



YUTONG BUS CO., LTD. 2022 CSR REPORT



About the Report

Yutong Bus Co., Ltd. actively reports the company's social responsibility to the public, so that the whole society can understand and supervise Yutong's social responsibility work.

Organizational scope of the report

The report covers Yutong Bus Co., Ltd. and its subsidiary companies.

Time frame of the report

This report covers the period from January 1, 2022 to December 31, 2022, and some of the content and data relate to previous years.

Publication cycle of the report

The report is an annual report. Since 2009, Yutong Bus has issued a social responsibility report to the public every year.

Description of the reported data

The data in this report are from the Company's official documents and statistical reports. There is a difference between the statistical scope of a few data and the scope of this report, which is subject to separate Notes. The financial data of this report are quoted from 2022 Annual Report of Yutong Bus Co., Ltd. If there is any discrepancy between the data and the annual report, the annual report shall prevail.

We have engaged SGS to verify the content of the Report.

Description of Report Designation

"Yutong", "Yutong Bus", "Company" or "We" in this Report refer to Yutong Bus Co., Ltd.

Report Reference Standard

This Report is prepared in accordance with the requirements of Guidelines for Self-regulation of Listed Companies No. 1-Standardized Operation issued by Shanghai Stock Exchange and with reference to GRI Standards issued by Global Sustainability Standards Board (GSSB).



ASSURANCE STATEMENT

SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE YUTONG BUS CO., LTD.'S SOCIAL RESPONSIBILITY REPORT FOR 2022

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD. (hereinafter referred to as SGS) was commissioned by YUTONG BUS CO., LTD. (hereinafter referred to as Yutong Bus) to conduct an independent assurance of the Chinese version of Yutong Bus's 2022 Social Responsibility Report (Ver. 20230506, hereinafter referred to as the Report).

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Yutong Bus's Stakeholders.

RESPONSIBILITIES

The information in The Report and its presentation are the responsibility of the directors and the management of Yutong Bus. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all Yutong Bus's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Social Responsibility Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards, which including:

- The principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) as:
 - GRI 1: Foundation 2021, for report quality
 - GRI 2: General Disclosure 2021, for organization's reporting practices and other organizational detail
 - GRI 3: Material Topics 2021, for organization's process of determining material topics, its list of material topics and how to manage each topic
- and the guidance on levels of assurance contained within the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

- SGS ESG & SRA verification regulations (Refer to GRI Principles and AA1000 Guides)

The Assurance has been conducted at a moderate level of scrutiny.

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below, and evaluation of adherence to the following reporting criteria:

- SSE <Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 - Standardized Operation>
- GRI Standards 2021(Reference)

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, on-site interviewed with relevant employees including the Yutong Bus (group level) which is located at Yutong Industrial Park, Yutong Road, Guancheng District, Zhengzhou City, Henan Province, P.R. China.

LIMITATIONS AND MITIGATION

Financial data drawn directly from independently third-audited has not been checked back to source as part of this assurance process.

The on-site verification was only at the Yutong Bus, relevant data and information traceability were only focused on the group level.

This verification only conducted interviews with staff of Yutong Bus and access to relevant materials, and external stakeholders were not involved.

STATEMENT OF INDEPENDENCE AND COMPETENCE

SGS is the world leader in inspection, testing and certification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Yutong Bus, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised of CCAA registered ISO 9001, ISO 14001 and ISO 45001 auditor, SGS recognized ISO 37001, ISO 37301, SA8000 and CSR/ESG lead auditor.

VERIFICATION/ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, the information and data contained within The Report verified is accurate and reliable, which have provided a fair and balanced representation of corporate responsibility management activities by Yutong Bus in 2022.

THE CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

In our opinion, The Report of Yutong Bus for 2022 is presented in accordance with the requirement of the <Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 - Standardized Operation>, and The Report is reference with GRI Standards 2021.

Detailed report of the good practices, findings and recommendations for continuous improvement were presented in the SGS internal management report and submitted to Yutong Bus.

AA1000 ACCOUNTABILITY PRINCIPLES (2018)**INCLUSIVITY**

Yutong Bus had identified the stakeholders and determined methods for stakeholders' communication and engagement and taken different ways to communicate and exchange information.

MATERIAALITY

Based on the determined topics concerned by the stakeholders, Yutong Bus had considered reasonably disclosing material issues and indicators, which substantively influence the assessments and decisions of stakeholders, to reflect the organization's significant economic, environmental, and social impacts.

RESPONSIVENESS

Yutong Bus had presented the interaction channel with stakeholders and established the complaint disposal system to present good responsiveness of appeal and expectation.

IMPACT

Yutong Bus had demonstrated a process to monitor and measure the impacts of the major activities related to environmental, social and governance topics in the Report.

Signed:



For and on behalf of SGS-CSTC

David Xin
Sr. Director – Knowledge
16/F Century Yuhui Mansion, No. 73, Fucheng Road, Beijing, P.R. China

May 31st, 2023
WWW.SGS.COM

CONTENTS

Message From the Chairman	01
About Us	02
Conscientious Operation to Consolidate "Better Life"	
I. Stay True to Original Aspiration and Operate According to the Law	
01 Legal Operation	04
02 Governance Compliance	06
03 Anti-Corruption	07
04 Confidentiality and Information Security	09
II. Commit to Technological Accumulation and Build Reputation with Product	
01 Technology R&D and Investment	10
02 Protection of Patents and IPR	14
03 Product Quality Control	14
04 Technological Guarantee of Customer Safety.....	16
III. Put Customers First and Win Heart with Service	
01 Build Active After-sales Service System	17
02 Take Initiative in Customer Training.....	18
03 Pro-active in Satisfaction Management for Customers Across the World.....	19
IV. Human Orientation to Grow with Employees	
01 Protect Basic Rights and Interests of Employees	20
02 Help Employees Grow	22
03 Care About Employee Health	24
Win-Win Cooperation to Contribute to "Harmonious Society"	
I. Win-Win Cooperation to Promote Industrial Development	
01 Establish State-Level and Local Public Platform	27
02 Strengthen Industry-Academia Synergy in R&D	28
03 Help Enhance Industrial Standards	28
II. Sustainable Procurement	
01 Implement responsible procurement.....	30
02. Green Procurement.....	30
03 Localized procurement	30

III. Green Governance to Protect Environment	
01 Green Management.....	31
02 Green Design.....	34
03 Green Logistics.....	35
04 Green Office.....	36
IV. Management and Control to Save Energy and Cut Emissions	
01 Energy Management System	37
02 Energy Use	37
03 Application Effect of Energy-Saving and Carbon Reduction Technology.....	39
04 Water Conservation.....	40
05 Three-Waste Discharge Reduction	42
06 Tree Planting and Environmental Protection	46
V. Public Welfare and Poverty Alleviation to Contribute to Society	
01 Public Welfare Activities.....	47
02 Help Revitalization of Central and Western Regions and Rural Areas.....	47
Extensive Communication to Help "Sustainable Development"	
01 Sustainable Development Strategy.....	48
02 Stakeholder Communication	48
03 Selection of Substantive Issues.....	50
Plan for the Future	51
Key Performance Table.....	51
Honors	52
Index	53
Feedback Form	54



MESSAGE FROM THE CHAIRMAN

In 2022, facing the complex and challenging situation at home and abroad, despite the impact of industrial downturn and intensified geopolitical conflicts, all Yutong staff united as one to drive forward, and the Company's product competitiveness, brand influence and overall strength have further improved to underpin its industrial position. Consistent in the CSR purpose of "strengthening national industry and being an excellent enterprise citizen", the Company has fulfilled social responsibility actively through a series of measures on its way to strive for better public mobility.

Over the past year, the Company has continued to advance CSR endeavor in accordance with the established annual priority work plan:

In terms of stakeholders, the Company has adhered to the operation and management philosophy of "employee orientation and customer centricity" in its consistent effort to improve the staff's working and living environment, strengthen their safety and protection, optimize their remuneration and promote their career on the one hand, while creating value for customers with a highly responsible attitude and providing high-quality products and service experiences on the other. Meanwhile, the Company adheres to the information disclosure compliance, committed to strengthening the communication between investors and the management, and active in paying back shareholders. In 2022, the Company issued a total cash dividend of CNY 1.107 billion, creating good social value; the Company has continued to promote sound and friendly partnerships with suppliers for mutual benefit, win-win cooperation and harmonious development.

In terms of operation, the Company has actively fulfilled the obligation as a taxpayer and assumed industry responsibilities through innovation of products and technologies; it has continued to strengthen the corporate integrity for a fair, just, efficient and transparent working environment and cooperation environment; it has been unswervingly implementing the national sustainable development strategy in compliance with laws and regulations, and as an enterprise active in resource saving and environmental protection, it has saved energy, cut emissions and developed green products to help improve environment.

In terms of public welfare, relying on the three public welfare platforms of "Yutong Love", "Yutong Wing Program" and "Open Day", the Company has planned and organized more than 20 public welfare activities such as "Industrial Assistance to Poverty Alleviation", "Education Sponsorship", "Serious Illness Assistance", "Caring for the Needed" and "Social Major Event Assistance", donating nearly CNY 36 million to poor students, primary school students and disaster-affected areas throughout the year.

In the future, the Company will continue to adhere to the CSR purpose and philosophy of "strengthening the national industry and being an excellent enterprise citizen". On the one hand, the Company will continue to do a good job in the operation and management for the long-term sound and stable development, contributing to the development of China's automobile industry. On the other hand, while developing itself well, the Company will actively fulfill its social responsibility, and honor the commitment of "benefiting the society" by helping those in need and consolidating the achievements of poverty alleviation.

Tang Yuxiang
Chairman and General Manager of Yutong Bus

ABOUT US

Yutong Bus Co., Ltd. (hereinafter referred to as "Yutong", "Yutong Bus", "Company" or "We"), headquartered in Zhengzhou, Henan Province, is an automobile manufacturer integrating the R&D, manufacturing and sales of buses. In 1997, the Company was listed at the Shanghai Stock Exchange as the first listed company in the industry (SH.600066).

The Company's products mainly serve such segments as long-distance coach, tourist coach, city bus, commuter coach, school bus, sightseeing bus, apron bus, micro-mobility autonomous bus, special purpose vehicle, etc., able to meet the demand of 5 meters to 18 meters with complete product chains for 134 series. Its medium and high-end products are suitable for a wide range of application scenarios at home and abroad. At present, the Company has sold products in batches to more than 40 countries and regions around the world, realizing a development layout covering six regions of America, Africa, Asia-Pacific, CIS, the Middle East and Europe, as a leader of China's bus industry going global.

Committed to becoming the world's leading provider of public travel solutions and a medium and high-end bus brand of more recognition worldwide, the Company continues to provide high-quality products, services and solutions to meet customer needs in an effort to bring pleasant travel to the public and create greater value for customers. At the same time, with its outstanding market performance, the Company has ascended to the list of China's Top 500 Brand Values, winning more than 500 major national and international honors, including China Grand Award for Industry, National Award for Science and Technology Progress, National Outstanding Enterprise in Quality and Integrity, 100 Most Valuable Automobile Brands in the World, annual Social Responsibility Award, and Red Dot Award.

