 2022



- TravelSky Beijing 2022 baggage service team discusses the details

PROVIDING IN-OLYMPIC-VILLAGE CHECK-IN SERVICES

To improve the quality of arrival and departure services for delegations of national or regional Olympic Committees, the Beijing 2022 move the check-in service counters forward to the three Winter Olympic villages (two in Beijing's Chaoyang and Yanqing districts and one in Zhangjiakou, Hebei province). They offer services such as check-in, weighing, baggage collection and delivery, overweight baggage fee collection, and checked baggage customs declaration and verification.

In November 2021, after preliminary planning, on-site investigation, and continuous optimization, TravelSky completed the commissioning, testing, and drills of the departure systems for three Winter Olympic villages in December 2021, ensuring that three in-Olympic-village check-in counters systems were put into operation. Visitors can go through check-in procedures in the Olympic village, enjoying the services provided by TravelSky.



- TravelSky employees offer check-in services in the Beijing Winter Olympic village

TravelSky employees pledge that we will “improve our sense of responsibility and work for our missions; go all out and be reliable; cooperate sincerely to see missions fulfilled; ensure precise COVID-19 response with no failures; and contribute to the Beijing 2022 to reassure the Party.” Striving towards the goal of “wonderful Olympics and brilliant TravelSky”, we turn our technological edges into power to serve the Winter Olympics and showcase our civil aviation strength, contributing our solutions to a wonderful, extraordinary, and outstanding Winter Olympic event.

ENHANCING THE R&D SYSTEM AND THE OPERATION AND MAINTENANCE SYSTEM FOR SERVICE SUPPORT

The Beijing 2022 coincided with the Spring Festival holiday of the Year of the Tiger in China. These two factors, coupled with pandemic prevention and control, posing great challenges to civil aviation services. Attaching great importance to civil aviation services during the Winter Olympics, we make advanced planning, thoughtful arrangements, and efficient work shifts to get braced for the smooth operation of various systems during the critical service support period.

During the Beijing 2022 guarantee period,

- TravelSky employees of 12 on-duty positions and 21 technical categories guaranteed services and important positions had two shifts 24/7.
- The number of people on duty every day averaged about 700 with a total of 31,000.

We sort out Olympic-related resources and have established a database. We maintain independent operation for all departure-related affairs, achieving better precision and efficiency. During the critical period of Beijing 2022, we ensured 24-hour support by an operation and maintenance expert of departure front-end application at the Beijing Capital International Airport every day, who is responsible for monitoring the operation status of key systems and real-time system operation data and conducting in-depth inspections. By doing so, we make sure that the key departure system has sound connections and smooth interactions with other systems such as airport security and baggage sorting systems. At the same time, relevant emergency plans are continuously refined according to the requirements of the Winter Olympics airport services to guarantee the stability of key business nodes and core application systems of airport departures.



- TravelSky's operation and maintenance personnel on the front line of the Winter Olympics

Meanwhile, TravelSky offers precise support for the four key systems of arrival and departure, remote baggage, in-Olympic-village check-in, and departure. We clarify the business boundaries and maintenance responsibilities of the four systems, make a list of network resources, system resources and infrastructure resources and the service connection procedures, and put forward operation and maintenance monitoring measures, emergency plans, and fault information reporting standards. To avoid the collapse of the on-duty system and damage to work safety caused by COVID-19, we have multiple teams on duty at two sites, where personnel does not meet each other when changing shifts to avoid cross infection and maximize production stability.

Feature 2: Enabling Technology-based Accurate Support for the Beijing 2022



CASE

A team and an individual of TravelSky awarded by Beijing 2022

On the morning of April 19, 2022, the Commendation Conference of the Beijing Winter Olympics and Paralympics was held in Shougang Wen Guan to review successful practices of the Beijing 2022 and recognize outstanding teams and individuals.

A team and an individual of TravelSky, due to their important contributions to the preparation of the Beijing 2022, were recognized. The arrival and departure project team of TravelSky Technology Limited won the Beijing 2022 outstanding team while Liu Jie, a senior software engineer of the Product R&D Department of Beijing Travelsky Information Technology Co., Ltd., received the honor of Beijing outstanding individual for Beijing 2022.

The arrival and departure project team developed more than 200 functions of the version 1.0 system on February 28, 2021, which was launched on March 1, 2021. After the trial operation, the team optimized the system and released the 2.0 version on September 1, 2021, in which the number of functions increased to more than 800. From October 1 to December 31, 2021, the arrival and departure information system played an important role in the "Experience Beijing" event. In December 2021, the team finalized various emergency plans and conducted a special drill, ensuring that system operation and maintenance would not fail. During the Beijing 2022 from February 4 to March 17, 2022, a total of 32 team members devoted themselves to guaranteeing 24/7 services for the Beijing 2022, achieving 100% accuracy of arrival and departure information of participants.

Liu Jie is currently working for Beijing Travelsky Information Technology Co., Ltd. On January 1, 2022, Liu Jie, as the technical director of operation and maintenance, led relevant personnel to join the Beijing 2022 airport operation team and established a 24/7 service rapid response mechanism to ensure zero failures or information security incidents. During the competition, by checking the consistency of arrival and departure data, flight dynamic data, iAPI data, baggage data, and registration data, they provided timely and accurate arrival and departure information for security and other departments, playing an important role in realizing a pleasant journey for participants in a COVID-19 period.



● Liu Jie



● The arrival and departure project team

1. CSR MANAGEMENT BOOSTS CORPORATE DEVELOPMENT

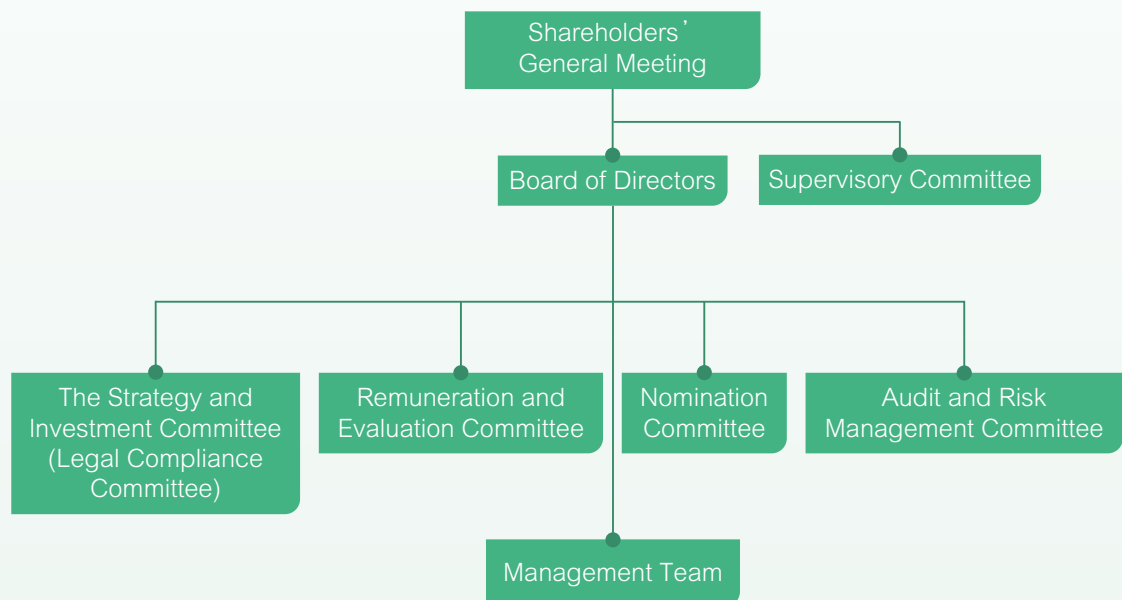
TravelSky continues to strengthen the establishment of the internal management system, enhance compliance management, and protect stakeholders' rights and interests to the greatest extent with better governance; Highly valuing sustainability management, we have established diversified and efficient interactive communication mechanisms to track the opinions and suggestions of stakeholders and strengthened supplier management, in a bid to build a responsible supply chain and realize win-win cooperation with our partners.

1.1 CORPORATE GOVERNANCE

A sound corporate governance mechanism helps to enhance the value of a company and safeguard shareholder rights and interests, and is an important prerequisite for sustainable corporate development. We keep improving our corporate governance structure, the internal control system, as well as the awareness of compliance management, to create steady values for stakeholders with standardized management, honest operation and long-term development.

1.1.1 Improving governance structure

The Company strictly abides by the *Company Law* and *Securities Law of the People's Republic of China*, its *Articles of Association*, *Main Board Listing Rules of SEHK* and other relevant laws, regulations, policies and regulatory requirements. We have put in place a sound corporate governance structure, clearly-defined rules of procedure and working procedures, and the management system and operating mechanism, under which the shareholders' general meeting, the Board of Directors, the Board of Supervisors, the management and the specialized committees perform their respective duties according to law, effectively guaranteeing the independent, efficient and transparent operation.



● Corporate Governance Structure of the Company

1. CSR Management Boosts Corporate Development



The Board of Directors and the four committees under it perform their duties in strict compliance with domestic and foreign regulatory requirements and internal policies including the *Articles of Association*, *Corporate Governance Code* and each committee's working rules. The Board reports to the shareholders' general meeting and is responsible for convening the shareholders' general meeting, reporting to the meeting on its work and implementing the meeting's resolutions. According to the Articles of Association, the Board of Directors of the Company is composed of nine directors, including six external directors, accounting for more than half of the total, and three independent non-executive directors, accounting for one third of the total, which is in line with the provisions of articles 3.10 and 3.10A of the *Main Board Listing Rules*. Eight Board meetings and three shareholders' general meeting were convened in 2021.

1.1.2 Protecting shareholders' interests

The Company safeguards investors' return on investment by continuing to improve its sound operating capacity. On March 24, 2022, the Board of the Company proposed the distribution of a final cash dividend of RMB160.9 million, representing RMB0.055 per share (tax inclusive) for Year 2021 (the "Final Dividend").

The Company has been profitable for 20 years since it was listed. As of December 31, 2021, its total market value has increased by more than 10 times over the years since its listing. The Company distributed annual final dividends in cash once each year, total amount of which accounted for approximately 30-40% of the profit after taxation of the Company in that year. With its unique business, stable operation, sound finance, continuous dividend distribution policy, honest and timely disclosure, the Company has attracted the long-term attention of investors and received coverage research from nearly 20 well-known domestic and foreign securities companies with long-term follow-up and positive evaluation.

In strict compliance with the regulatory requirements of the SEHK, the Company strengthens robust operation, timely and effectively responds to investor inquiries and conference invitations. In 2021, the Company fielded more than 800 investor inquiries, responded to more than 2,000 phone calls/emails from investors, pushed compliance information to nearly 20,000 subscribers, made public over 100 compliance documents and self-disclosures, and assisted domestic and foreign securities companies in publishing nearly 40 research reports, maintaining good investor relations. In 2021, the Company was awarded Hong Kong Investor Relations Award, "Best Investor Relations Award" and "Best ESG Award" of China Financing Awards, among others, by the Hong Kong Investor Relations Association, China Financial Market, etc.