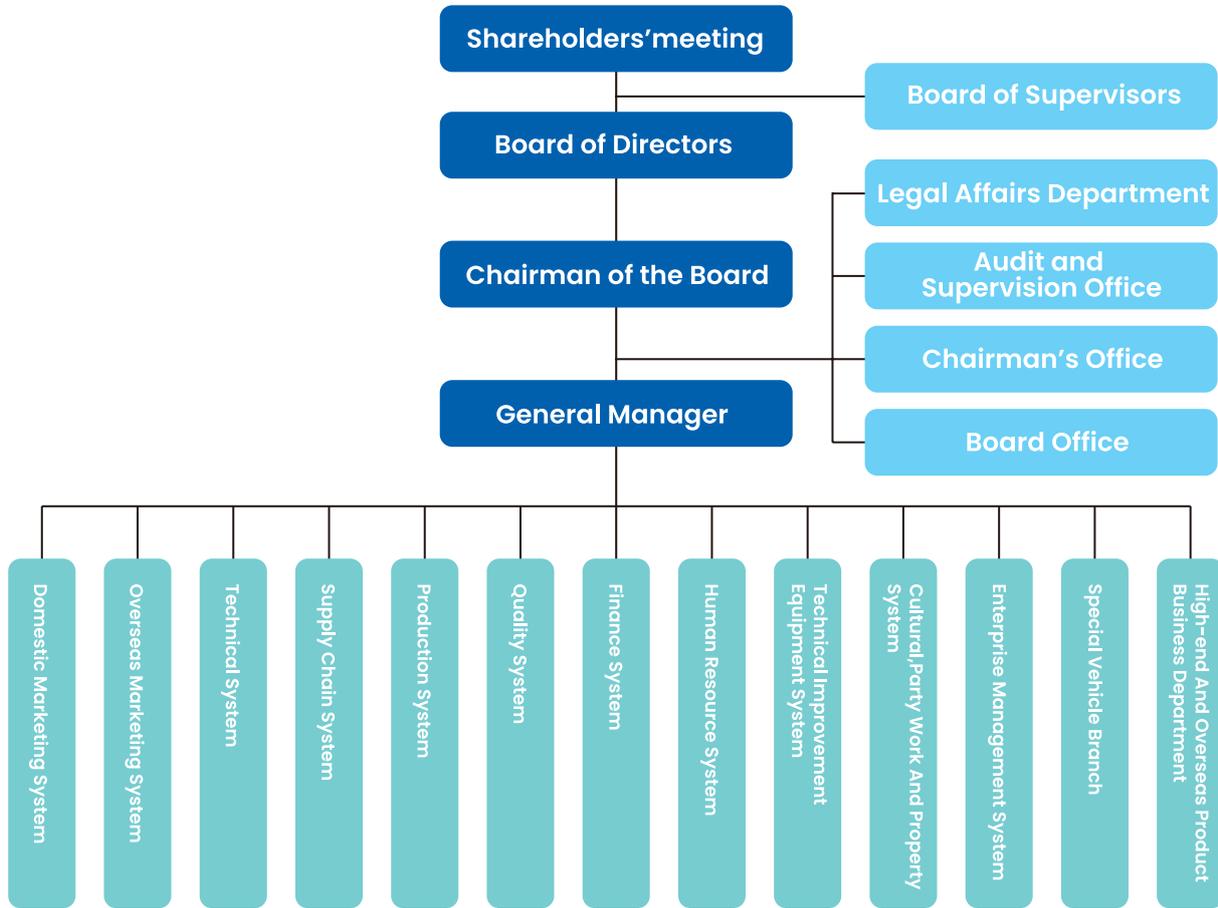
To better fulfill social responsibility and build a sustainable world, the Company officially joined the UN Global Compact Organization in 2018, to contribute more to economic, environmental and social sustainable development.



Core Values	Operation and Management Philosophy
Morality, Collaboration, Innovation	Employee Orientation and Customer Centricity
Mission	Vision
Create value for customers (society)	Become the world's leading brand of bus manufacturing

ORGANIZATION STRUCTURE:

Yutong Bus consists of 17 systems or departments.



COMPANY PERFORMANCE IN 2022



REVENUE
CNY 21.799 billion



SALES VOLUME
30,198 units



NUMBER OF EMPLOYEES
13,039



PUBLIC WELFARE EXPENDITURE
CNY 36.0650 million

CONSCIENTIOUS OPERATION TO CONSOLIDATE "BETTER LIFE"



I. STAY TRUE TO ORIGINAL ASPIRATION AND OPERATE ACCORDING TO THE LAW

1. LEGAL OPERATION

Yutong Bus, as a listed Chinese bus company (SH.600066), strictly complies with local laws, regulations and normative documents in its global operations. Adhering to the operation philosophy of "managing the enterprise according to law", the Company abides by the code of conduct of honesty and trustworthiness on the basis of legal compliance. The Company beefs up the legal compliance management capability in an all-round way and improves the risk control system to prevent and defuse all kinds of risks. We perform contracts and pay taxes according to law, conscientious in fulfilling the taxpayer obligations and social responsibilities.

In terms of internal control on compliance, the Company always adheres to the principles of universality, accountability, coordination and independence to deal with the entire spectrum of compliance affairs. In another word, compliance requirements apply to all business areas, departments, subsidiaries and branches at different levels across the world as well as all staff, and the company-wide accountability system specifies and supervises compliance responsibilities and measures. In 2022, guidelines for compliance operations in different fields were formulated respectively, and several rounds of training were carried out for business personnel and relevant management departments. Through on-site training and Q&A interaction, it was ensured that the relevant management requirements are "in mind", "in brain" and "in practice", and finally implemented effectively.

In terms of contract full life cycle management, the Company requires all employees to abide by domestic and foreign laws and regulations, international practices and relevant regulations of the Company in all links, such as counterparty information acquisition, counterparty risk screening, contract negotiation, signing and performance, as well as tendering and bidding. With the help of contract informatization management system, the company's requirements, systems and risk prevention measures for the whole life cycle of contracts are implemented in the contract informatization management system.

In terms of export business risk management, the Company has been formulated and issued the *Export Control Compliance Management Guidebook (2022 Edition)*. It has been consistent in controlling risks at three levels to ensure full compliance of overseas export business, namely legal compliance risks, export business management risks, and export business risks. The high-risk customers are identified through

screening risk lists for a better control mechanism, to keep export control risks at bay and ensure the compliance of the Company's overseas export business.

In terms of anti-commercial bribery management, the Company formulated and issued the *Overseas Anti-Bribery Compliance Business Guidebook (2022 Edition)*. It further implements and strengthens the working principle of "transparency and integrity", holding a "zero tolerance" attitude to corruption and bribery. We are consistent in pursuing an effective anti-bribery compliance management system up to a self-imposed high standard, achieving risk identification and business procedure enhancement. We take "sunshine sales" as an integral part of the compliance culture for legal operation, value the improvement of compliance awareness, and strengthen third-party management, perform adequate due diligence before working with third parties and require them to sign a compliance commitment letter, to create a legal, fair and clean business environment, and realize sustainable and sound development.

As to data compliance, the Company formulates and issues the *Overseas Data Compliance Business Guidebook (2022 Edition)*. It strictly abides by relevant laws and regulations on data protection, establishes and improves the in-house regulations and rules on data protection, and builds a comprehensive system for data protection compliance, and add data protection clauses to company business contracts and adjust and update them in a timely manner according to changes in major market regulations to ensure legal compliance during data collection and processing. At present, the Company has obtained ISO/IEC 27001 information security management system certification and ISO/IEC 27701 privacy information management system certification for two consecutive years, clarifying the compliance objectives of privacy protection management while reducing organizational compliance risks, so that the organization can achieve long-term and lasting personal privacy security compliance.

With regard to IPR protection, the Company has formulated and issued the *Advertising Compliance Guidebook (2022 Edition)*. The Company actively pursues IPR confirmation according to law, strengthens protection of the Company's core trademarks, and conducts trademark registration in 153 countries and regions around the world in accordance with the law, as well as develops a sound protection plan. In 2022, a total of three training sessions will be held for business personnel and the Company's legal affairs, mainly involving intellectual property rights and archive management, advertising compliance, risks



of common problems in enterprise trademarks and countermeasures, and standardizing behaviors in intellectual property protection and advertising.

About fair competition, the Company has established a review mechanism against monopoly and unfair competition, and standardized the cooperation of suppliers and distributors as well as the code of conduct for sales businesses such as bidding and tendering, contributing to the fair competition in the market and industry. The Overseas Legal Affairs Section of the Company shall set up a topic on competition compliance research, pay attention to policy trends and typical law enforcement cases of anti-monopoly and anti-unfair competition at home and abroad, integrate relevant laws and regulations into CLM system (contract legal management system), systems, processes, authorization and contract models, contract elements, audit points, etc., so as to prevent risks.

System construction: According to the newly revised Anti-monopoly Law of the People's Republic of China, *Yutong Bus Anti-monopoly Compliance Management Regulations* were revised in due course, the definition and performance of monopoly risk behaviors were improved, and the requirements for anti-monopoly compliance, compliance risks and compliance management were supplemented.; The *Overseas Anti-monopoly Compliance Business Guidebook (2022 Edition)* was formulated and issued to guide business departments to carry out anti-monopoly self-inspection, so as to avoid major violations of the Company caused by anti-monopoly behavior during business development, which will affect the Company's business and brand image.; Formulate or revise bidding-related systems such as the *Regulations on Bidding Management*, *Operational Guidelines for Prohibiting Collusion in Bidding*, *Regulations on Vehicle Bidding Management* and *Regulations on Overseas Vehicle Bidding Management*, explicitly prohibit improper profit-making behaviors such as collusion in bidding and bid accompanying and commercial bribery during the bidding process, and standardize the requirements and behaviors of fair competition of the Company.

Management mechanism: Establish a regular meeting mechanism for anti-monopoly compliance risk management at the group level, organize and hold anti-monopoly compliance meetings of member enterprises of the Group every six months, pay attention to competitive relations with suppliers, distributors and peer operators, exchange and discuss issues related to anti-monopoly risks, and share current legal trends and typical law enforcement cases.; The Group holds legal risk prevention and management meetings for strengthening bid collusion and accompanying bidding, summarizes the actual cases of the Company's bid collusion and accompanying bidding, combines with business and human resources to carry out training, empowers business, and makes business know compliance, trust compliance and conduct compliance.; In the monthly risk report of overseas business, the law enforcement cases related to anti-monopoly and anti-unfair competition in the automobile industry or other industries around the world are analyzed, the laws and regulations behind the cases are revealed, and specific compliance response measures are given to business personnel in combination with the Company's business characteristics.

Daily work: Pay attention to cooperation agreements with suppliers, distributors and peer operators as well as the Company's internal management system to avoid monopoly or unfair competition.; Relying on the CLM system and taking the competition compliance system and process as the guidance, implement the requirements of competition compliance to the contract elements and audit points of the contract review and bid review processes, improve the approval quality of the process through accountability, and realize the prevention and management of competitive compliance risk points.

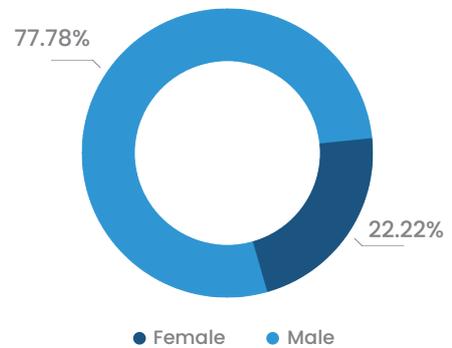
For the management of domestic and international standards and regulations, the Company requires all departments' POC to collect, identify and evaluate a full range of laws, regulations, departmental rules, national mandatory standards among others, so as to conduct rectification when needed to ensure the operational compliance.

2. GOVERNANCE COMPLIANCE

The General Meeting of Shareholders is the supreme authority of the Company. As the decision-making organization of the Company, the Board of Directors (BoD) is responsible to the General Meeting of Shareholders. The BoD of the Company is composed of 9 Directors, including 2 Directors who are employee representatives and 3 Independent Directors. There are 2 female directors in the Board of Directors, accounting for 22.22% of the total number of directors.

The Board of Supervisors of the Company is the supervision organization of the Company, which consists of 3 Supervisors. The Supervisors include 2 representatives of shareholders and 1 representative of staff, responsible for supervising the BoD and senior management of the Company. The General Manager, Deputy General Manager, Financial Director and BoD Secretary are the senior management personnel of the Company, who are responsible for the execution of the Company's specific affairs and the daily management, and are appointed by the BoD of the Company. The list of Directors and Supervisors by the end of 2022 is detailed as follows:

Members of Board of Directors



Name	Gender	Position
Tang Yuxiang	Male	Chairman
Cao Jianwei	Male	Director
Yu Li	Female	Director
Yang Bo	Male	Director
Lu Xinlei	Male	Director
Du Minghui	Male	Director
Li Keqiang	Male	Independent Director
Yin Xiaohua	Male	Independent Director
Gu Xiujuan	Female	Independent Director
Zhang Baofeng	Male	Chairman of Board of Supervisors
Guo Hui	Male	Supervisor
Wei Yihui	Male	Supervisor

The BoD holds meetings on a regular basis to report on recent work and deliberate on relevant proposals, implements the resolution of the General Meeting of Shareholders, deploys the overall operation and strategic development of the Company, and decides on operation policies and investment plans. In 2022, the Company held 5 board meetings to deliberate on and approve of a total of 29 agenda items, one of which was the 2021 CSR Report relating to eco-friendly governance, public welfare, poverty alleviation and sustainable development etc., which testifies to the Company's consistent commitment to the CSR purpose and philosophy of "strengthening national industry and being an excellent enterprise citizen". In those meetings, as per the principle of maximizing the interests of shareholders, the Directors performed their duties with loyalty, honesty and diligence by presenting practical and pertinent opinions and suggestions on the production and operation of the Company. In 2022, the Board of Supervisors held 5 meetings, where 21 agenda items were approved after deliberation. And

the General Meeting of Shareholders was held twice to deliberate on and approve of 13 agenda items. The standard procedures of the above three kinds of meetings strongly support the Company's operation and strategic development.

The Company discloses information in a timely and fair manner, and guarantees the authenticity, accuracy and integrity of those information, in compliance with laws and regulations such as the Securities Law of the People's Republic of China, the Company Law of the People's Republic of China, and the Measures for Management of Information Disclosure of Listed Companies, as well as the Listing Rules of Shanghai Stock Exchange. Through regular reports, the Company informs investors of its operating performance and financial status.

During the period of this report, the Company did not experience any merger, acquisition or restructuring, major equity changes, or changes of major suppliers, etc.

3. ANTI-CORRUPTION

The Company strictly abides by the Criminal Law of the People's Republic of China, the Law of the People's Republic of China on Administrative Punishments for Public Security, the Company Law of the People's Republic of China, the Civil Code of the People's Republic of China and other relevant laws and regulations, and it has been upholding the values of "Morality, Collaboration and Innovation", and following the operation and management philosophy of "Employee Orientation" and "Customer Centricity". The Company strives for a clean and positive working environment and an honest and win-win cooperative environment, contributing to the "Chinese Dream" of domestic equipment manufacturing industry going global and the rise of the Chinese nation through the establishment and improvement of the clean government management system, the integration of the "three noes (dare not corrupt, can not corrupt, do not want to corrupt)", the implementation of the grid responsibility system, top-down to ensure that one level of management, compacting the main responsibility of management cadres at all levels of clean government management, forming an effective management closed loop and virtuous cycle.

3.1 IMPROVE THE INTEGRITY MANAGEMENT SYSTEM AND FOCUS ON PREVENTIVE MANAGEMENT, ACTIVE IN PARTICIPATION IN ANTI-FRAUD ORGANIZATIONS

Since 2013, the Company has established a full-time "discipline inspection unit", in combination with internal control and audit, focusing on the whole-chain control of prevention, supervision and punishment by "putting prevention first and punishment as complement". For example, the Company's internal control self-evaluation and overall evaluation mechanism is established around risk identification and prevention to identify risks and avoid them jointly with business at the front end; Focusing on key businesses and positions, the audit carries out special audits, cadre performance audits, operation audits, etc. to actively identify business management loopholes and promote management improvement; Discipline inspection and supervision shall establish and smooth the reporting channels for problems, form process information exchange with internal control and audit, extensively collect fraud clues, timely identify fraud risks in business management, continuously strictly investigate and punish various discipline violations, and compact the main responsibilities of integrity management of management cadres at all levels. It stays true to the original aspiration of cultivating morality with deterrence. In 2017, the Company joined the China Enterprise Anti-Fraud Alliance and the Trust and Integrity Enterprise Alliance as a director unit to work with other excellent enterprises to provide China's wisdom and

solutions for the global anti-fraud cause, abide by business ethics and contribute to the realization of the "Chinese Dream".

In 2022, the Discipline Inspection Commission of the Company engaged in a series of activities to enhance integrity awareness, and released the newsletter of Integrity Monthly and the video of Major Typical Corruption Cases Documentary. It has promoted case learning for modification and prevention within the Company, and established mechanisms to study corruption cases, perform themed training, and provide integrity orientation for new employees and new cadres. In addition, the Company requires internal staff at high-risk positions to sign the Integrity Undertaking Letter, allowing for Abide by professional ethics, and external partners to sign the Integrity Agreement, enabling joint observation of business ethics. Focused on preventive management, we conduct saturation publicity and effective constraint to increase the awareness internally and externally, minimizing the breach of in-house management and staff as much as possible, and maintaining the integrity commitment by external partners. All of these have comprehensively promoted a clean and honest working environment and corporate growth.

3.2 PURSUE EFFECTS IN ENSURING STAFF "DO NOT WANT TO BE CORRUPT" BY FUNDAMENTALLY IMPROVING THE INTEGRITY AWARENESS

In order to build a solid defense line of integrity awareness and self-discipline among staff, and ensure partner alignment for win-win cooperation, the Company has improved the integrity education by level and category, and revised such rules as Regulation on Integrity Education of Yutong Bus.

In 2022, the Company finished anti-corruption counseling for more than 200 cadres, and conducted anti-corruption training for more than 3,000 attendees. Before national holidays, the Company issues the Holiday Reminder of Integrity and Self-discipline to all staff and external partners through SMS, internal

platform, supplier portal website, dealer management system etc. The "Integrity Stone" has been set up for staff to take an integrity oath. And the nine red lines and ten codes of conduct about integrity are presented as comic posters in the company. In another word, a series of anti-corruption publicity and educational activities have been conducted to enhance the awareness of integrity and self-discipline of the staff and external partners. All of these have achieved remarkable results. The annual "integrity organizational climate" evaluation showed 95% respondents have strong anti-corruption perception, and the corporate integrity culture has been highly recognized by most staff.

3.3 FOCUS ON ENSURING STAFF "CANNOT BE CORRUPT" BY LEAVING NO CHANCE FOR CORRUPTION THROUGH SYSTEMATIC CONSTRAINTS AND OVERSIGHT

Internally, we made it clear that the leaders and managerial personnel at all levels are responsible for integrity management, and we have increased the granularity of red-line scenarios and provisions as an important guarantee of the anti-corruption combat. For example, the number of various types of clues collected in 2022 increased by 22.81% compared with previous years, of which 99% of the reporting clues have been processed, and basically achieved "reporting must be implemented and the verified must be severely punished". Apart from facilitating bottom-up supervision and disclosure, we have been pro-active in top-down inspection and oversight to identify business management loopholes, timely improve systems and workflows, and minimize corruption chances and fraud risks, with a view to the value orientation of "maintaining fairness and justice, and safeguarding the Company's interests".

Externally, the Company has been committed to building a clean and transparent cooperative relationship, improving the Yutong Sunshine Sales Management Regulations and Yutong Integrity Agreement and other documents when necessary. We have required 800 suppliers and over 210 dealers

to sign the integrity agreement on what both parties need to abide by, so as to provide legal basis for business ethics, strengthen the integrity awareness of the staff, customers, suppliers, dealers and other business partners, laying a solid foundation for win-win cooperation. For example, in 2022, we executed claims for breach of contract against 27 suppliers who violated the integrity agreement, and warn other suppliers to abide by the honest and clean business agreement.

In addition, in terms of compliance operation, a series of system management systems such as Criminal Compliance Management Regulations, Anti-commercial Bribery Management Regulations and Business Compliance Guidebook have been formulated and issued. At the same time, for management cadres at different levels and employees of related post groups, relevant courses of Compliance Management are implemented, and more than 10 compliance-related trainings are carried out every year to realize full coverage of senior, middle and key groups. At the same time, check and audit the effectiveness of the compliance management system, trace back and improve it to realize continuous optimization of the compliance management system.

3.4 STICK TO ENSURING STAFF "DARE NOT BE CORRUPT" BY STRENGTHENING THE DETERRENCE OF DISCIPLINE INSPECTION WITH ZERO TOLERANCE

The Company has conducted "joint investigation and joint crackdown" to mobilize all departments to combat corruption. In 2022, the Company punished a number of violations, fired 30 people with misconduct, and recovered economic losses of more than CNY 4 million for the Company. Through the reverse investigation and handling of many anti-corruption cases and the positive publicity and guidance of integrity, the awareness of management cadres and employees at all levels on anti-corruption, management red line

and bottom line has been significantly improved. As the anti-corruption management shifts from passive investigation to pro-active governance, the Discipline Inspection Commission has achieved the anti-fraud phased target in advance. The annual evaluation of "Discipline Inspection Commission deterrence perception" revealed a result of 94.7%, realizing the constant warning effect. In the future, the Company will continue "zero tolerance" to integrity issues and consolidate deterrent effects.



4. CONFIDENTIALITY AND INFORMATION SECURITY

The Company started the construction of information security in 2008. In 2013, an external professional consulting company made an overall planning for information security. The protection system was constructed with reference to ISO27001 and National Classified Protection 2.0. In 2022, the Company focused on improving data security and intelligent networking security without information leakage or cybersecurity incidents. At the same time, the Company also attaches great importance to and pays attention to the personal privacy protection of customers. It has established a strong awareness of information security and risk prevention system to protect the privacy information security of customers and employees and improve their ability to resist risks.

Construction of security system: With the protection of information assets as the core object of security control, key operational measures such as risk management, strong audit and event management are taken to promote the improvement of enterprise information security organization, management and technology based on PDCA theory, thus finally achieving the security guarantee for business development. The Company has established a three-level information security organization for decision-making, management and implementation to clarify the division of responsibilities and effectively ensure the implementation of information security management and technical work. According to the classified protection 2.0 and the actual threats faced by enterprises, a cloud, management, terminal and data security technology architecture has been established, which can effectively resist external attacks and internal information asset control.

System and process support: At present, there are 21 systems and 10 process documents for information security. The hierarchical and classified system framework has been improved, covering five major fields of assets, personnel, terminals, systems and audits, and the corresponding process forms have also been improved. Yutong's information assets refer to the sum of all data, electronic documents and paper documents related to various business activities such as production, operation and management that can bring actual value to Yutong Group and have significance and influence. Different types of information assets have different business values. The confidentiality levels of information assets from high to low are: top secret, confidential, internal open and non-confidential.