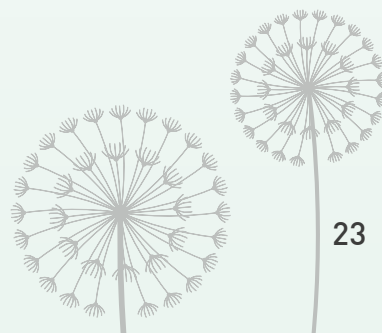
1.1.3 Standardizing compliance operation

TravelSky continues to deepen legal compliance as the first responsible person by improving the legal system and the prevention mechanism of foreign-related legal risks, further strengthening compliance management, developing the team for legal compliance and enhancing case management.

- **Compliance management**

The Group keeps improving compliance management system and has issued the *Compliance Management Measures of TravelSky Technology Limited*. We have established the *Library of Laws and Regulations Related to Compliance Management* and carried out the benchmarking of laws and regulations, forming the *Benchmarking Matrix of Compliance Management*. Based on the above library and benchmarking matrix, we have prepared the *Compliance Management Matrix* to improve the effectiveness of the system; Also, to strengthen the publicity and education of compliance management, we have formulated the *Compliance Publicity Manual of TravelSky* and the *Compliance Management Guidelines of TravelSky Against Commercial Bribery* trying to prevent corruption risks, and raise the compliance awareness of all employees. In 2021, we organized compliance trainings for all branches and subsidiaries.

To improve the long-term management mechanism constantly, we have revised and printed the *Measures of the Party Committee of TravelSky Technology Limited on Assuming Full Responsibility for Improving Party Conduct and Upholding Integrity*, as well as the *Assessment Measures of TravelSky Technology Limited on Improving Party Conduct, Upholding Integrity and Combating Corruption*. We carry out warning education and honesty education. Three warning education conferences and one general meeting of all officials were held in 2021. Besides, we have formulated the *List of Education and Training Courses of Improving Party Conduct, Upholding Integrity and Combating Corruption for Officials of TravelSky*, and organize relevant training courses based on China E-learning Academy for Leadership. We enhance the supervision of overseas anti-corruption, with focuses on overseas Party building, investment, finance, property rights, assessment and distribution, compliance and internal control, and IT application. We also strengthen discipline enforcement and review while emphasizing the deterrent effect of “not dare to commit corruption”; We improve the prevention mechanism of “not able to commit corruption” and have revised and the collective decision-making system on major issues, appointment and removal of key officials, decision-making of key projects and use of large amount of funds. In 2021, no violations of the relevant laws have been found.



1. CSR Management Boosts Corporate Development



TravelSky strictly abides by the *Criminal Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, several regulations on the integrity of state-owned enterprise leaders, etc., and other relevant laws and regulations to prevent bribery, extortion, extortion and money laundering. In 2021, no violation of relevant laws was found. We have set up a transparent process to deal with complaints while opening to the public our mailing address, whistle-blowing mailbox and hotline, so as to unblock the channels for Party members and the masses to give feedback and carry out supervision. The designated department shall accept clues and strictly follow the procedures of registration, approval, transfer and investigation. The reporting information is highly confidential to protect whistle-blowers through legal channels from any vindictive acts. We have signed the *Anti-corruption Agreement with the bidding agency* and developed a routine to sign the anti-commercial bribery agreement when signing contracts with suppliers.



- 2021 TravelSky Working Meeting and Warning Education on Improving Party Conduct, Upholding Integrity and Combating Corruption



- 2021 TravelSky Warning Education

- **Risk management**

To further strengthen the awareness of risk control, we have clarified the risk control process and the responsibilities of risk management, and revised its comprehensive risk management system. Quarterly monitoring of major risks is launched to urge all departments to strengthen risk prevention and timely report relevant risk monitoring information, to prevent and control major risks. We have established and upgraded the digital risk control system, and facilitated the major risk control system of “system integration, risk control empowerment, intelligent system and closed-loop supervision”. Moreover, we hire the external consulting companies to provide internal risk management training for our management personnel to improve their risk management awareness.

- **Internal control**

To “enhance internal control, prevent risks and promote compliance”, the Group has established a “1 + N” internal control system focusing on the establishment of internal control system and supervision system and supported by specific operation specifications. The Company continues to improve the internal control manual and risk library, and regularly revises the internal control matrix and risk library to make the management responsibilities and control measures more in line with the actual business. We have also revised and the Company’s business process and flow chart timely to ensure the orderly management of the Company. The supervision and evaluation of internal control are high on our agenda. We have formulated the 2021 work plan for internal control supervision and evaluation to urge branches and subsidiaries to carry out self-evaluation on internal control.

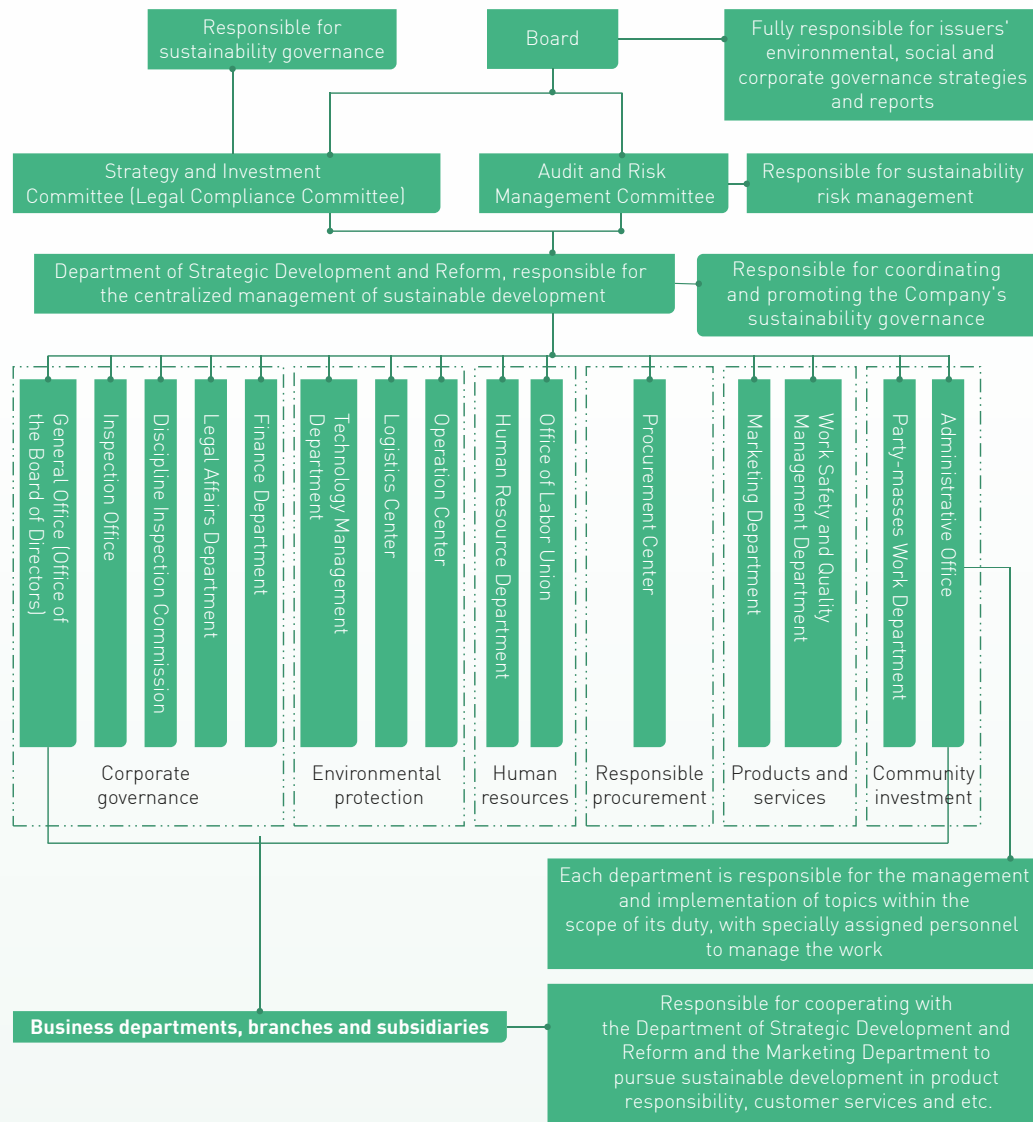
1.2. SUSTAINABILITY MANAGEMENT

Following the requirements of the SASAC and the *ESG Reporting Guide of the SEHK*, we strive to promote sustainable development both in awareness and actions, constantly improve the governance system, and actively carry out communication with stakeholders to assume new responsibilities and make new achievements in the new era.

1.2.1 CSR concept and governance

The Company has continuously improved its sustainability management system and established a top-down sustainability management framework composed of the Board of Directors, the Strategy and Investment Committee, the Audit Risk Management Committee, the working group of committees, functional and central departments, and business departments and subsidiaries. We have formulated the plan for the “14th Five-year Plan” period to improve the efficiency of energy and resources utilization, build a green high-tech park, and continue to boost rural vitalization. We have clarified the corresponding responsibilities of the five-tier structure, especially integrating the Company’s strategy, development plans, daily operation and information disclosure into the responsibilities of each unit. The ESG index system has been built to improve the ESG information collection mechanism and standardize the data statistical caliber.

1. CSR Management Boosts Corporate Development



● TravelSky's sustainability framework

The Company has formed the sustainability governance system, which laid a solid foundation for systematic sustainability efforts and enabled the Company to win the SASAC's "50 Best ESG Central SOEs" and "Best ESG of China Financial Market Award 2021". ESG training for senior managers and department heads are launched to improve their awareness of ESG management and enhance their ESG practice.

On December 16, 2021, Zhang Xiaohong, deputy director of Bureau of Sci-Tech Innovation and Social Responsibility, SASAC, visited TravelSky. She said that as a "small and nice" central SOE safeguarding national security and people's better lives, TravelSky plays an important role in the society and is leading in ESG governance among central SOEs. On December 29, 2021, we held the sustainability update meeting to facilitate sustainable development within the Group.



- Zhang Xiaohong, deputy director of SASAC's Bureau of Sci-Tech Innovation and Social Responsibility visits TravelSky.