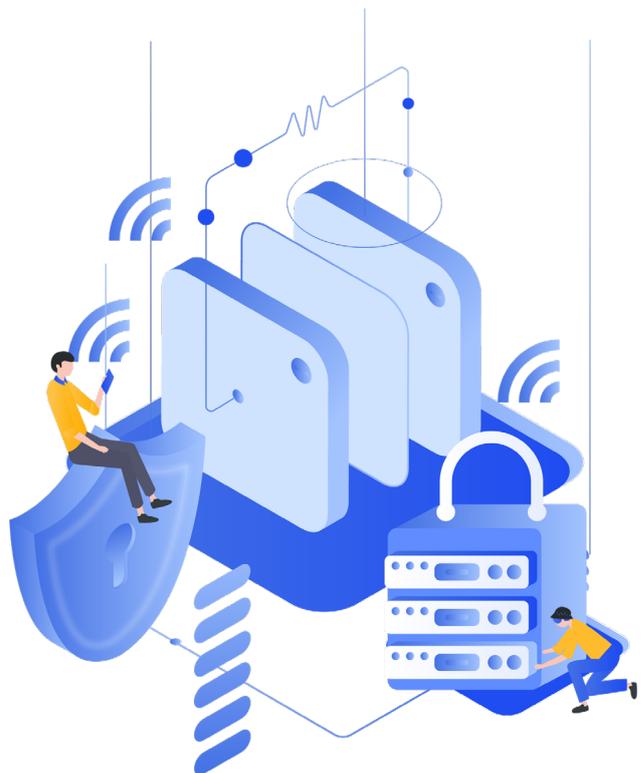
Industrial control security protection: In terms of management system, the industrial control network security systems and standards have been improved according to national requirements and problems in actual operation.; In terms of technical support, the "zero trust deep security protection system" based on the "white environment" is controlled by network area division, vertical partitioning, horizontal partitioning and centralized early warning management.

Information security training: In order to improve employees' awareness of information security and reduce the occurrence of violations, the Company has carried out various forms of publicity and education work and successively developed VIP service manuals, employee manuals, promotional posters, warning animations and screensavers.; The training materials are prepared for new employees recruited from social organizations, college students, middle and senior management personnel of the Company and third-

party personnel. There is a closed-loop examination after training.

Information security audit: Establish a closed-loop management mechanism for daily audit to find violations and security incidents in time, realize timely identification, confirmation and disposal of abnormal behaviors, and reduce the company losses caused by security incidents; Through common violations and security incidents found in the daily audit process, monthly system-level and bimonthly company-level notification methods are formed to strengthen information security warnings for employees.

External compliance audit: With the promulgation of Cybersecurity Law and Data Security Law, there are clear requirements and standards for enterprise information security construction. In combination with the rapid development of overseas business, the Company actively responds to national requirements and compliance operation in overseas regions, and has obtained relevant qualification certificates in terms of enterprise information security, such as classified protection filing of information systems, ISO27001, ISO27701, UN RI55 and GDPR certification.



II. COMMIT TO TECHNOLOGICAL ACCUMULATION AND BUILD REPUTATION WITH PRODUCT

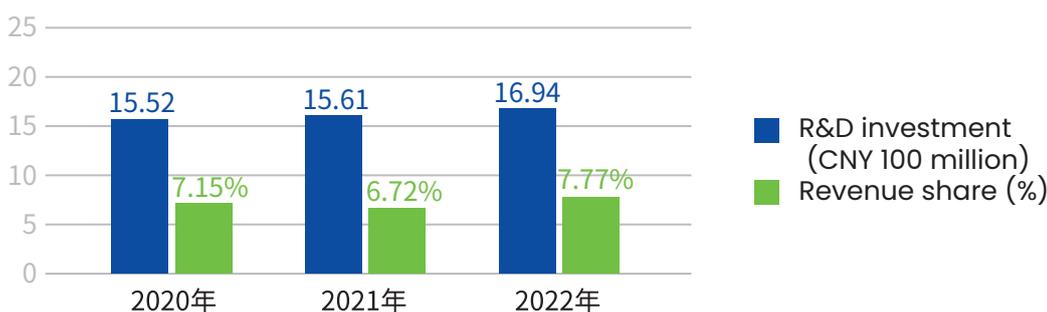
1. TECHNOLOGY R&D AND INVESTMENT

As early as 2007, the Company has been dedicated to new energy bus in technological research, vehicular R&D and industrialization. By the end of 2022, a R&D team of 2,823 staff has been established, including 26 chief experts, 22 doctorate holders and 508 master degree holders, to go all around for key technologies of new energy buses in the following directions: front-end technology planning, power system matching and integration, vehicle control, motor and its control, battery and its management, electrical safety, autonomous driving, vehicle and parts test and verification etc.

Yutong fully considers the recycling of core parts and batteries at the end of products, and relies on Henan Liwei New Energy Technology Co., Ltd. (hereinafter referred to as "Liwei New Energy"), a member enterprise of Yutong Group, to carry out traction battery recycling and echelon utilization. It has established a core team with many years of product R&D experience, mastered industry-leading technologies such as standard battery design, battery operation control, battery system management, cell and finished product testing, and provided customers with integrated battery system solutions. Recycling and echelon utilization products are used in the fields of RV backup power supply, communication backup power supply, low-voltage power supply, outdoor mobile power supply, energy storage system manufacturing, etc. High-efficiency electric drive system of battery nitrogen protection system.



1.1 R&D INVESTMENT



1.2 TECHNOLOGY R&D AND INDUSTRIAL APPLICATION

In accordance with the national strategy of technology transition to battery electric drive, the Company has been adhering to electrification and intelligent connection through the established R&D layout of "three systems and seven technologies", to develop the BEV, PHEV and FCV technology platforms, breaking through in the EV core technologies of battery, motor, electric controller, electric drive, e-axle, charging, thermal management, etc. We have focused on key

problems of intelligent connection such as multi-source information fusion, decision-making and collaboration control, on-board super-computing platform and cloud control platform. The self-developed integrated control of new energy bus is at an advanced level globally, which includes world-leading vehicle energy-saving and control, HV isolation power conversion, high-density e-drive control, etc.



BEV BUS

The Company's battery electric buses and coaches in the domestic market have completed the comprehensive technical upgrade of the "three E-Systems" (battery, motor and electric controller), all of which feature OTA for rapid iteration of software.

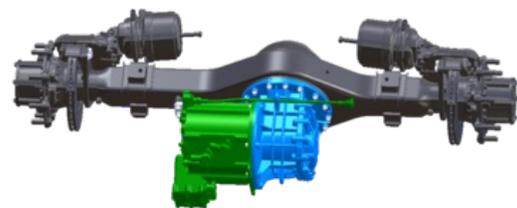
In terms of vehicle control, the Company has pioneered ReGuard safety technology in the industry, which can significantly improve vehicle safety by preventing accidents due to drivers' non-standard operation or mistakes. Our electronic fence area technology can customize the maximum speed of vehicles in different areas, and reduces the potential safety hazards of overspeed through efficient vehicle-road-network communication.

For traction battery system and management, the Company has developed and applied comprehensively Yutong Electric Safety Standard (YESS) such as nitrogen protection, ensuring the safety of batteries under extreme conditions. The MTV (Module to Vehicle) battery system makes the battery 8.5% lighter and saves the space by over 40%, improving the vehicular lightweight level and space utilization. The battery safety life cycle intelligent tracking system based on cloud platform and big data further prolongs the battery life. And the Company has been the first in the industry to pioneer the advanced research and installation of wireless battery management for commercial vehicles, through which the LV wiring harnesses of the battery system are 90% less.



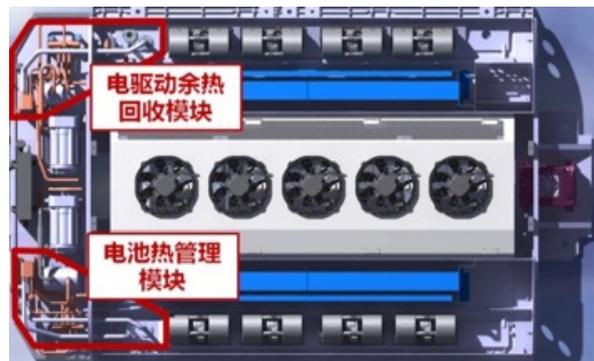
BATTERY NITROGEN PROTECTION SYSTEM

As regards high-efficiency electric drive system, the Company has completed the development of a full series of new-generation motors. The electric drive high-speed motor system developed by the Company has been fully popularized and applied, whose maximum efficiency reaches 96% and weight down by more than 15%. The advanced research of silicon carbide (SiC) motor controller and oil-cooled flat wire motor further improve the motor efficiency and power density, and reduce the vehicular energy use by about 4%. The safety technologies such as motor SOH detection, output power deviation estimation, and dual-sourced LV power supply have been developed and applied in batches to improve vehicular operation safety.



HIGH-EFFICIENCY ELECTRIC DRIVE SYSTEM

As to vehicular thermal management, the Company has developed a system platform for hot environment that is adaptable to temperatures above 55°C, ensuring the vehicle stable operation during Qatari top football tournament, and winning glory for the country with high-quality products and services. The dual-source low-temperature heat pump technology has been popularized to reduce the energy use of cold-weather heating by up to 30%, greatly alleviating mileage reduction in winter. The advanced research of the next-generation integrated thermal management system has been completed, ensuring efficient recovery of the drive system residual heat and further reduction of vehicle low-temperature heating by 10%.



WASTE HEAT RECOVERY VEHICLE THERMAL MANAGEMENT SYSTEM



INTELLIGENT CONNECTED BUS

Since March 2013, Yutong has started to deploy intelligent connected products, establishing a full-time R&D team covering different professional directions such as perception, decision-making, system integration and V2X, who has joined hands with domestic top research institutions to tackle key problems of core technologies, such as environmental perception, decision-making planning, collaborative control, computing platform and cloud control platform. The Company has developed L4 autonomous micro-circulation buses (application scenarios: open roads, link-up bus and online bus-hailing) and L3 intelligent connected buses for BRT, among other intelligent connected buses.

Since 2015, the Company has finished in succession the open road test of autonomous buses, the conditional regular operation of self-driving e-buses in closed area, and the open road demo of autonomous driving. In 2022, standing by advanced technologies and concepts such as "smarter vehicle, smarter road

and smarter transportation infrastructure", Yutong worked on the comprehensive urban transportation system and built an intelligent mobility service system that is safe, green, comfortable, convenient and efficient. Its L4 autonomous micro-circulation buses were operated in the Weilai Community of Shaoxing City, the China-South Korea Industrial Park of Huizhou City and other places. The L3 intelligent connected buses began operation in the East 3rd Ring Road of Zhengzhou City. All of these have further accelerated the commercialization of Yutong autonomous driving technology.

Up to now, Yutong intelligent connected buses have been put into demo operation in Beijing, Zhengzhou, Dalian, Chongqing, Guangzhou, Nanjing, Boao, Shaoxing, Huizhou and other cities, running safely for more than 1.8 million kilometers and carrying over 250,000 passengers. Yutong intelligent connected bus has entered the stage of commercial demo operation.



FEV BUS

In 2009, the R&D of fuel cell buses was started and a full-time R&D team led by doctors in vehicle engineering, chemical engineering and other disciplines was established. It has taken the lead in establishing Henan Fuel Cell and Hydrogen Energy Engineering Technology Research Center, Henan Fuel Cell Commercial Vehicle Technology Innovation Center and Henan Hydrogen Energy and Fuel Cell Vehicle Industry Research Institute, with test capabilities covering the development and testing of vehicles, systems and key components. It has undertaken more than ten scientific and technological research projects, including the key R&D plan of the Ministry of Science and Technology during the 13th Five-Year Plan period and major science and technology special projects in Henan Province. In 2022, the ultra-low temperature rapid and nondestructive low temperature startup technology will be developed. The low temperature environmental adaptability of fuel cell buses will exceed -40°C , which will be popularized and applied in batches at Beijing Winter Olympics; A new generation of high-

efficiency electric hybrid power system has been developed, and the vehicle economy is optimized by 10%; The project "Electric-Cell In-depth Hybrid Power System Platform and Vehicle Development of Fuel Cell Bus" led by the Company passed the acceptance inspection by the High Technology Center of the Ministry of Science and Technology, and was awarded as "Excellent"; The major science and technology special project of Henan Province, "Technology Research and Demonstration Application of Fuel Cell Vehicles and Key Components", which was undertaken as the lead, was approved for launch; The third generation of fuel cell buses developed have been popularized in more than 600 projects such as the United Nations GEF/UNDP, Beijing Winter Olympics and national fuel cell vehicle demonstration applications, with safe operation exceeding 50 million kilometers. In the future, we will continue to carry out R&D around vehicle integration and safety, system matching and control, etc., expand the application scenarios of fuel cell buses, and realize large-scale promotion and application.



PEV BUS

The Company has developed a highly integrated and efficient electro-mechanical coupling power system, breaking through in four key technologies: configuration optimization and matching design of multi-mode hybrid system, high-efficiency high-power density motor drive technology, multi-mode high-efficiency electro-mechanical coupling technology of complex shafting, integrated design of multi-mode hybrid system and NVH reduction technology. The torque density of the multi-mode hybrid power system reaches $14.29 \text{ N}\cdot\text{m}/\text{kg}$, the comprehensive mechanical efficiency up to 91.5%, and the 85% efficiency working

area of the drive motor accounting for 89.9%, suitable for complex actual working conditions. We have developed a high-efficiency medium-sized hybrid special engine for industrialization to meet the China VI emission requirements. And our vehicle energy-saving control strategy based on multi-source information fusion increases the fuel-saving rate by 4.34%. Under hybrid mode, the 12m bus fitted with such a system achieves the fuel consumption of 12.8L per 100km, with the maximum gradeability $\geq 20\%$. And under typical urban conditions in China, the fuel saving rate of Yutong PEV bus can reach more than 50%.

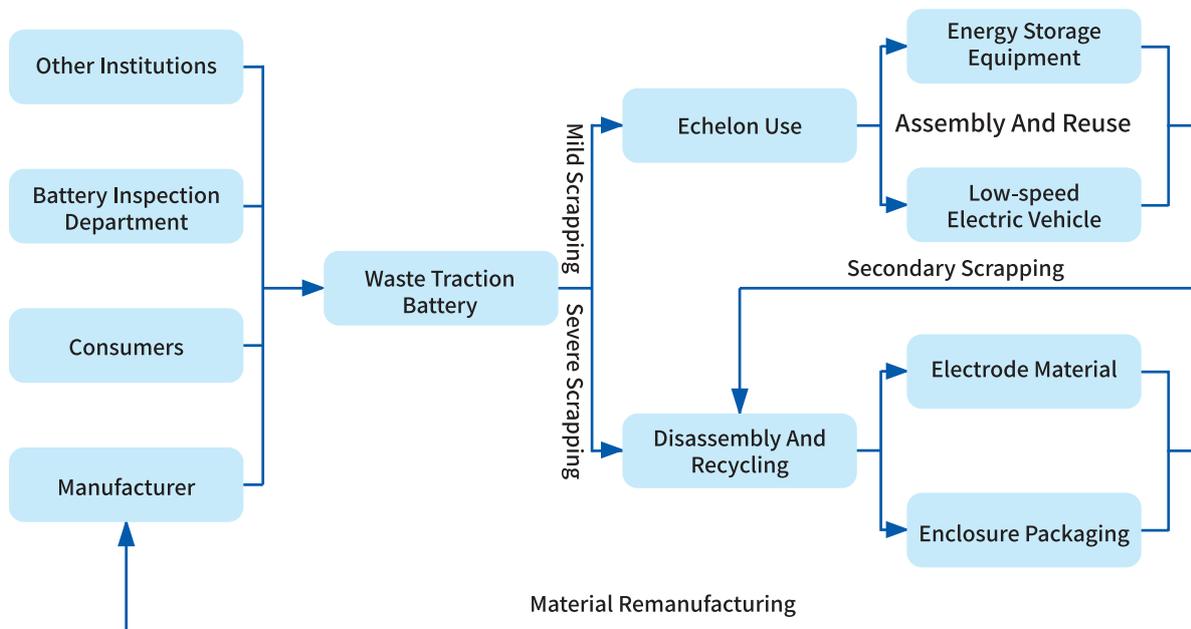
1.3 RECYCLING OF DECOMMISSIONED TRACTION BATTERIES

Battery recycling network covering the whole country: The Company has built its own sales channels and relied on Yutong Bus's direct sales and after-sales team to build 14 recycling bases, covering the Yangtze River Delta, Pearl River Delta and central China.

Different cooperation modes for traction battery recycling: Yutong cooperates with the original vehicle traction battery supplier CATL to launch an extended-range battery swap service for batteries in poor SOH during the warranty period, that is, passenger transport and bus enterprises can deduct some of the battery swap funds from the original vehicle batteries, while CATL and Liwei are responsible for recycling the original vehicle traction batteries. At the same time, Yutong actively integrates industrial chain resources and jointly carries out traction battery recycling with motor vehicle scrapping and dismantling plants and insurance companies in key areas of China.

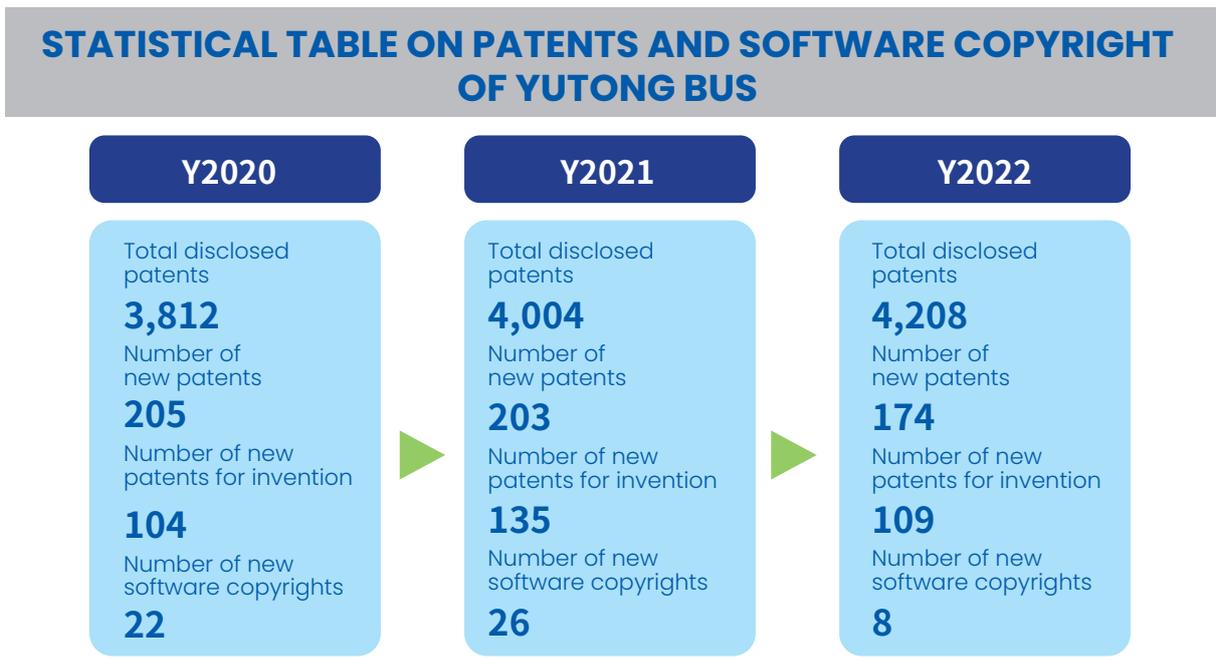
Recycling scale: Liwei has recycled more than 1700 tons of decommissioned traction batteries in 2021, and the recycling amount reached a new high in 2022, with a cumulative recovery of 2325.38 tons.

Industrial cycle: The recycling and comprehensive utilization of decommissioned traction batteries have formed an industrial cycle, as shown in the figure below.



2. PATENT AND IPR PROTECTION

Based on the existing management system and business division, the Company has built an IPR management system based on collaboration and cooperation. It has formulated a series of systems such as Patent Management Procedure and Regulations on Trademark Assets Management. In terms of patents, Yutong has built a systematic patent risk control mechanism, identified and eliminated potential patent risks covering all processes from production, supply, research to sales, and no patent litigation has occurred in the past 3 years. At the same time, we have seized upon the momentum of national IPR protection to continuously deploy for high-value patents, and set up high-value patent portfolios in electric controller, motor, battery, NVH, intelligence, etc. Due to the constant IPR investment and efforts in recent years, the Company has successively won a series of awards and honors such as China Appearance Design Gold Award, Henan Patent Grand Award, National Intellectual Property Demonstration Enterprise, Henan Intellectual Property Leading Enterprise, and China Automotive Engineering Society Intellectual Property Outstanding Enterprise. The company has also successfully passed the certification of IPR management system. The number of intellectual property rights in the past three years is as follows:



In terms of trademarks, Yutong has formed a brand-trademark collaboration mechanism under the work orientation of "brand building as the core", and made good trademark layout for the company's brand planning in advance. As of 2022, there are 577 valid registered trademarks in China. The "Yutong" trademark was recognized as a well-known trademark for protection in 2005, 2014 and 2022 respectively. In overseas markets, the Company has obtained a total of 1,076 valid registered trademarks in 151 countries

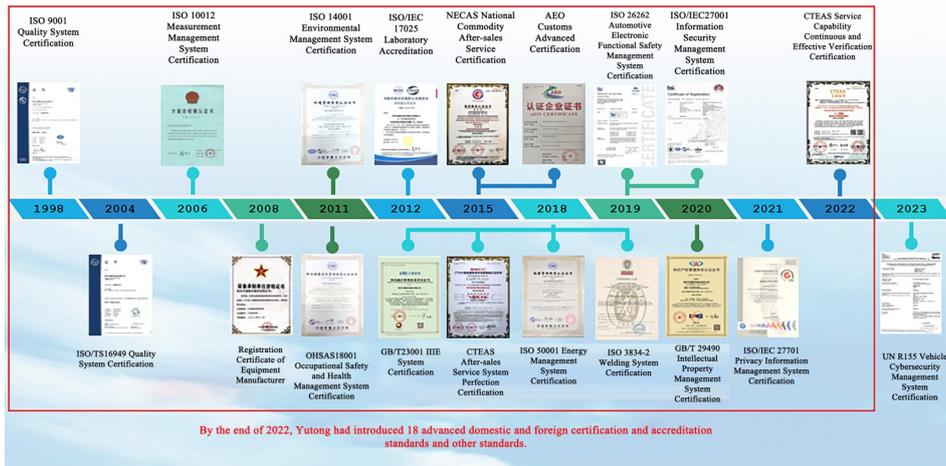
around the world by relying on various ways such as registration with organizations such as Madrid Union and African Intellectual Property Alliance or single-country registration according to the classification of regions and countries. With the joint cooperation of relevant departments, Yutong Bus has been listed in China's 500 Most Valuable Brands by the World Brand Lab for 19 consecutive years, with a brand value of CNY 69.165 billion in 2022.