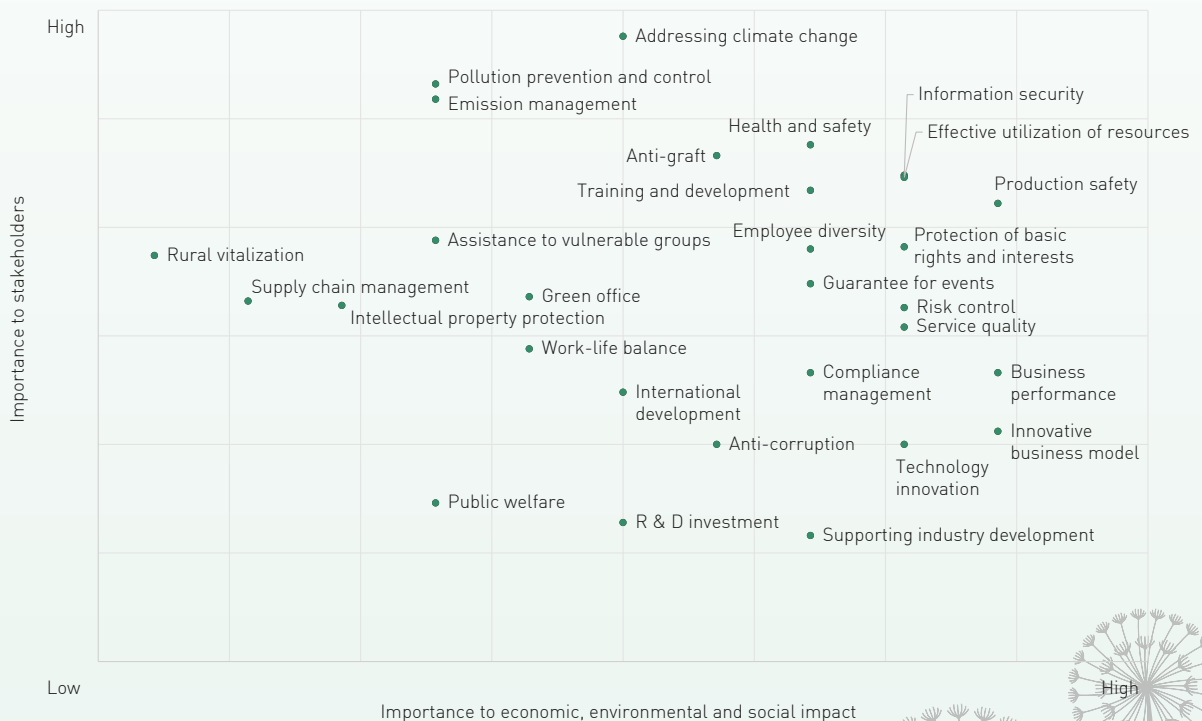


- TravelSky meeting on promoting sustainability

The Company will clarify the requirements and standards of sustainability for all departments as the reference for effective sustainability management, so as to further integrate sustainability into daily operation and management.

1.2.2 Materiality analysis

In accordance with standards, documents, policies and regulations and trendy industry topics on sustainable development, TravelSky determines the contents of sustainable development to be disclosed, and on the basis of a full understanding of the expectations and concerns of stakeholders, determines the importance of each topic to stakeholders to increase the materiality of the report.



- Matrix of substantive issues

1. CSR Management Boosts Corporate Development



1.2.3 Stakeholder communication

We are fully aware that only by working together with stakeholders can we make common progress on sustainability. In daily operation, we constantly improve various communication mechanisms, actively listen to stakeholders' demands, and respond with practical actions, striving to grow together with stakeholders.

Stakeholders	Expectations and concerns	Communication and response
Government and regulators	- Compliance with laws and regulations - Tax payment according to law - R&D on civil aviation information systems	- Strengthening compliance management - Participation in the development of industry standards - Strategic cooperation
Investors	- Robust operation - Good return on investment - Transparency on information disclosure	- Building up competitiveness and profitability - Strengthening market valuation management - Timely information disclosure and better investor relations
Customers	- Integrity and contract performance - Guaranteed quality - High-quality services	- Customer service center and hotline - Customer satisfaction survey - More interaction with customers via WeChat public account
Employees	- Remuneration and benefits - Career development - Health and safety - Employee care	- Employee rights protection - Education and training - Labor protection - Employee complaint email account
Suppliers	- Business ethics - Transparent procurement - Win-win cooperation	- Honest execution of agreements/ contracts signed - Public procurement, electronic procurement - Business exchange and cooperation, topic-specific seminars
Community	- Reliable services for major events - Contribution to rural vitalization - Volunteer services	- Safe, considerate information services - Rural vitalization in Shenchu county - Other public-welfare activities - Humanitarian aid
Peers	- Fair competition - Driving industry progress	- No vicious competition - Experience sharing

● TravelSky's communication with stakeholders in 2021

1.3 RESPONSIBLE SUPPLY CHAIN MANAGEMENT

The Group keeps strengthening its supplier management, and works closely with peer enterprises and suppliers. Efforts are intensified to develop IT-empowered sourcing platforms, and allow advanced technology and management concepts to reinforce each other, in order to build an open, fair, transparent, honest, responsible supply chain.

1.3.1 Strengthening Supplier management

In strict compliance with Chinese laws and regulations such as the *Law on Tendering and Bidding*, *Implementation Regulations on the Tendering and Bidding Law*, and *Administrative Measures for Non-Tendering Government Procurement*, the Group follows the “market access system” for supplier management and selects excellent suppliers based on criteria of price, quality, technology, integrity, etc. In 2021, we revised the *Procurement Management Measures*, *Tendering Procurement Management Measures* and *Non-tendering Procurement Management Measures*. The *Supplier Management Measures* was also updated to standardize the sourcing of suppliers and the credit management process, and prohibit dishonest suppliers from any procurement. Besides, we clarified the warning of supplier risk and identification of supplier misconduct. The negative list and one-vote veto system for unqualified suppliers or suppliers with misconduct were highlighted.



● Suppliers review meeting

In order to ensure the open and transparent procurement process, we have completed the development of TravelSky procurement and bidding platform. The procurement notices and results are published on it to ensure the transparency and controllable process. The training for procurement personnel on procurement-related laws and regulations is intensified to enhance their integrity and self-discipline and improve their awareness of legal procurement with strict adherence to the professional code of conduct. In addition, we improve the training mechanism for procurement personnel to polish their expertise through internal and external trainings. During the reporting period, the Group did not find any conduct that constituted a disciplinary or illegal act in its procurement supervision.

1. CSR Management Boosts Corporate Development



Effective information security technologies and administrative process are adopted as appropriate to prevent leakage of, damage to or loss of supplier information. Only necessary information shall be gathered during the collection of supplier information, and the disclosure of suppliers and personnel information is strictly prohibited. The Group will continue to improve the ability to identify and monitor environmental and social risks of suppliers, and also encourages suppliers to jointly improve their sustainability performance.

1.3.2 Supporting supplier development

The Group holds talks with suppliers to learn about the practices of key suppliers for workplace safety and environmental protection. In the procurement process, we give priority to “green products or green manufactured products” and raise suppliers’ safety and environmental protection awareness, so as to urge them to perform their CSRs. The Group communicates with suppliers through information tools to reduce the amount of paper to be printed. In tendering and non-tendering procurement, it is suggested that the bidding companies and all procurement personnel reduce the bidding documents and copies, and print paper documents on both sides, so as to improve the utilization rate of papers.

In 2021, the Group implemented centralized procurement for laptops, which not only reduced its cost, but also further improved the income of suppliers and achieved win-win cooperation between the Group and suppliers.

Item	2019	2020	2021
Number of suppliers for centralized procurement	25	19	51
Local suppliers (Beijing) (%)	68	72	83.7
Number of suppliers by geographical region	East China: 29	East China: 30	East China: 27
(including consumables and office supplies procurement suppliers)	Southwest China: 23	Southwest China: 5	Southwest China: 4
	North China: 153	North China: 158	North China: 507
			Other parts of Chinese mainland: 28
		Overseas: 7	

2. LOW-CARBON DEVELOPMENT FUELS ECOLOGICAL AND ENVIRONMENTAL PROTECTION

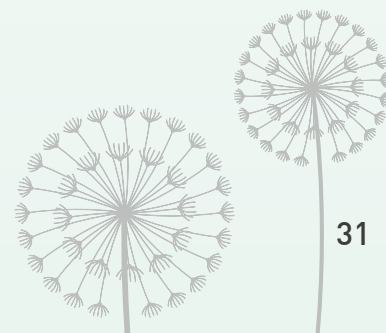
In pursuit of green development, the Group continuously improves the environmental management system and builds a green operation mode. We actively explore low-carbon and green measures. For example, technical means are used to improve the efficiency of resources and energy and minimize the negative impact of our operation on the environment. To implement the SASAC's *Notice on Awareness Activities of National Energy Conservation Week and National Low-carbon Day in 2021*, we launched expert lectures, targeted trainings and promotion activity of energy-saving and low-carbon products and technologies on "Energy Conservation and Carbon Reduction Boost Green Development", the theme of the National Energy Conservation Week, and "Low-carbon life Predicts the Future", the theme of the National Low-carbon Day. This move strengthened energy-saving and low-carbon education for all staff, spread the simple, low-carbon and healthy working mode and lifestyle, which will contribute to the green development for a better future.

2.1 ENVIRONMENTAL MANAGEMENT

During the reporting period, the Group strictly complied with the *Environmental Protection Law*, *Energy Conservation Law*, and other relevant laws and regional regulations in China. We have established an initial energy management system, and formulated and strictly implemented corresponding treatment measures for different pollutants to ensure more standardized, efficient and long-term management of energy conservation and environmental protection.

The Group has formed a task force for energy conservation and emission reduction. The Operation Center, Logistics Center, Technology Management Department are responsible for implementation. In order to ensure the effective implementation of the strategic targets of energy conservation and emission reduction, the task force breaks down the task among responsible administrative and business departments according to the energy consumption of each department in the previous year, including the task into their business performance assessment. And the tasks and targets assigned are included into their business performance assessment. The Group submits the energy consumption table to the Statistics Bureau of Shunyi District, Beijing, on time quarterly and annually, and submits monthly energy consumption report to the Development and Reform Commission of Shunyi District, Beijing, to continuously improve the statistical monitoring and energy consumption management. The Group has established an energy management system according to the *requirements of the GB/T 23331-2012 Energy Management System* as well as its own energy consumption characteristics and energy management needs.

During the "14th Five-Year Plan" period, the Group will advance its digital energy efficiency plan, strengthen the application of new technologies, and improve the energy analysis, prediction and balance and dispatch capacity of the data center, so as to realize the digital and delicacy energy management. At the same time, to continue responding to China's major decisions and plans on carbon peak and carbon neutrality, the Group will design energy-saving and consumption reduction solutions according to local conditions to steadily improve the energy efficiency of the data center and reduce PUE year by year.



2. LOW-CARBON DEVELOPMENT FUELS ECOLOGICAL AND ENVIRONMENTAL PROTECTION



CASE

The 2021 meeting of TravelSky task force for energy conservation and emission reduction

On December 21, 2021, the 2021 meeting of TravelSky task force for energy conservation and emission reduction was held to convey the spirit of important documents such as the *Guiding Opinions for Central SOEs to Promote High-quality Contribution to Carbon Peak and Carbon Neutrality*, and listened to the reports on energy conservation and emission reduction from the Technology Management Department, Operation Center, Logistics Center, Information Service Department and etc. Huang Rongshun, the Chairman, highly recognized the significance of implementing the goals of carbon peak and carbon neutrality. He said that TravelSky should, in light of its own actual conditions, speed up improving energy conservation and efficiency and strengthen the research and application of green and low-carbon technologies. He also put forward five requirements for specific works, including strengthening management and highlighting key tasks, which stated clearly the main targets and directions of TravelSky in energy conservation and emission reduction, and further raised the awareness of all employees.



- The 2021 meeting of TravelSky task force for energy conservation and emission reduction

2.2 GREEN OPERATIONS

The Group studies and implements policies related to climate change, and practices green development and low-carbon strategy in response to the national call for energy conservation and emission reduction, contributing to China's goals of carbon peak and carbon neutrality. In 2021, the Company conducted transactions in the carbon trading pilot market in Beijing.