3. PRODUCT QUALITY CONTROL

3.1 SOUND QUALITY CONTROL SYSTEM

Yutong has always attached great importance to the establishment and implementation of the quality control (QC) system. It has continuously carried out international bench marking to improve the QC system. As a result, the Company has not only established an integrated management system framework with the quality management system as the core while incorporating a multitude of other systems, but also a quality management organization covering planning, development, verification, manufacturing and after-

sales. The Company first introduced ISO 9001 QC standard as early as 1998. In 2004, it was the first in the industry to introduce ISO/TS 16949 QC system and passed the German QC certification. In September 2017, the Company became one of the first in the country and the first enterprise in the bus industry to pass the new IATF 16949 certification. By the end of 2022, the Company has introduced more than 18 advanced national and international certification and approval standards to meet the requirements of global



markets and various customers on product quality and management expectations.

In the process of product quality control, the Company adheres to the quality management concept of "quality assurance + quality prevention", and is committed to building a full life cycle quality management system from demand identification to product "realization + service". The Company has been promoting the continuous and steady improvement of the quality of its products through more than 20 items of system management like quality responsibility mechanism, quality inspection and defect outflow prevention, quality data informatization, categorized

and layered quality improvement, deepening of product quality safety management and evaluation on whether product standard is leading or not.

In order to ensure the effective running of the QC system, the Company has set a top-down quality assessment target and also broken down it. Meanwhile, via regular inspection of the implementation situation of the system, internal audit, process audit, product audit and management review and other methods, the Company has also continuously optimized its QC system and improved its management level and product quality to help the achievement of its quality objectives.

3.2 COMPLETE QUALITY VERIFICATION MECHANISM

In terms of product quality control, the Company adheres to the quality control concept of "Do not regard the market as the test site, but regard the test site as the market", and concentrates on the R&D and quality verification technologies in various fields. With a total investment of CNY 1 billion, the Company has constructed a test center covering an area of 10 hectares, and took the lead in establishing a three-in-one testing and evaluation system of parts, systems and complete vehicles. The construction of the test center and the establishment of the test and evaluation system give the company abilities to conduct various types of engineering tests such as safety, energy efficiency, environmental protection, reliability, electromagnetic compatibility and environmental

adaptability. It has also helped the company build a technology R&D and quality verification platform with leading test resources and verification capability in the bus industry, effectively erecting a solid firewall for product quality control which can ensure that quality risk is identified and then diffused inside the factory.

As to product delivery inspection and test, the Company has formed a complete set of testing procedures and methods including four-wheel alignment, vehicle inspection line, dynamic road test, shower test, final static inspection to keep the consistence of product quality. The product can only be put into storage for sale after they are 100% qualified in the final inspection.



4. TECHNOLOGICAL GUARANTEE OF CUSTOMER SAFETY

Providing customers with a safe mobility environment is Yutong's eternal pursuit and the source power of its development for many years. Yutong takes the bus safety regulations and standard requirements (such as GB 7258-2017 Technical Specifications for safety of Power-driven Vehicles Operating on Roads, JT/T 1094-2016 Safety Specifications for Commercial Bus, etc.) as the base line and red line of product design and development. On this basis, through research on typical safety accidents in the market, a series of characteristic security technologies have been developed to continuously improve product safety.

Regarding the safety of city bus, a side, bottom and tail collision protection systems has been developed for battery pack and high voltage system to greatly improve the safety of battery in collision accidents and reduce the risk of fire; in view of the safety of vehicles soaked in water, the tightness of key high-voltage components such as traction battery boxes is improved, so that the traction battery will not suffer a water ingress problem even under extreme working conditions (2m water depth and 72h immersion), greatly improving the safety features of products. For the protection of passengers in the vehicle, technologies such as interior guardrail softening, anti-slippery floor, high-seatback seat, round corner design and countersunk nail fixing are adopted to significantly reduce the probability of passenger injury as a result of bumping and falling during emergency braking and rapid acceleration.

Regarding the safety of road coach, the Company put forward the "Five Steps of Yutong Safety" featuring new safety technologies such as danger warning, automatic emergency braking, collision protection and quick escape to ensure the safety throughout the whole travel process.

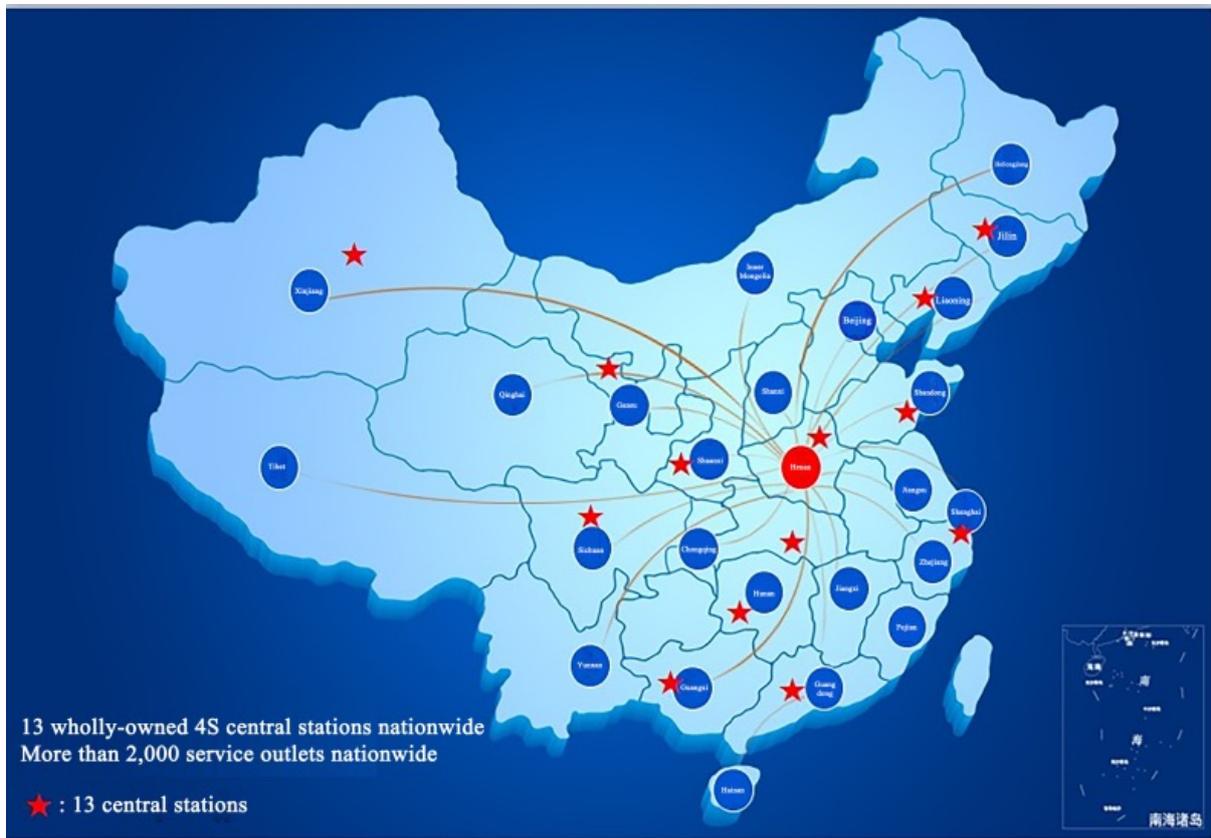
For school bus, on the basis of safety DNA such as "long nose", 5mm bumper and robust closed ring structure, intelligent safety technologies such as mobile object recognition and smart anti-forgetting system have been developed to raise the intelligent level of school buses and ensure the safety of children.

Yutong has established a complete product quality and safety management system, and does a good job in product safety risk prevention and management through safety technology development, product development, process development, quality inspection, after-sales service, etc. at the front end. It collects the needs of different customers (drivers, passengers, maintenance personnel, operation personnel, etc.) through three channels at the back end and makes continuous analysis and improvement. Firstly, it collects customer health and safety problems from the after-sales market through QM system and transmits them to technology for product improvement. Second, it collects customer health and safety problems through 400 customer satisfaction return visit and third-party satisfaction survey. Third, product and technical engineers actively visit customers to collect problems. It ensures that customers' needs for health and safety are effectively addressed in diversified ways.

The company provides customers with a healthy and safe mobility environment and leads the healthy development of the bus industry through by creating safe, reliable, beautiful and high-quality product.



III. PUT CUSTOMERS FIRST AND WIN HEART WITH SERVICE



I. CONSTRUCTION OF ACTIVE AFTER-SALES SERVICE SYSTEM

1.1 DOMESTIC MARKET

With the service mission of "service creates value and adds luster to the brand", the Company is committed to "building a top commercial vehicle service brand via unsurpassed advantages of direct service". Working towards a service vision of creating service value and promoting sustainable and sound development and adhering to the service concept of customer satisfaction, the Company will continuously improve customer service experience and satisfaction by consolidating the service foundation, improving professional ability and innovating service modes. Yutong's buses ranked the first in 2022 CAACS Survey on Bus Brands.

The company has a professional front-line market service team, including service technicians and service engineers totaling more than 600 people. They are deployed and stationed in more than ten service outlets nationwide, providing customers with 24-hour maintenance, parts, technical support and other services; the Company is committed to improving a development path whereby "Yutong Bus-service provider partner-customer" can achieve a win-win result, so as to lay a solid foundation for customer service and improve customer service experience;

meanwhile, functions such as service outlet, parts price, anti-counterfeiting inquiry as well as bus repair and maintenance basic knowledge are available on the company's official website; the Company can also, via the development of intelligent after service mode, provide preventive value-added maintenance services to customers, which greatly improves the operation efficiency of customers' vehicles, reduces maintenance costs and improves customer service satisfaction.

The Company has established a comprehensive and effective customer communication channel. Regular visits are paid to customers collect their feedback to learn their suggestions on product and their service needs, thereby fostering a customer relationship characterized by mutual trust and win-win. At the same time, the Company has been making continuous efforts in improving its after service network. With more than 10 self-built center service stations throughout the country and over 180 parts dealers and 1,600 special service outlets, a diversified after-sale service network is formed. In combination with the product characteristics and customer operation requirements of each bus market segment, the Company continues to innovate the service mode and

enhance the service specialization, keeps exploring and improving a differentiated service mode in each bus market segment, thus building an integrated service platform for the diversified service needs of customers in the bus market on which remote and predictive

services can be realized, solution-oriented service product can be developed and launched. All these can enable the Company to build a new mode of intelligent after-sale service, and create a novel service experience featuring "professional, convenient and efficient".

1.2 OVERSEAS MARKET

Adhering to a service concept of "customer-oriented", "customer satisfaction", "customer is always right", the Company is committed to providing customers with professional, efficient, considerate and trustworthy service.

The Company adopts a service mode which is well-suited for market traits, gradually establishes a direct service system with the Company playing a dominant role to comprehensively control the service process and service effect. These measures help the Company secure a leading position in terms of overseas product service satisfaction and enhance the image of Yutong brand, and gain an obvious advantage over the medium-end competitors and new energy competitors.

The Company has continuously optimized and improved its overseas service network according to vehicle sales distribution landscape. By the end of 2022, it has more than 260 authorized service stations or service companies and more than 330 authorized service outlets, covering 95 countries and regions, with an average service radius of 150 kilometers. The Company has established region-level parts central warehouses in Panama, Chile, the United Arab Emirates, France and South Africa, and country-level parts central

warehouses in Mexico, Colombia, Kazakhstan, Tanzania and Qatar. It also authorized nearly 80 parts distributors to provide fast and effective parts supply for end users. While building a strong direct service capability, the Company continues to deepen cooperation with world-renowned auto parts suppliers like Cummins, ZF, Allison, etc., implements the service first strategy, keeps raising service guarantee ability so as to work with our partners to provide comprehensive and high-quality services and parts guarantee for overseas customers.