2.2.1 Responding to climate change

During the reporting period, no climate change-related matters that have or will pose a significant threat to the Group's business have been identified. The Group hired a third-party organization to carry out carbon emission verification, and advanced energy conservation and emission reduction in park management, production and operation to improve the efficiency of energy and resources and reduce greenhouse gas (GHG) emissions. At the same time, to promote energy conservation, we applied new energy-saving technologies for technological upgrading. In response to various types of natural disasters, we formulated contingency plans, conduct emergency drills and off-site backups to minimize the impact of climate change on our business. During the daily operation, we carry out energy conservation and emission reduction in strict accordance with the following methods:

Natural gas

- Energy-saving operation of the first heat source (boiler room):

Heating season: The heating load is determined according to the change in air temperature. On condition that the system demand is satisfied, the difference between the start and stop temperatures of the main boiler and the auxiliary boiler is set to ensure a good match between the heat transmitted by the pipe network and the actual demand load, so as to prevent unnecessary loss caused by excessive heat supply. At the same time, various setting data, parameters, weather conditions and energy consumptions are recorded for reference and comparison in the next heating season.

Non-heating season (securing domestic hot water): In light of the air temperature in non-heating season, solar energy equipment in the park is fully used to provide daily domestic hot water. In case of overcast and rainy weather or insufficient sunshine, the intermittent operation mode (morning/evening) is adopted with reasonable start and stop time of boilers, to ensure the supply of domestic hot water and save natural gas.

- Energy-saving operation of secondary network of heat exchange stations:

The secondary return water temperature of the heat exchange stations is controlled based on the existing heating mode. During working days, the working area (office buildings and other office areas) is heated according to the standard during the day, and the temperature is lowered at night to reduce the energy consumption of empty office buildings and other area, as long as professional pipelines and facilities are not affected. The return water temperature of the heat exchange stations in the empty office space is also lowered during holidays to reduce unnecessary energy consumption.

2. LOW-CARBON DEVELOPMENT FUELS ECOLOGICAL AND ENVIRONMENTAL PROTECTION



Office electricity	• For lighting: Turn off lamps, air conditioners, computers, printers, copiers and other electrical equipment in time after work or when the office is empty. Night shift employees only turn on lamps and air conditioners in the working area. • For air conditioning: The temperature of air conditioners is set at 26℃ in summer, and the operation time of air conditioners and operating quantity of air conditioning hosts and end equipment are dynamically adjusted to realize the minimum operation state of equipment. The air conditioners in the office run from Monday to Friday and stop running on Saturday and Sunday, except for special circumstances such as major activities and meetings.
Water resources	• The property personnel are organized to inspect the secondary pressurized water supply pump room, middle pump room and air conditioning circulating water make-up pump room twice a day, and repair any dripping phenomenon in time, meanwhile, each water tank room and boiler room are equipped with water leakage alarm devices to prevent the discovery of large running and bubbling phenomena. • Strictly forbid the park greening staff to use municipal tap water as greening water, and actively advocate water as a source of greening water. • Rainwater is collected from the rainwater storage pond twice for greening and irrigation in the park each year. In 2021, the cumulative amount of rainwater used is about 8,100 m³, which has saved about RMB28,000 of water bills.

The Group properly uses water, electricity and other resources. Most of our water consumption is for production purpose. According to the relevant standard documents, the Houshayu Park has established annual targets for tap water, medium water and self-provided well water. The annual water consumption target for tap water is 150,000 m³/year, reclaimed water is 1,829,000 m³/year, water from own wells is 80,000 m³/year. At the same time, the Group's place of operation does not cover areas where water resources are scarce, and does not involve the issue of sourcing suitable water, so relevant information disclosures are not applicable. The data of resources used by the Group in 2021 is as follows:

Indicator	2021	Unit Use of resources
Consumption of electricity	50,169,668.4	kWh
Intensity of electricity consumption	9,161.4	kWh/RMB million of income
Consumption of gasoline (vehicle)	242,616.4	liter
Intensity of the consumption of gasoline (vehicle)	1,076.7	liter/vehicle
Consumption of natural gas	1,779,000.0	m ³
Intensity of the consumption of natural gas	324.9	m ³ /RMB million of income
Consumption of purchased heat	6,785.0	GJ
Intensity of the consumption of purchased heat	1.2	GJ/RMB million of income
Consumption of diesel	18.4	ton
Total consumption of water	456,696.0	ton
Intensity of the total consumption of water	83.4	ton/RMB million of income
Tap water	90,738.0	ton
water from own wells	95,405.0	ton
Reclaimed water	270,553.0	ton

* In order to ensure the uniformity of the data, approximate calculation is made for the data here.

The data of GHG emissions of the Group in 2021 is as follows:

Indicator	2021	Unit
GHG Emissions (Scope 1 and Scope 2)		
Emission by vehicles (Scope 1)	549.9	ton
Emission by electricity consumption (Scope 2)	30,409.7	ton
Emission by purchased heat consumption (Scope 2)	746.3	ton
Emission by diesel (Scope 1)	57.9	ton
Emission by natural gas (Scope 2)	3,846.3	ton
Total GHG emissions	35,610.1	ton
Intensity of total greenhouse gas emission	6.5	ton/RMB million of income

* In order to ensure the uniformity of the data, approximate calculation is made for the data here.

2. LOW-CARBON DEVELOPMENT FUELS ECOLOGICAL AND ENVIRONMENTAL PROTECTION



CASE

The green data center drives low-carbon development

The Group has innovated in the core technology of intelligent O&M of the data center, explored the delicacy management of the energy consumption of infrastructure, and established the management system for the energy consumption of infrastructure, thus realizing the intelligent and digital O&M as well as the development of a green data center. From the implementation of the project in January 2018 to the end of 2021, the power utilization rate (PUE) of the data center kept decreasing as the annual PUE in 2021 fell to 1.295, representing a year-on-year decrease of 2.10%, which has saved 31.2055 GWh of electricity. The data center achieved good environmental and economic benefits. In April 2021, the data center's green and intelligent O&E project won the "Civil Aviation Science and Technology Award" and TravelSky's Outstanding Contribution Award for Scientific and Technological Innovation during the "13th Five-Year Plan" period, thus promoting green operation and low-carbon development with innovative technologies.

2.2.2 Strengthening pollution prevention and control

During the reporting period, the main emissions of the Group were from office supplies, various electronic equipment wastes and domestic sewage. The Group has continuously strengthened the management of pollutant treatment and emission, and there was no violation of relevant environmental laws and regulations. The Group has formulated strict regulations for different pollutants, hazardous and non-hazardous wastes, and domestic sewage to ensure daily measurement, monitoring, management and up-to-standard discharge. At the same time, we set an emission target of no more than 2.26 ton of nitrogen oxide emissions for the year 2022, and the kitchen fume emission concentration meets the emission requirements of the Emission Standards for Air Pollutants in Restaurants. During the daily operation of the Group, the treatment of the above main emissions is carried out in strict accordance with the following methods:

Emissions	The Group acts in strict accordance with national and Beijing municipal standards and requirements on the emission of air pollutants, and the requirements formulated by the internal technology team. The emission of air pollutants, kitchen fume and sewage are regularly tested to make sure that it meets the mandatory standards. If any abnormality is detected, corrections will be made immediately.
Hazardous and non-hazardous waste	- The Group acts in strict accordance with regulations on the management of domestic waste promulgated and implemented by the state and government at all levels, sorts domestic waste generated in the industrial park before transporting it away. For offices managed by us, we have contracted a local domestic-waste transport company to clear the park's domestic waste on a daily basis and transport it to the government-designated recycling stations. - Through the donation and exchange of used items to achieve the reuse of used items, the source of separation in reducing the amount of domestic waste removal and final disposal while facilitating recycling.
Domestic sewage	Domestic sewage generated by business operation flows into the outdoor septic tank through the pipeline. The septic tank can filter and precipitate the solidified matter such as feces in the sewage. The solidified matter stays at the bottom of the septic tank and has sufficient time for hydrolysis. The hydrate in the upper part of the septic tank flows into the large municipal sewage pipeline through the septic tank and finally into the sewage treatment plant. After treatment, it turns to be reclaimed water for toilet flushing and greening etc., thus saving water resources.

During the reporting period, the Group strictly controlled and monitored the discharge of various pollutants and the Group's business did not involve the use of packaging materials. The data of the Group's hazardous and non-hazardous waste emissions in 2021 is as follows:

Indicator	2021	Unit
Discharge of non-hazardous waste		
Discharge of domestic waste	657	ton
Discharge of food waste	130	ton
Intensity of the discharge of domestic waste	0.1	ton/RMB million of income
Discharge of hazardous waste		
Discharge of hazardous waste	917	piece
Intensity of the discharge of hazardous waste	0.2	piece/RMB million of income

* In order to ensure the uniformity of the data, approximate calculation is made for the data here.

2. LOW-CARBON DEVELOPMENT FUELS ECOLOGICAL AND ENVIRONMENTAL PROTECTION



2.2.3 Developing green products

The Group actively develops green technologies, and vigorously promotes energy-saving technological transformation to speed up the circular transformation of the Park for the green, circular and low-carbon development. The “Aviation Information Inquires”, an intelligent travel solution launched by the Group for passengers, has rearranged the travel process for passengers, which has saved the waiting time for passengers, and also reduced the cost of paper boarding pass. It has become a model product of CAAC’s quality service. By the end of 2021, it has served 1.02 billion passengers. According to the relevant standards of the International Air Transport Association (IATA), it has saved RMB204 million for the cost of paper boarding pass for China’s civil aviation and reduced 15,300 tons of carbon emissions.



- “Aviation Information Inquires” enables low-carbon travel

2.3 ENVIRONMENTAL PUBLICITY

The Group advocates low-carbon and green life and also spreads the energy conservation and low-carbon concept in daily work as well as internal and external publicity. We promote paperless office, strengthen water and electricity management, and encourage green travel. To create an atmosphere of “Caring for the environment is everyone’s responsibility, green civilization starts from me”, we actively guide employees to minimize the use of disposable products and products with low quality and short life span, so as to reduce the amount of domestic waste generated at source. A variety of awareness and training activities are held to improve the awareness of environmental protection of all employees. In addition, we introduce the latest progress of the goals of carbon peak and carbon neutrality to employees, and encourage them to practice green work and lifestyle, so as to jointly build a green TravelSky.



CASE

Training launched to improve the energy-saving and low-carbon awareness

In September 2021, we organized the online training on energy conservation and low-carbon development for employees through the online energy consumption management platform. By watching the online awareness activity of "central SOEs action on energy conservation and carbon reduction", and learning courses such as *On Carbon Peak and Carbon Neutrality, Reducing Pollution and Carbon and Improving Ecology to Facilitate the Goals of Carbon Peak and Carbon Neutrality and Introduction to Energy-saving Technology Policies and Green Technology Catalogue*, employees have been fully aware of carbon peak, carbon neutrality, green development, energy-saving and low carbon concept, facilitating our energy-saving and low-carbon work. Over 100 employees participated in the training.



CASE

Exchanges and awareness activities make energy conservation and carbon reduction a hot trend

During the National Energy Conservation Week and the National Low-Carbon Day in August 2021, to strictly implement the SASAC's *Notice on Awareness Activities of National Energy Conservation Week and National Low-carbon Day*, we invited authoritative experts to share the experience of building the green data center and introduce China's policies and implement pathway of carbon peak and carbon neutrality. Meanwhile, TravelSky's achievements in the energy consumption management and energy-saving investment was displayed by a series of actions, such as making energy-saving posters and videos, encouraging employees to travel by public transport, signing energy-saving proposals, launching the sign-in activity for energy conservation and carbon reduction, and promoting on WeChat. At the same time, we also publicized the simple, low-carbon and healthy working mode and lifestyle to employees, so as to create a green culture and promote energy conservation and efficiency.



- "Energy conservation and carbon reduction boost green development" poster
- Volunteer service activities for lawn cleaning and tree watering in the company park

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



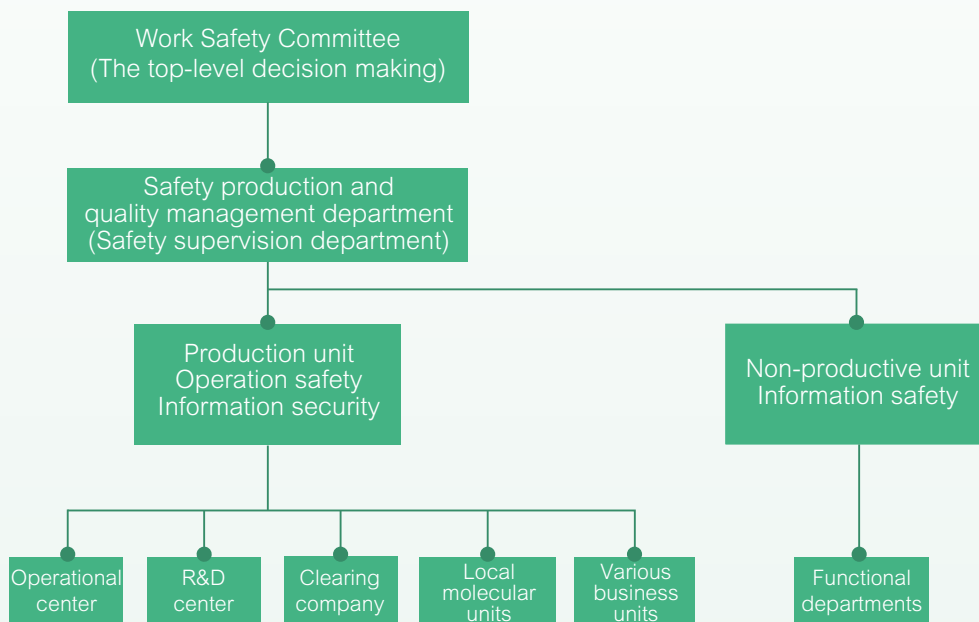
TravelSky makes sustained efforts in raising its awareness of work safety, reform, innovation and services. While focusing on our main businesses and responsibilities, we act on the new development philosophy in the new era to ensure cybersecurity, optimize customer service, and empower employees' growth. Our active fulfillment of responsibility facilitates us to improve our brand image and reputation, better serve the IT-enabled civil aviation and meet people's desire for a better life.

3.1 STICKING TO THE SAFETY BOTTOM LINE

Cybersecurity, as an important part of the national security system, is not only about the network itself, but is also related to national security and social stability. As a national team in information services, the work safety of the information system operated by the Group is directly related to the order of the civil aviation transportation and service industry. To prevent safety accidents, the Group keeps upgrading its safety management system, increasing investment in work safety, improving the emergency management system, and promoting safety culture.

3.1.1 Upgrading safety management

The Group has implemented the "national three-year action plan on work safety", and improved the safety management structure based on the requirements of new national laws and regulations related to safety. We have built information platforms for safety management, and started the development of the Company's work safety system. Aimed at a new integrated work safety framework with full coverage and high efficiency, we will keep improving the efficiency of safety management.



- Operation and maintenance system organizational structure

Improving safety management systems	Building information platforms for safety management
- We issued the <i>Management of the Work Safety System of TravelSky Technology Limited</i> to completely reconstruct the safety system with a new work safety structure featuring “two layers (regulation and implementation) + three fields (operation security, information security and data security)” + “three horizontals (organizational posts, software systems, O&M activities) + three verticals (before, during and after failure)”. - The hierarchical protection is implemented. Five three-tier protection systems (ICS, DCS, CRS, core network and electronic ticket) passed two reviews.	- We built a “command platform for safety management” to strengthen the delicacy safety management. - We built a “communication platform for safety management” to realize joint duty and collaborative emergency response. - We built a “local information management platform for airports” to collect the basic data of Chinese airports and local software information with fast graphical display and retrieval.

- Measures to improve safety management

3.1.2 Securing information security

As the maintainer of the important information infrastructure of China’s civil aviation, TravelSky has enhanced the protection of both important and critical information infrastructure according to laws and regulations as well as the requirement of “zero tolerance of security risks” set by the CAAC. We have strengthened security control and taken various measures to carry out “saturated” security risk checks and improve our ability to safeguard security, thus promoting the sound and safe development of civil aviation information service platforms as well as the whole civil aviation industry.

In 2021,

- Work safety incident at the second level or above or information security incident with social impacts 0.
- The availability ratio of the three host systems and the major open platform systems exceeded 99.99%.

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



Improving critical information infrastructure	Strengthening safety control	Clearing potential safety hazards
- We upgraded airports' local backup capacity, the storage of the departure host and the network resources of key airports. We connected and simplified the check-in counters of the top ten airports, completed the six sets of new cluster environment for the interface system of the departure host, and put into effect the configuration for more than 10,000 new airport counters. - We strengthened our capability of network attack and defense by participating in the 2021 national cybersecurity drill.	- We carried out the real-name authentication for the civil aviation reservation system and the mainframe departure system, and promote the civil aviation passenger service system under our jurisdiction to fully adopt real-name authentication. - We made the accounts of critical information infrastructure' safer through limiting speed, current, and number, and strengthening password control and anti-violent cracking measures.	- We carried out a number of inspections, such as the 100-day action of security rectification, the inspection of cybersecurity drills, and the compliance inspection of passenger data for external services, so as to identify potential problems and clear them all. - We realized the "isolation of our three internal networks", including controllable isolation between the office network environment and auxiliary working network environment as well as the complete isolation of the working network environment. - We promoted the independence of software definition and registration, and realized the registration and classification of 247 application software. - We completed 6 whole market databases, and reduced the number of high-risk passenger databases from 7 to 1.

● Measures to secure cybersecurity

3.1.3 Creating safety culture

As the new *Workplace Safety Law*, *Regulations on Protecting Critical Information Infrastructure*, *Data Security Law* and *Personal Information Protection Law* are enacted and implemented, we launch activities for all employees to learn new regulations, take exams on laws and regulations and join in cyber security competition, in a bid to strengthen employees' awareness, capability and skills of information security.



Case:

The 2021 cybersecurity competition

TravelSky held a cybersecurity competition in December 2021, aiming to improve cybersecurity skills, cultivate cybersecurity professionals through “competition instead of training” and create a good competitive atmosphere. Held online, the event covered cybersecurity policies and regulations, cybersecurity management, encryption and decryption, software reverse analysis, analysis and emergency response to civil aviation cybersecurity incidents, comprehensive application of cybersecurity knowledge and bug fix. All units showed their high enthusiasm towards the event and a total of nearly 100 employees in 33 teams from 21 units participated in the event. The event promoted employees’ skills and their career development with a platform for cybersecurity personnel to compete and share experience, improve skills and show their talents, providing talents and skills for the building of a civil aviation powerhouse in many fields.



Case:

Trainings on laws and regulations launched to promote safety culture

In 2021, targeting employees in safety posts, we invited senior experts in relevant fields to conduct a series of awareness and education activities on the new *Workplace Safety Law*, *Data Security Law* etc. to further strengthen the philosophy of safety development and shoulder safety responsibility. With “awe for life, responsibility and regulations” as the core, we launched the safety trainings to strengthen awe, warn employees with typical cases and improve their emergency skills. More than 200 professional training sessions were organized, with over 3,000 participants.



● Training on the Regulations
on Protecting Critical Information Infrastructure

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



Meanwhile, we have improved our ability to ensure safety and handle safety accidents by carrying out security checks, emergency drills, safety training, daily security guard, fire safety inspection and public security patrol, thus ensuring the stable and safe operation of the Company. In 2021, we responded to 3,556 fire alarms, checked up 6,254 fire extinguishers and cleaned over 13,400 fire detectors. We invited the fire brigade to carry out training and drills involving community police officers, neighborhood committee officers, grid officers, security officers, property management officers and officers of key units for fire safety. We also organized the fire evacuation drill in the machine building and built the volunteer firefighter team of the Park, which has improved employees' hands-on ability of fire-fighting equipment.



Case:

Field drills launched for a safe Park

To ensure the fire safety of the Park, we strengthened the fire safety management by improving the fire emergency plan and carrying out fire evacuation drills in an orderly manner. In 2021, we launched three field drills in the machine building, including fire rescue and fire evacuation. All personnel performed their duties according to the plan and achieved the expected results during the drills, through which employees' awareness of disaster prevention and mitigation has been strengthened and their ability of rapid response and rescue has been improved. The Group completed the drill reports after that and improved the *Emergency Plan for Fire and Evacuation*, which laid a good foundation for its fire safety management.



● Firefighting drills and trainings

In 2020,

- Launched safety emergency drills covered nearly 3,800 times.
- The safety and emergency drills Involved in 9,800 participants.
- Safety trainings provided 580 times.
- Safety training for 1,720 hours.
- Safety training involved in 28,000 participants.

3.2 IMPROVING CUSTOMER SERVICES

Shouldering the responsibility to ensure the safe, stable and reliable operation of the civil aviation information system, the Group provides quality services and explores new applications of information products in various scenarios of passenger service. We have formed a relatively diversified, powerful and affordable product line of IT services in the industry based on the strategies of airports and regional economic development, in the hope of building a benchmarking brand of China's civil aviation service together with China's airlines and airports etc., and promoting the IT-enabled development of civil aviation as well as social harmony.

3.2.1 Providing quality services

To provide better services for customers, we have set up 49 branches and subsidiaries all over China and the world to serve local and surrounding customers. For airline headquarters and large airports, we have designated customer representatives to provide personalized services. We have a special department to collect and solve problems from customers and provide online assistance. Our technical support department is set up to ensure the smooth operation of the system and deal with problems in the process of customer operation. That's how we are able to provide customers with efficient services through the support and collaboration of the above three-tier services.

The Group has developed a series of policies and norms, improved the customer service management system, and built an information platform for customer service management to diversify customer service channels, and strengthen the assessment of service performance. By so doing, we strive to improve, customer services, as well as customer satisfaction and loyalty. As we are not involved in the advertising, labeling or remediation of the products and services provided, relevant information disclosures are not applicable.



Case:

TravelSky's meeting on the airport passenger service platform

The meeting on the airport passenger service platform, a part of the Group's smart airport development, was held in July 2021. The Group introduced in detail the innovative achievements of airport passenger services, the building of airport service brand, as well as a series of passenger service products. Representatives of Beijing Daxing International Airport and Shenyang Taoxian International Airport shared their new ideas and achievements in passenger service during the construction of a smart airport. In addition, the Group and Liaoning Airport Management Group Co., Ltd. launched the collaborative service platform for airports, which not only marked the in-depth integration of collaborative services between TravelSky and airports, but also opened a new phase for China's airport passenger services.



● TravelSky's meeting on the airport passenger service platform

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



To improve our safety and quality system, we have sorted out and revised more than 700 systems and processes. We continue to improve quality and carry out annual internal and external audits of ISO 9000, ISO 20000 and ISO 27001. After we improved what we fell short according to the new international standard of ISO 20000, we have passed the certification of the new standard.