Yutong has professional service experts, customer service managers and parts specialist who are deployed in Yutong's 20 regional companies around the globe, providing customers with such services as 24-hour maintenance, parts and accessories, technical support, etc. In addition, the Company has been holding various forms of service campaigns, including comprehensive and professional vehicle repair and maintenance service activities, fuel-saving driving activities, parts promotion activities, etc.; Besides, the Company has also developed and launched a variety of service products and package service solutions to meet the diversified needs of customers in the bus aftermarket and create value for customers.

2. CUSTOMER TRAINING INITIATIVE

2.1 TRAINING FOR DOMESTIC CUSTOMERS

The Company has set up a professional training management team to roll out all-round training programs for customers covering different phases of vehicle usage like before delivery, after delivery, initial stage and later stage of vehicle operation.

The Company has established 13 regional training centers in China with the support of its center stations, providing in-house training, centralized training, headquarter on-site training and other services according to customers' needs, which come in various

forms such as theoretical training, practical training, remote network training.

In 2022, more than 7,000 training sessions were held for customers, and the number of participants reached 26,800. These training sessions not only improved customers' in-depth understanding of vehicle use and performance, but also helped a group of transport enterprises build their own maintenance and repair capabilities. A win-win result is achieved and customer's recognition and praise is also gained.

2.2 TRAINING FOR OVERSEAS CUSTOMERS

Yutong attaches great importance to the cooperative relationship with service providers and customers, strives to provide professional training to service providers and customers regarding product use, maintenance, vehicle repair, etc., to help service providers and customers improve their maintenance capabilities and achieve win-win cooperation.

Laying emphasize on customer's understanding and use of Yutong products, the Company carries out various products and driving training. Through online live streaming, on-site training and other training forms, we insisted on training end customers on safe driving and maintenance and repair of vehicles. In 2022, the training sessions were rolled out to more than 2,400

end customers which were attended by nearly 5000 participants.

Choosing to grow together with service providers, the Company also conducts internal operation and management training of service stations to help service providers improve their operation and management capabilities; professional vehicle repair training is also carried out to improve maintenance and repair skills of

service providers. In 2022, more than 600 management and maintenance training sessions were carried out, with more than 2,400 trainees taking part in the training.

In order to consolidate the training effect and improve the service advantage of Yutong brand, training centers have been established in Pakistan and Qatar and targeted trainings are carried out for overseas service providers and customers.

3. EMPLOYEE AND CUSTOMER SATISFACTION

Upholding the idea of "staff first and customer orientation", the Company has established internally as well as externally an all-round, multi-channel and multi-level satisfaction evaluation and management system to ensure that all employees set "Create greater value for customers (society)" as the goal.

In 2006, the Company established a customer contact center and set up domestic service hotline 400-6596666 and overseas service hotline +86-371-66718999 to provide 7*24*365 all-weather services for customers. In 2022, more than 90,000 calls from domestic and overseas were answered and served. The Company pays a return visit to customers through the customer contact center to timely understand customers' comments and suggestions on the Company's products and services. At the same time, the Company conducts customer satisfaction survey whereby customers' voices are listened, customer problems are solved, bond between the Company and customers is enhanced, and a long-term partnership and win-win relationship with customers is retained.

The Company also regularly conducts employee satisfaction surveys to collect employees' comments and suggestions on the Company with the aim of strengthening employees' sense of identity and belonging, improving employee satisfaction, building solidarity and truly practicing the idea of "staff first".



IV. HUMAN ORIENTATION TO GROW WITH EMPLOYEES

1. BASIC RIGHTS AND INTERESTS OF EMPLOYEES

1.1 EMPLOYMENT EQUITY

The Company always attaches great importance to providing equal job opportunities for employees. Whether it is external recruitment or internal job transfer, the Company adheres to the principle of fairness and transparency, and avoids various forms of recruitment discrimination behaviors by putting in place related procedures and regulations, so as to ensure employment compliance and provide fair employment opportunities for talents both from within the company and recruited outside the company. At the same time, the Company actively assumes social

responsibilities, takes measures to attract talents from outside. The Company manages its needs of different talents in a differentiated and classified manner, selecting targeted recruitment channels, formulating different recruitment and talent selection mechanisms to create a diversified recruitment atmosphere. At the same time, in terms of salary and compensation, the Company always adheres to the employee-centric principle, treating every employee fairly, and providing employees with competitive salary and compensation.

TOTAL NUMBER OF EMPLOYEES

Dimensions	Statistics in 2022
Number of active employees in the parent company	11,451
Number of active employees in major subsidiaries	1,588
Total number of active employees	13,039

EDUCATION BACKGROUND

Education background	Statistics in 2022
Master degree or above	817
Bachelor	5,298
Junior College Graduate	3,265
Others	3,659

OTHER DATA

Index name	Statistics in 2022
Proportion of female employees	9.30%
Number of ethnic minorities	209
Employment contract signing rate	100%
Number of senior management employees	11
Number of female senior management employees	1
Number of middle manager and above	507
Among them, the number of female middle managers and above	29
Number of overseas employees	1397
Foreign employee	2
Proportion of directors and above with Chinese nationality	100%
Number of part time employees	0



Note: "senior management" refers to senior management employees of the Company; "middle managers and above" refers to any managerial personnel at the section manager level or above. Overseas employees are employees of the Company engaged in overseas business.

Awards in terms of manpower in the past two years:
 Extraordinary Employers 2022
 Best Employer 2022

1.2 PROTECTION OF BASIC RIGHTS AND INTERESTS OF EMPLOYEES

Yutong Bus adheres to the business philosophy of "employee-orientation", strictly enforces the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other national laws and regulations on labor employment. The Company also implements the management requirements of "3 Support Principles", and insists on safeguarding the rights and interests of employees.

Management support

Since the establishment of the Labor Union Committee of the Company in 2002, the Labor Union of the Company has been holding the workers' congress every year to express the workers' demands, and elected employee directors and supervisors to participate in corporate governance. The Labor Union has signed the Collective Contract and the Dedicated Collective Contract for the Protection of the Special Rights and Interests of Female Workers with the Company, formulated the Protection System for Female Workers and Minors to protect the minors and female workers. Besides, the Labor Union has also formulated labor employment management system in recruitment, labor contract, labor discipline, rest and vacation, salary and welfare, so as to ensure the legal and compliant operation of the Company, promote the active performance of legal responsibilities, and safeguard the legitimate rights and interests of employees.

Yutong Bus pays the labor remuneration to employees on time according to applicable salary and wage standard in accordance with laws, and pays all kinds of social insurance and housing provident fund for the employees, such as pension funds, medical insurance, maternity, unemployment, work-related injury insurance, etc. Yutong Bus protects the privacy of employees in accordance with the law. Employees' personal files are kept in a unified archive room and managed by specially assigned person to avoid the disclosure of employees' privacy information. The Company strictly complies with relevant national laws and regulations to protect personal rights and interests of employees, and opposes any form of discrimination,

forced labor, harassment and abuse. Child labor is prohibited in strict accordance with relevant national laws and regulations.

Via the formulation of Democratic Management Meeting System, the Labor Union has founded Democratic Management Committee so that the Labor Union can exercise the functions and powers vested in it by the workers' congress when the workers' congress was not in session. The Democratic Management Committee, composed of the chairman of the Labor Union who serves as the director of the committee, and representatives of employee delegation (Group) as the member, is founded mainly to deliberate rules and regulations that are closely related to employee's interests, handle the complaint and suggestions of employee representative, collect employee's feedback so as to safeguard employee's legitimate rights and interests. The Labor Union has also formulated the Management Rules on the Audit of Relevant Systems of Employee Rights and Interests to safeguard employees' rights and interests from the source. The management rule stipulates that any system, policy and scheme involving employees' rights and interests can be enacted and implemented only after being reviewed and approved by the Labor Union. In 2022, 21 company level policies and systems related to employees' vital interests, such as Management Regulation on the Report, Investigation and Handling of Production Safety Accident, Vacation Management Norms were reviewed and revised to ensure legal compliance and fair management and provide the foundation for fair management.

Guarantee employee's livelihood

The Company conscientiously implements the management requirements of "Three Don't": Do not let our staff live hard life, do not let our staff and their families be in a situation where they cannot afford medical bill, do not let our employees' children unable drop out of school because they cannot afford tuition". The Company effectively solves various problems for employees in difficulty and provide guarantees for their livelihood through hardship subsidies, serious illness assistance, study assistance in autumn, relief fund, holiday care, etc. In 2022, the Company helped 657 employees in difficulty, granting a relief fund of CNY 4,210,500 and allocating a subsidy of CNY 693,100 to help children of 32 employees enter universities. It provided interest-free loans of CNY 585,000 and interest-bearing loans of CNY 1.29 million to help 21 employees overcome economic difficulties.

The Company guarantees the work life balance of employees and encourages employees to work efficiently and live happily. Employee's rights for various types of legal holidays and leave are protected in accordance with the law. The holidays employees can enjoy include: annual leave, marriage and funeral leave, prenatal examination leave, maternity leave, breastfeeding leave, nursing leave, sick leave, work-related injury leave, physiological period leave, parents' hospitalization care leave (for employee who is the only child in the family), maternity supplementary personal leave, mandatory quarantine leave, paternity leave, etc. Besides, the Company arranges long paid leave for employees during the Spring Festival every year, so that employees can have enough time to accompany their families.

Guarantee harmonious relationship

The Company, through the three-level democratic management mechanism (the Company's workers' congress, the Company's Democratic Management Committee, and the grass-roots democratic management team), widely collects employees' opinions and suggestions on the Company's production, management, employee life, growth and other aspects. The Company also regularly makes public the progress regarding the handling of employee's feedbacks and accepts their supervision at the same time. By ensuring smooth communication channels, encouraging employees to fully expose all kinds of problem and the Labor Union's coordinating resources and pushing forward the orderly solution of these problems, harmonious relationship is guaranteed. In 2022, the Labor Union branch at grass-roots staff level collected 3,448 questions related to employee life, management improvement and efficiency improvement. The Labor Union answered all these questions and 98.52% of them were solved. At a company level, 49 questions were collected all of which were answered, 97.95% were solved.

The Company gives full play to the carrier function of cultural and sports activities, strengthens the solidarity and sense of belonging of staff and actively creates a harmonious atmosphere by strengthening the building of enterprise culture and employee culture. Recreational and sports activities are held inside the Company's own facilities or in rented place. Culture service is also purchased to give employee access to culture entertainment. Labor unions at all levels have organized more than 210 activities covering family affection, employee fitness, team spirit building and other aspects to balance the work and life of employees and enhance the sense of belonging and pride of employees and their families. At the same time, based on employees' willingness to participate in various types of activities, the Company established the "Colorful Yutong" Variety Show Association, which includes 25 sub-associations in five major categories: sports, singing and dancing, learning, public welfare and happiness for all. Those associations regularly plan and organize a series of interesting online and on-site activities such as ball game, singing and dancing, reading and photography, which improves the happiness index of employees and enhances employees' cohesion and sense of belonging.

2. HELP EMPLOYEES GROW

2.1 FAIR SELECTION MECHANISM

Yutong continues to improve the cadre evaluation system and has raised unified requirement and given guideline on the selection and appointment of cadres by systems, schemes and meetings. On this basis, the Company has further optimized the selection, evaluation methods, appointment process, term management, training and capacity building and other cadre management related contents, formulated the relevant systems for the selection, appointment and training of reserve cadres and incumbent cadres, and continuously strengthened and improved the mechanism, system and process for cadre selection, training and appointment.