Improving the customer service management system	Enhancing the IT-enabled customer service management
We improved and issued relevant supporting management systems and processes for key matters of customer service, especially for service matters concerned most by customers, such as customer complaints, customer claims, release of failure reports.	- We completed the layout of the Company's IT system in the service field and the development plan for the next three years. - The comprehensive service management and control platform realized the multi-dimensional management and analysis of its services. - The information management system for products and services was put into operation.
Diversifying the customer service channel	Strengthening the assessment of service performance
- We promoted the three-tier customer service system, established the classified customer service management system, and tracked and handled 280 key tasks through joint meetings with customers and internal coordination meetings. - We communicated with and visited customers of different categories, organized in-depth communication with important customers in the form of high-level meetings, so as to collect customers' opinions and suggestions to improve our services.	- We formulated the 2021 customer service assessment scheme, with a number of quantitative and qualitative indicators such as customer service satisfaction, key service improvement tasks, quality of responses to daily service demand, customer complaints, service quality control and support, service management system development and so on. - We implemented the first-contact responsibility system, optimized the supporting functions of the system, and improved the scoring system to strengthen service assessment.

- Measures to improve customer service management

Case:

TravelSky contributes to the building of a smart Chengdu Tianfu International Airport

Our “whole-process smart travel” products and a number of new functions were put into use as Chengdu Tianfu International Airport opened in June 2021. During the construction of the project, we launched the self-service check-in and self-service baggage check-in, as well as intelligent security line and abnormal flight management systems to assist Tianfu airport to build into a benchmarking “smart airport”. By innovating in products, services and processes, we optimized and expanded the self-service function in passenger travel products, and improved passenger travel experience as well as the efficiency and quality of passenger services, thus contributing to a smart civil aviation.



● Our employee tests the self-service check-in equipment



● Terminal of the remote baggage check system

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



3.2.2 Improving customer satisfaction

To better provide products and services and understand customers' needs in time, the Group has formed a complete process for customer satisfaction survey, which collects customers' satisfaction data on products and services mainly by telephone and online survey, and supplemented by appointment for a face-to-face interview, so as to lay a good foundation for the improvement of product quality and customer services, in the reporting period, the number of complaints about the Group's products and services was 0. In 2021, the Group organized all of its units to carry out rectifications based on the customer opinions in 2020, continuously tracking and improving customer satisfaction.

In order to strengthen the handling and management of customer complaints and claims and safeguard the legitimate rights and interests of customers, the Group has formulated the *Customer Claim Management Measures* and *Customer Complaint Management Measures* to protect the legitimate rights and interests of customers and the Group to the greatest extent. As the Group's products do not involve recall due to the safety and health reasons of products sold or shipped, relevant information disclosures are not applicable.

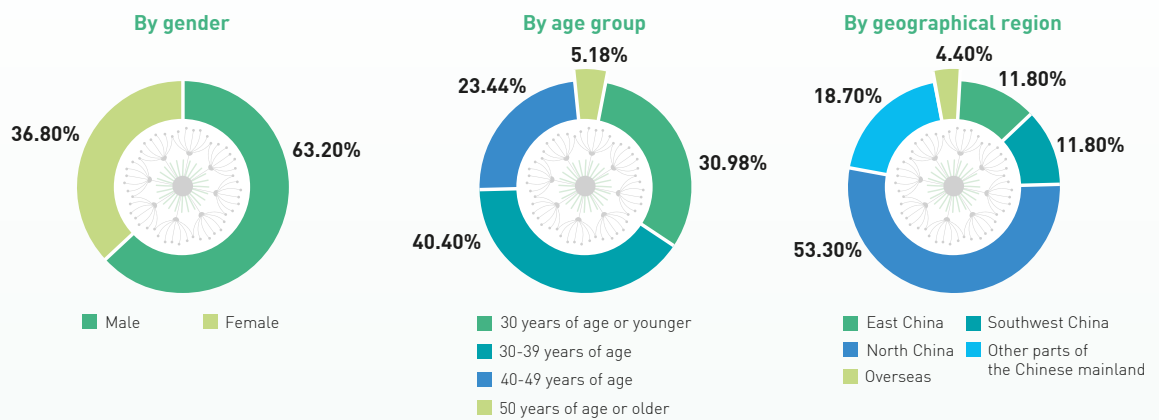
3.3 VALUING EMPLOYEES' DREAMS

The Group values talents and regards talents as the foundation of its development. We safeguard the basic rights and interests of employees, optimize the employee training system, protect their occupational health and safety, and care for their daily life. We strive to provide them with a stage to achieve their dreams and all-round development, and grow with the Group.

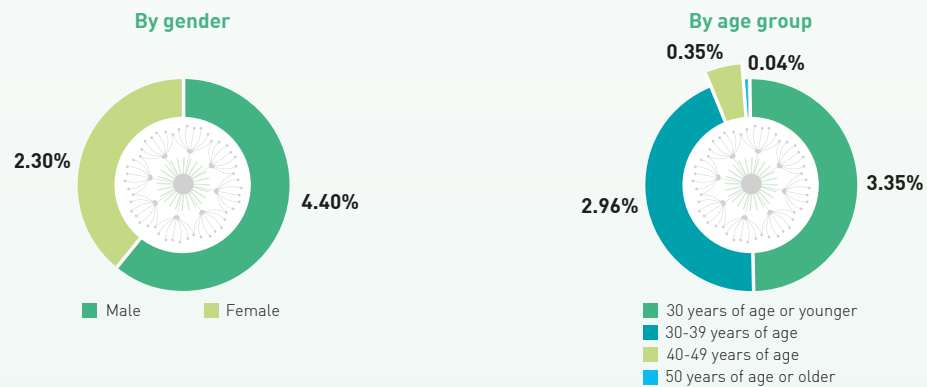
3.3.1 Employee rights and interests

During the reporting period, the Group strictly complied with relevant laws and regulations such as the *Labor Law*, *Labor Contract Law*, *Implementation Regulations of the Labor Contract Law of the People's Republic of China*, *The Social Insurance Law of the People's Republic of China* and the *State Council's Provisions on Prohibition of Child Labor*. We safeguard the rights and benefits of employees, promotes anti-discrimination, equal opportunities and a fair, respectful and diversified workplace. We prohibit the employment of child labor, ensure that the age of all employees complies with local laws and regulations, and resist all forms of forced and compulsory labor. We regulate the labor contract management within the Group and improve the labor contract management system to ensure a good employment relationship. Unfair or unreasonable dismissal of any kind is strictly prohibited.

In addition to the basic paid annual leave and statutory leave stipulated by the national and local governments, our employees are entitled to additional leave benefits such as marriage leave, paternity leave and family visit leave. The Group continues to improve the salary management system, and provides old-age, medical, unemployment, work injury, supplementary medical insurances, and the public housing provident fund for employees on time and in full. The oversight of the distribution of employee benefits is also strengthened. In 2021, there was no child labor and forced labor, zero employment dispute, stoppage or strike. In 2021, the Company has 6,608 employees in total and all are full-time. During the reporting period, the relevant statistics of the employee structure are as follow.



During the reporting period, the employee turnover rate of the Company stood at 6.7%. Based on the total employees of the Company, the relevant statistics are as below:



3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



During the reporting period, the Group continued to optimize the internal payroll mechanism, and adjust the payroll budget of subsidiaries linking with benefits. To strengthen the incentive for backbone talents, we issue allowance for front-line technical backbones and young reserve talents, giving full play to their model role among employees. At the height of COVID-19 in 2021, we leveraged our advantages to publicize our corporate culture and attract talents during our recruitment and information sessions online, contributing to the employment rate and the resumption of work. During the reporting period, we improved our democratic management system and followed the workers' congress system. The Group held a workers' congress in 2021 and completed the election of representatives of the fourth Workers' Congress and Trade Union. The Group also drafted the inspection plan for worker representatives to strengthen democratic management and promote the disclosure of company affairs.

3.3.2 Employee development

To facilitate the development of employees, the Group unblocks career channels, creates diversified career paths, and provides various trainings for them, enabling every employee to tap his or her potentials.

The Group carries out trainings for both leaders at all levels and all employees. During the reporting period, we organized various forms of vocational skill competitions and exchange activities, including the "2021 Civil Aviation Computer Software Development and Application Skills Competition" and the preliminary round of the "TravelSky Cloud Computing Skills Competition", with more than 800 competitors. We set up three teams to participate in the National Civil Aviation Cybersecurity Skills Competition and organized 400 people to take the 12th remote courses for group leaders of central SOEs. In addition, we applied for the first Craftsmen Innovation Exchange Conference, with four projects selected. We encourage employees to work hard and grow into talents through a variety of activities.

Honors:

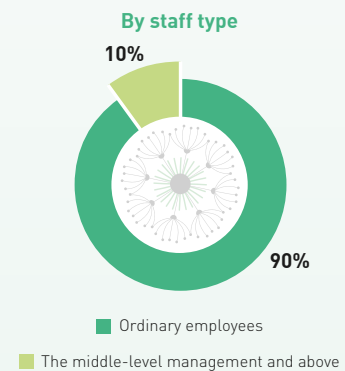
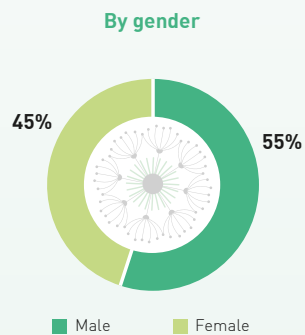
- Li Bin from airlines sales system development department of TravelSky R&D Center, won the "National May Day Labor Medal".
- TravelSky's team of smart Daxing International Airport project won the "National Worker Pioneer".



• TravelSky's team of smart Daxing International Airport project

During the reporting period, the Company's training expenditure amounted to RMB3,113,500. A total of 1,660 participants accounted for 73.4% of the workforce, and the average training hours reached 12 hours per employee. The detailed statistics are as below:

The detailed statistics are as below:



3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



3.3.3 Employee health

In strict compliance with Chinese laws and relevant regulations such as the *Work Safety Law*, *Law on Occupational Disease Prevention and Control*, *Fire Control Law* and *Regulations on Emergency Response to Work Safety Accidents*, the Group continues to improve the system for employee health and safety, strengthen supervision and management, and organize health activities for all employees, so as to safeguard the personal safety and occupational health of all employees. During the reporting period, the Group had zero violation of laws and regulations governing occupational safety that has significant impact on the Group. In the past three years, we had zero work-related fatalities and zero lost day due to work injuries. In 2021, we launched the “Mental Health for a New Journey” Employee Assistance Program (EAP) to protect the physical and mental health of employees through the “Love You Day” campaign and “mental crisis intervention” services.

In 2021,

- we provided 251.5 hours of psychological counseling, with 246 counseling cases.
- We gave 18 video counseling sessions and 3 online mini-lectures, and called 9 employees to offer psychological counseling and support.
- We carried out 2 “mental crisis intervention” services.



Case:

Oral care for employees

On May 21, 2021, in order to enhance employees’ awareness of oral health care and improve their oral health, our Shanghai branch provided employees with “free oral examination”, and introduced the dental structure and oral care tips, as well as some common oral problems and caring methods, so that they could develop a good habit of caring for teeth and pay more attention to oral health.

3.3.4 Employee care

During the reporting period, the Group carried out a variety of cultural and sports activities to display employees' personal hobbies and promote their work and life balance. We held Four "TravelSky Cup" competitions, including table tennis, basketball, fishing and football, as well as a national "TravelSky Cup" badminton competition. More than 1,000 employees directly participated in these competitions, which strengthened their physique and improved their sense of happiness and belonging.

During the reporting period, we launched the campaign of "Serve the People with Concrete Action", and made great efforts to solve the difficulties for employees through some key projects such as "introducing competition mechanism to improve the catering of canteens in the Park" and "improving the supporting facilities of the complex building in the Park". Also, we care about the needs of different groups such as employees with difficulties and female employees. During the 2021 Spring Festival and the rush in summer holiday, we visited over 4,000 people, including employees in need, front-line workers, model workers, technical personnel, outsourcing workers and migrant workers. We visited 95 sick employees. During the International Women's Day, we held activities to celebrate the day and protect women workers' rights.



Case:

"TravelSky Cup" table tennis team competition

In May 2021, the "TravelSky Cup" table tennis team competition was concluded in the complex building of Houshayu Park. A total of 17 teams signed up for the competition and nearly 100 employees participated in it. It had two stages, including group stage and knockout stage, and eight teams reached the final. The activity improved the physical fitness of employees, and gathered employees to spread the spirit of table tennis and learn table tennis skills, making employees more devoted to building China into a civil aviation powerhouse and building TravelSky into a country-leading, world-class information service provider.



● "TravelSky Cup" table tennis team competition

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



Case:

Introducing competition mechanism to improve the catering in the Park

To respond to the national requirements, TravelSky established a catering committee in 2021 to supervise and guide the catering in the Park. We facilitated the bidding of catering suppliers and conducted a thorough check on the water, electricity, gas, fire protection and other facilities and equipment in the restaurant and kitchen. We confirmed with bid winners the time schedule to start business within their assigned business areas, allocated warehouses, and strengthened the specific requirements and standardized management of daily information reporting, publicity and disclosure, food circulation and etc. We introduced three catering suppliers in the first half of 2021, which has greatly enriched the catering services in the Park, expanded choices for employees and formed a benign competition pattern with a stronger sense of fulfillment and satisfaction of employees.



● Food preparation in the operation room



● Disclosure of catering management



Case:

The Spring Festival gala for employees staying in the Park

During the 2021 Spring Festival, in response to the national call of "Staying put during Spring Festival and no travel unless necessary", 569 employees stayed in the Park for the Chinese New Year. Since most of them were young employees, TravelSky launched 26 interesting activities such as karaoke, the lucky one, and electronic dart competition etc., so that they could feel our blessings and gain a different experience.



● The Spring Festival gala for employees staying in the Park



● Colorful employee activities

3.4 CREATING A BETTER COMMUNITY FOR ALL

Committed to building a better, harmonious and shared society, we give back to the society with increasing sense of responsibility and mission. Based on our expertise, we provide reliable services to major events, and engage in rural vitalization, public welfare, and humanitarian assistance. In 2021, TravelSky completed a total of 6 key livelihood projects such as "Building a Lost and Found Platform for Civil Aviation Passengers", and shared development results with the society.

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



3.4.1 Reliable services for major events

The civil aviation industry is an important part of the social and public service system and emergency rescue system. As a main IT service provider in the industry and a country-leading information service supplier, we respond to the national call and follow the requirements of the CAAC to provide reliable services to air transport peaks such as the Spring Festival travel rush, May Day travel rush and National Day travel rush. In 2021, we made all-out and sustained efforts to safeguard the cybersecurity of a series of important national activities such as the “100th anniversary of the founding of CPC”, “National Games”, “China International Fair for Trade in Services” and “Winter Olympics Test Events”.

3.4.2 Contribution to rural vitalization

In accordance with the plans of the CPC Central Committee and the State Council as well as the requirements of the SASAC, we fulfill our political and social responsibilities and innovate in assisting measures to enhance the effectiveness of poverty alleviation. With the principle of “offering continued assistance after poverty elimination”, we consolidate and expand the achievements of poverty alleviation while transferring to rural vitalization, helping Shenchu County, Shanxi Province move towards a better future.

- TravelSky was rated “good”, the highest level, in the evaluation of the targeted poverty alleviation work of central SOEs in 2020.
- Wang Baolong, the first poverty-alleviation cadre dispatched by TravelSky to Shenchu County, Shanxi Province, won the honor of “National Advanced Individual for Poverty Alleviation”.



- Wang Baolong receives the honor of “National Advanced Individual for Poverty Alleviation”

In 2021:

- We invested RMB13,462.9 thousand in poverty alleviation.
- Introduced another RMB2,160.3 thousand.
- Launched 12 anti-poverty projects, benefiting more than 2,782 people.
- Directly procured agricultural goods worth RMB3,032.0 thousand.
- Marketed and sold RMB10,156.2 thousand worth of agricultural goods.

Our measures to promote rural vitalization

- **Making plans.** We cooperated with China Agricultural University to prepare the rural vitalization plan of Shenchì County during the “14th Five-Year Plan” period, and worked with Beijing Jingbangda Trade Co., Ltd to formulate the e-commerce development plan of Shenchì county during the “14th Five-Year Plan”, invigorating Shenchì County through scientific planning and layout.



● TravelSky visits Shenchì County

- **Developing local industries.** We have built three ecological agricultural industrial bases, including the 1000-mu mustard planting demonstration base, the 1000-mu ecological TCM planting base and the modern agricultural poverty alleviation industrial park. We have also established a number of industries with local features to support the local villagers and bring new driving force to Shenchì’s economic development.



● The mustard planting demonstration base

3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



- Cultivating talents.** We have strengthened cooperation with Zhejiang University, Huazhong Agricultural University, Chongqing Yudongnan Academy of Agricultural Sciences and introduced enterprises to provide a number of capacity building sessions in Zhejiang and Shenchì, training 2,020 grass-roots officials, 1,172 technicians and 276 leaders in rural vitalization. By offering employment reward and guidance, we organized a domestic service training for 98 rural residents, and 18 of them were employed with a monthly income of more than RMB4,500, thus creating the brand of “Shenchì domestic services”. We continue to invest RMB851,000 in education to support 187 college students from registered poor families who have already been lifted out of poverty, preventing poor families returning to poverty due to heavy education cost.



● Training on Chinese medicinal herb planting

- Organizing cultural activities.** We continue to run supermarkets, reading rooms, and cultural activities rooms, etc. in pairing villages. We match our donations with the diversified needs of the people in Shenchì County by promoting self-help methods such as the “performance-for-bonus points” and “bonus points-for-goods” supermarkets. We also organize cultural and sports activities for them in reading rooms and cultural activities rooms to further enrich their cultural life.
- Improving ecological environment.** We have carried out the project of centralized breeding of free-range chicken in Sanshan Village, with the new model of “separation of human and livestock, centralized breeding and scientific management”. We guide farmers to carry out standardized large-scale breeding, change the development mode, and improve the living environment, striving to make Sanshan Village more ecologically livable.
- Strengthening IT-application.** We are exploring a new digital model for rural vitalization, with focus on promoting the rapid integration of information technology with the education, medical care, employment, government affairs and e-commerce of Shenchì County, so as to realize information and data sharing and further promote the balanced development of urban and rural public services.
- Forming pairs.** We have paired up our 25 subsidiaries with all of the 17 primary and secondary schools and 8 townships in Shenchì County for poverty alleviation. Totally, we donated materials worth RMB612,100 to them. We supported two cooperatives in the project of poverty alleviation through developing local industries, driving local farmers to increase their income.



Case:

A village in Shencheng County wins the title of China's most beautiful village

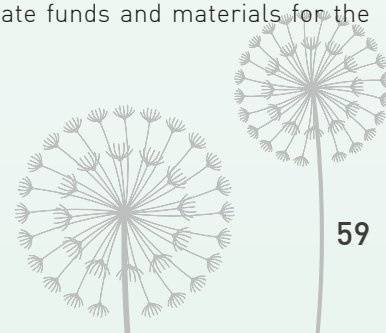
In partnership with the Party Committee and Government of Shencheng County, we strive to renovate the Duanhuzui Village, which is located in the northwest of the Shencheng County. To build beautiful villages on the premise of conservation of traditional villages, we made the overall planning and implemented step-by-step to improve its appearance while protecting traditional buildings. The "beautification, greening and lighting" project was launched to build a Party building theme park while ensuring the originality, integrity and diversity of traditional landscape. The infrastructure in the village has been improved, and traditional buildings appeared with landscape as well as artistic and living atmosphere. It has been built into a "demonstration of beautiful village", providing a model for the rural vitalization in poor areas. On December 15, 2021, Duanhuzui Village was awarded the title of "China's top ten most beautiful villages" in 2021 at the Beautiful Country Boao International Summit, which was Shencheng County first national award and the only beautiful village selected in Shanxi Province in 2021 as well. Liu Yin, a poverty-alleviation official dispatched by us to Shencheng County, accepted the award and spoke on behalf of Shencheng County, discussing with the guests the new path, new experience and new model of comprehensively promoting rural vitalization.



● Party building theme park in Duanhuzui Village

3.4.3 Engagement in charity

The Group actively responds to all kinds of sudden disasters and participates in emergency rescue to contribute to the harmony and stability of the society. We have launched contingency plans for sudden disasters such as the outbreak of COVID-19 etc. During the special periods, we stick to our posts to provide support and services to customers, and donate funds and materials for the disaster-hit areas, helping them tide over the difficulties.



3. PUTTING PEOPLE FIRST TO DRIVE SOCIAL DEVELOPMENT



Advocating the volunteer spirit of “dedication, friendship, mutual support and progress”, the Group encourages employees to make full use of their expertise and corporate resources to provide volunteer services for those in difficulty, the elderly and students, giving back to the community. In 2021, the Group formulated the *Management of TravelSky Volunteer Services (Draft for Comments)*, the *Process of TravelSky's Volunteer Service Activities (Draft for Comments)*, the *Certification of TravelSky's Star Volunteers (Draft for Comments)* and etc. We also planned to set up a young volunteer team to carry out standardized voluntary services on a regular basis.

In 2021:

- 800 employees participated in volunteer activities.
- 400 staff volunteers.
- 800 hours of volunteer service.



- Fellowship activity prepared by TravelSky for young staff of civil aviation enterprises in Beijing



- Clothing donation organized by XJCares

KEY PERFORMANCE

Category	Index	Unit	2019	2020	2021
Economic	Operating revenue	RMB'000	8,121,673	5,485,577	5,476,177
	Total profit	RMB'000	2,802,821	314,161	663,883
	Total assets	RMB'000	23,648,574	22,769,276	24,111,139
	Earnings per share (basic and diluted) (RMB)	RMB	0.87	0.12	0.19
	Final Dividend	RMB'000	845,675	46,819	160,942
	Dividends Per Share	RMB (tax-inclusive)	0.289	0.016	0.055
	Research and development expenses	RMB'000	757,730	691,616	973,807
	Number of patents applied	item	–	149	169
	Emission by vehicles (Scope 1)	ton	188.8	278.2	549.9
	Emission by electricity consumption (Scope 2)	ton	57,777.3	33,429.7	30,409.7
Environmental	Emission by purchased heat consumption (Scope 2)	ton	902.2	693.1	746.3
	Emission by diesel (Scope 1)	ton	–	–	57.9
	Emission by natural gas (Scope 1)	ton	–	–	3,846.3
	Total greenhouse gas emission	ton	58,868.3	34,727.9	35,610.1
	Intensity of total greenhouse gas emission	ton/RMB million of income	7.2	6.3	6.5
	Discharge of non-hazardous waste	ton	611.7	671.6	787.0
	Intensity of the discharge of domestic waste of office	ton/RMB million of income	0.1	0.1	0.1
	Discharge of hazardous waste	piece	432	2,830	917
	Intensity of the discharge of hazardous waste	piece/RMB million of income	0.1	0.5	0.2
	Consumption of electricity	kWh	50,604,732.2	54,002,094.9	50,169,668.4
	Intensity of electricity consumption	kWh/RMB million of income	6,230.8	9,844.4	9,161.4
	Consumption of gasoline (vehicle)	L	71,058.0	266,994.7	242,616.4
	Intensity of the consumption of gasoline (vehicle)	L/vehicle	1,268.9	1,112.5	1,076.7
	Consumption of natural gas	m ³	2,214,429.3	2,051,949.0	1,779,000.0
	Intensity of the consumption of natural gas	m ³ /RMB million of income	272.7	374.1	324.9
	Consumption of purchased heat	GJ	8,202.6	6,301.1	6,785.0

Key performance



Category	Index	Unit	2019	2020	2021
Social	Intensity of the consumption of purchased heat	GJ/RMB million of income	1.0	1.1	1.2
	Consumption of diesel	ton	–	55.1	18.4
	Total consumption of water	ton	93,752.0	343,411.0	456,696
	Intensity of the total consumption of water	ton/RMB million of income	11.5	62.6	83.4
	Number of employees	person	7,476	7,156	6,608
	Employee turnover rate of the Company	%	4.8	5.4	6.7
	Total number of trainees of the Company	person	1,764	1,662	1,660
	Ratio of trainees of the Company	%	76.0	72.0	73.4
	Number of working days lost due to injury	day	–	0	0
	Number of deaths due to work	person	0	0	0
	Direct investment in poverty alleviation	RMB'000	–	12,000.0	13,462.9
	The number of benefits	person	4,300+	14,300+	2,782
	Offer volunteer opportunities	person-time	–	1,300	800
	Volunteer Service Length	hour	–	1,300	800
	Safety training covers employees	person-time	–	4,000+	28,000
	Number of major safety accident	/	0	0	0
	Number of suppliers for centralized procurement	/	25	19	51
	Local suppliers	%	68.0	72.0	83.7

DISCLOSURE INDEXES

HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

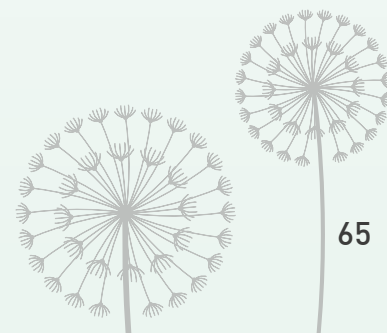
Subject Areas and Aspects	General Disclosures and KPIs	Corresponding pages
A. Environmental		
Aspect A1: Emissions	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. KPI A1.1: The types of emissions and respective emissions data. KPI A1.2: Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). KPI A1.3: Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). KPI A1.4: Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). KPI A1.5: Description of emission target(s) set and steps taken to achieve them. KPI A1.6: Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	31-32 35 35 37 37 31-32 31, 36-37
Aspect A2: Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials. KPI A2.1: Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). KPI A2.2: Water consumption in total and intensity (e.g. per unit of production volume, per facility). KPI A2.3: Description of energy use efficiency target(s) set and steps taken to achieve them. KPI A2.4: Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. KPI A2.5: Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	31-32 35 35 31, 34 33-34 The nature of the Group's business does not involve the use of packaging materials

Disclosure Indexes



Subject Areas and Aspects	General Disclosures and KPIs	Corresponding pages
Aspect A3: The Environment and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	31-32
	KPI A3.1: Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	32-38
Aspect A4: Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	33
	KPI A4.1: Description of the significant climate-related issues which have impacted, and those which may impact the issuer, and the actions taken to manage them.	33-38
B. Social		
Employment and Labor Practices		
Aspect B1: Employment	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	48-49
	KPI B1.1: Total workforce by gender, employment type (for example, full- or part- time), age group and geographical region.	49
	KPI B1.2: Employee turnover rate by gender, age group and geographical region.	49
Aspect B2: Health and Safety	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	52
	KPI B2.1: Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	52
	KPI B2.2: Lost days due to work injury.	52
	KPI B2.3: Description of occupational health and safety measures adopted, how they are implemented and monitored.	52

Subject Areas and Aspects	General Disclosures and KPIs	Corresponding pages
Aspect B3: Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	50
	KPI B3.1: The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	51
	KPI B3.2: The average training hours completed per employee by gender and employee category.	51
Aspect B4: Labor Standards	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	49
	KPI B4.1: Description of measures to review employment practices to avoid child and forced labor.	49
	KPI B4.2: Description of steps taken to eliminate such practices when discovered.	48-49
Product Practices		
Aspect B5: Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	29-30
	KPI B5.1: Number of suppliers by geographical region.	30
	KPI B5.2: Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	29-30
	KPI B5.3: Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	29-30
	KPI B5.4: Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	30



Disclosure Indexes



Subject Areas and Aspects	General Disclosures and KPIs	Corresponding pages
Aspect B6: Product Responsibility	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	45
	KPI B6.1: Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The products and services provided by the Group do not involve recycling due to health and safety
	KPI B6.2: Number of products and service related complaints received and how they are dealt with.	48
	KPI B6.3: Description of practices relating to observing and protecting intellectual property rights.	14
	KPI B6.4: Description of quality assurance process and recall procedures.	45 The products and services provided by the Group do not involve recycling
	KPI B6.5: Description of consumer data protection and privacy policies, and how they are implemented and monitored.	41
Aspect B7: Anti- corruption	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	23-24
	KPI B7.1: Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	24
	KPI B7.2: Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	23-24
	KPI B7.3: Description of anti-corruption training provided to directors and staff.	24
Community		
Aspect B8: Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	55
	KPI A8.1: Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	56-60
	KPI B8.2: Resources contributed (e.g. money or time) to the focus area.	56-60

GRI STANDARDS

GRI Standards Indicator	Disclosure	Pages/Remarks	GRI Standards Indicator	Disclosure	Pages/Remarks
GRI 2: General disclosures			2-29	Approach to stakeholder engagement	28
2-1	Organizational details	5	2-30	Collective bargaining agreements	50
2-2	Entities included in the organization's sustainability reporting	1	GRI 3: Material Topics		
2-3	Reporting period, frequency and contact point	1	3-1	Process to determine material topics	27
2-6	Activities, value chain and other business relationships	5	3-2	List of material topics	27
2-7	Employees	5	3-3	Management of material topics	27
2-9	Governance structure and composition	21-22	Economic		
2-10	Nomination and selection of the highest governance body	21-22	GRI 201: Economic-performance		
2-11	Chair of the highest governance body	21-22	201-1	Direct economic value generated and distributed	6
2-12	Role of the highest governance body in overseeing the management of impacts	21-22	201-2	Financial implications and other risks and opportunities due to climate change	33
2-13	Delegation of responsibility for managing impacts	21-22	GRI202: Market Presence		
2-14	Role of the highest governance body in sustainability reporting	4, 26	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	49
2-16	Communication of critical concerns	21-22	GRI203: Indirect Economic Impacts		
2-17	Collective knowledge of the highest governance body	21-22	203-1	Infrastructure investments and services supported	12-20
2-18	Evaluation of the performance of the highest governance body	21-22	203-2	Significant indirect economic impacts	12-20
2-19	Remuneration policies	49-50	GRI205: Anti-corruption		
2-20	Process to determine remuneration	49-50	205-1	Operations assessed for risks related to corruption	23-24
2-22	Statement on sustainable development strategy	2-4	205-2	Communication and training about anti-corruption policies and procedures	23-24
2-23	Policy commitments	14, 20, 29, 31, 43, 48, 52	205-3	Confirmed incidents of corruption and actions taken	23-24
2-24	Embedding policy commitments	14, 20, 29, 31, 43, 48, 52	Environment		
2-25	Processes to remediate negative impacts	28	GRI301: Materials		
2-26	Mechanisms for seeking advice and raising concerns	28	301-3	Reclaimed products and their packaging materials	Not involving
2-27	Compliance with laws and regulations	14, 20, 29, 31, 43, 48, 52	GRI302: Energy		
			302-1	Energy consumption within the organization	35
			302-2	Energy consumption outside of the organization	35
			302-3	Energy intensity	35
			302-4	Reduction of energy consumption	38
			302-5	Reductions in energy requirements of products and services	38

Disclosure Indexes



GRI Standards Indicator	Disclosure	Pages/Remarks	GRI Standards Indicator	Disclosure	Pages/Remarks
GRI303: Water and Effluents			403-8	Workers covered by an occupational health and safety management system	52
303-1	Interactions with water as a shared resource	33-35	403-9	Work-related injuries	52
303-2	Management of water discharge-related impacts	37	403-10	Work-related ill health	52
303-4	Water discharge	37	GRI404: Training and education		
303-5	Water consumption	34	404-1	Average hours of training per year per employee	51
GRI305: Emissions			404-2	Programs for upgrading employee skills and transition assistance programs	50
305-1	Direct (Scope 1) GHG emissions	35	405-1	Diversity of governance bodies and employees	49
305-2	Energy indirect (Scope 2) GHG emissions	35	GRI406: Non-discrimination		
305-4	GHG emissions intensity	35	406-1	Incidents of discrimination and corrective actions taken	48
GRI306: Waste			GRI411: Rights of indigenous peoples		
306-1	Waste generation and significant waste-related impacts	36-37	411-1	Incidents of violations involving rights of indigenous peoples	No
306-2	Management of significant waste-related impacts	31, 36-37	GRI413: Local communities		
306-3	Waste generated	37	413-1	Operations with local community engagement, impact assessments, and development programs	55-60
306-5	Waste directed to disposal	37	GRI414: Supplier social assessment		
GRI307: Environmental Compliance			414-1	New suppliers that were screened using social criteria	29-30
307-1	Non-compliance with environmental laws and regulations	No	GRI416: Customer health and safety		
GRI308: Supplier environmental assessment			416-1	Assessment of the health and safety impacts of product and service categories	Not involving
308-1	New suppliers that were screened using environmental criteria	30	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not involving
Social			GRI417: Marketing and labeling		
GRI401: Employment			417-2	Incidents of non-compliance concerning product and service information and labeling	Not involving
401-1	New employee hires and employee turnover	49	417-3	Incidents of non-compliance concerning marketing communications	Not involving
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	49	GRI418: Customer privacy		
GRI403: Occupational health and safety			418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No
403-1	Occupational health and safety management system	52	GRI419: Socioeconomic Compliance		
403-3	Occupational health services	52	419-1	Non-compliance with laws and regulations in the social and economic area	No
403-4	Worker participation, consultation, and communication on occupational health and safety	52			
403-5	Worker training on occupational health and safety	52			
403-6	Promotion of worker health	52			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52			