In the selection of reserve cadres and the appointment of incumbent cadres, various channels such as self-recommendation, referral by others, nomination by direct superiors, open competition, social recruitment, etc. are adopted. A multi-dimension evaluation scheme including appraisal from the Labor Union, performance evaluation, assessment by

Evaluation Center, interview and investigation, open clarification, etc. is adopted to ensure the fairness and accuracy of the selection process and results which can, in turn, give excellent employees the chance to be a part of the company's reserve cadre pool. At present, a reserve talent pool of more than 1,000 cadres at all levels has been established. The ability of reserve cadres to perform their duties is improved by giving them greater responsibilities and development opportunities so that the needs of the company's organizational development can be met. At the same time, the Company strives to make personnel with both integrity and talents stand out and identify outstanding and potential talents to enrich the cadre echelon.

In addition, the selection and appointment of the Company's cadres are also fair, open and diversified in terms of ethnicity, gender and nationality. At present, among the company's cadres, there are many cadres from minority ethnic groups such as Hui, Manchu, Yao, Mongolian and Yi.

2.2 ABUNDANT TRAINING RESOURCES

The Company is gradually establishing and improving the career development channels for employees, and a supporting curriculum system to this end. The company has set up an internal lecturer team of more than 600 instructors, and also sourced external experts to give lessons. The Company has established a perfect training system for employees, including a training system for employees recruited from colleges and universities within five years, and a comprehensive talent selection and training system for key professionals, reserve cadres, newly-appointed cadres to incumbent cadres. For the cadres, a systematic leadership course system has been established based on Yutong leadership model. Corresponding training courses can be matched and given to cadres according to the ability requirements of cadres at different levels at different stages. Also, systematic capacity building is carried out in combination with multiple training methods such as leaning from job rotation, getting experience from key jobs, mentor tutoring and discussion with senior executives. For core professional talents, the professional depth and breadth of core professional talents will be further expanded through problem handling experience, external training, industry expert exchanges and other methods. For new employees recruited from campus, the Company helps them fit into the organization through a series of raining activities such as course training, front-line practice

and business skill acquiring. Employees can be quickly adapted to their jobs and business environment, so as to realize the "competency upon reporting to duty".

In 2022, the Company has improved the standardized curriculum system covering leadership courses, professional courses and occupational quality courses, with a total of more than 9,300-lesson curriculum resources and more than 1,500-lesson newly launched courses on the Company's online learning platform to meet the requirements of the staff for growth and development under the teaching of more than 600 internal instructors.

Based on the target post ability requirements to be achieved by different groups at different development stages, the Company continued to increase the investment in training resources, and carry out leadership improvement training programs for cadres at all levels, which was attended over 3,000 times. At the employee level, through offline teaching and online live streaming, more than 3,352 sessions of occupational quality training and professional ability improvement training were carried out for employees. The training was attended 132,616 times, including 114,482 males, accounting for 86.33%, with an average of 2.1 hours per person and 18,134 females, accounting for 13.67%, with an average of 2.0 hours per person. The average class hours throughout the year is 2.1h per person.

2.3 SCIENTIFIC SALARY SYSTEM

In order to effectively attract, retain and motivate all kinds of talents, a comprehensive salary incentive and management system has been implemented. In addition to cash returns such as basic salary, performance bonus, monthly/quarterly incentive fund, year-end bonus, medium and long-term incentive, there are also other welfare policies such as meal/cooling/heating subsidy and allowance, traditional holiday gifts, employee canteen, restaurant also for non-employees, employee kindergarten, commuter bus, free apartment accommodation, preferential price for purchasing housing developed by Yutong, paid vacation and so on.

The Company adopts a grade based salary system which determines the salary level of employee according to their job and pay grade. The job grade is a reflection of job rating in Yutong, which is determined by the value of the position. While the pay grade reflects the grade of employee in Yutong,

which is determined by factors such as position value, personal ability and performance. Each employee is entitled to corresponding salary level in accordance with his/her job and pay grade. Taking factors such as the change of market environment, operation result of the Company and staff performance evaluation, the Company will regularly carry out research on the competitiveness of employees' salary based on the needs of operation and management. During this research process, the incentive principle of "value creation and value sharing" is followed. The research help the Company timely grasp the market salary situation whereby regular salary review and adjustment can be conducted to provide reasonable remuneration for key personnel with excellent performance and value creation. By all these measures, the Company ensures that its payment is maintained at a competitive level and talents can be attracted to join the company.



3. PAY ATTENTION TO EMPLOYEE HEALTH

3.1. SAFETY PRODUCTION ENVIRONMENT AND OCCUPATIONAL HEALTH MANAGEMENT

Occupational health and safety management system

The Company adheres to the core idea of PDCA cycle management for occupational health and safety management system. It constantly improves the rules, regulations and business processes, continuously promotes the awareness of occupational health and safety among the whole employee. Persistent efforts have also been exerted to prevent, control and eliminate occupational hazards and potential accidents. All these measures ensure the continuous improvement of occupational health and safety management and performance and the creation of a safe, healthy and comfortable working environment for the employee.

Management objective, organization and responsibilities

The Company sets its occupational health and safety management target which is "Stable Improvement of Safety Situation, Moderate Exceeding of Site Environment Standard". Performance indicators such as safety accidents and occupational diseases are broken down to management personnel at all levels and one ballot veto system regarding occupational health and safety is adopted. The Company also set up Production Safety Committee, with the president as the director, VPs in charge of each business operation as the deputy director and the workshop manager/department head as the member, 57 employee representatives in total. Office of the Production Safety Committee is also established under the affiliation of the committee and full-time safety supervisors are instated at each level.

System certification and daily management

In 2011, the Company obtained the Occupational Health and Safety Management System Certificate and has since then been regularly organizing internal audit and third-party certification and audit every year. In 2022, the Company smoothly passed the annual supervision and audit by China Quality Certification Center (CQC) (No.: 00120S32144R2L/4100) (covering 4 Production Plants and Zhengzhou Sales Center).

In 2008, the Company was titled as the second level enterprise of safety production standardization (Certificate No.: Yu AQBXX II 201900009). In 2021, the safety assessment organization was organized to conduct a safety status assessment on internal gas stations, internal gas stations and hazardous chemicals use/storage facilities, and issue reports, which are assessed to meet the work safety conditions (once every three years).

In addition, according to the requirements of the management system and regulations, a third party is entrusted to carry out environmental monitoring on occupational hazard factors in the workplace every year (in October 2022), and a third party is regularly entrusted to evaluate the current situation of occupational hazards in the workplace (in 2020). The next routine occupational disease assessment is planned to be carried out simultaneously with the annual environmental monitoring of occupational hazard factors in October 2023. Through regular monitoring and evaluation and systematic operation management, continuously improve the on-site working environment and optimize the individual protection of employees to ensure the continuous improvement of the Company's occupational health and safety management status and effect.

Safety management strategy

The Company actively responds to the national safety requirements of "safety first, prevention foremost and comprehensive management", staunchly adheres to the operation management concept of "employee-operation" operation. On the other hand, the Company defines its goal in production safety as "stable improvement of safety situation, becoming a benchmark in production safety", and advances its safety management from two aspects: "clarifying and emphasizing safety responsibility" and "improving safety professional management ability". In 2022, through a full-chain management covering clear consensus on safety responsibilities, performance evaluation of safety-production related work and stringent safety rule implementation and supervision, understanding of safety responsibility of management at all levels is

deepened and safety responsibility awareness of staff is raised. The dual prevention mechanism of safety risks and hidden dangers was carried out on a regular basis, the identification and control of safety risks and "active + passive" safety inspection were done well, and the effective management and control of known risks were ensured by checking management and violations.

At the same time, via improving the professional abilities of staff, effective discerning and controlling of risks and potential hazards and the handling of compliance issues, managerial skill of the safety management team has been improved, and the systematic prevention ability of the Company has been strengthened which provides support for the implementation a "forward-looking prevention" system.

Safety emergency management mechanism

A three-level emergency plan system of "Comprehensive Emergency Rescue Plan, Special Emergency Rescue Plan and On-site Disposal Plan" has been established to ensure timely and effective response to all kinds of accidents that may occur. According to the Comprehensive Emergency Rescue Plan, each administration department shall formulate corresponding Special Emergency Rescue Plan for 10

kinds of emergency scenarios such as fire accident, and each department shall refine and formulate corresponding on-site disposal plan and organize training and drill regularly. In view of fire accidents, 570+ fire training and education sessions were organized, with 22,000+ participants; 500+ emergency drills were organized for various departments, with 10,000+ participants.

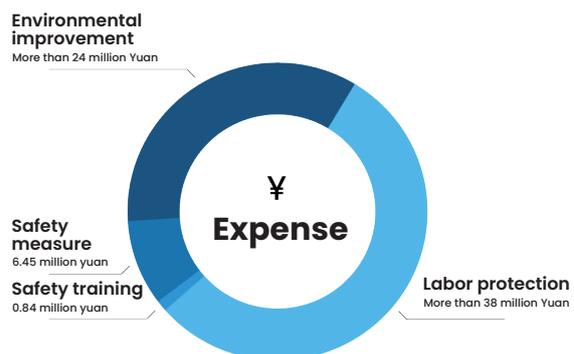
Safety education and training

In 2022, various safety education activities have been organized to continuously improve the safety awareness and skills of personnel at all levels. The three-level safety education and training for new employees as well as certification/re-examination training for special operation personnel, safe production management personnel and occupational health management personnel are conducted on regular basis. In addition, special training on "how to build a safety responsibility structure, clarify and fulfill safety responsibilities" was carried out for department heads, and the significance and management methods of safety responsibility management were agreed upon. For full-time and part-time safety management personnel, 24 public classes for improving special safety capabilities were held, with a total of 207 participants, significantly enhancing safety responsibility management and professional

management capabilities. For front-line management personnel, the safety management professional ability improvement training was organized to improve the safety responsibility awareness, safety legal knowledge level and safety management professional ability of management personnel at foreman level. For all employees, a series of safety education activities such as safety-themed video learning, "online + site" safety visual publicity and education, and safety talks with the first responsible person were organized and carried out during the "2022 Safety Production Activity". The safety awareness of management personnel at all levels and front-line employees is improved by activities above. More than 90,000 employees participated in the annual safety education and training, with an average of 20.06 class hours per person throughout the year, including 14 class hours for female employees and 20.68 class hours for male employees.

Safety production investment

In 2022, the Company continued to carry out environmental improvement works on noise, dust and organic gases etc., with a cumulative investment of more than 24 million yuan throughout the year. While improving the working environment, the Company allocated 120+ kinds of labor protection articles of 9 main categories to employees in accordance with specification requirements, effectively protected "head, ear and nose" from injury, and continuously optimized and improved performance and comfort of labor protection articles such as protective clothing, gloves, masks, with the annual accumulative expenditure of more than 38 million yuan to ensure the occupational health of employees.



Occupational health surveillance

The Company has issued the Regulations on Occupational Health Management (YTKC.SP04.03-09), Regulations on Management of Labor Protection Articles (YTKC.SP04.03-17), Regulations on Management of Employee Health Examination (YTKC.MP02.03-17), Regulations on Management of Occupational Health Archives (YTKC.MP02.03-15) and other regulation and process documents. At the same time, according to the requirements of the management system and regulations, the Company regularly entrusts a third party to carry out environmental inspecting and status evaluation of occupational hazard factors in the workplace, and issue a report. Pre-job and on-the-job training for employees shall be continuously carried out in daily work. The enterprise leaders and occupational health management personnel shall be organized to carry out initial training or continuing education annually. In April, health training for all employees shall be carried out in combination with the Publicity Week of Occupational Disease Prevention Law to improve the occupational health knowledge ability and management level of enterprise employees and leaders. In 2022, the Company organized occupational health examinations for employees in welding, assembly, painting and other positions with dust, noise, benzene series and other harmful environmental factors, totally 5,590 people. The participation rate of employees in positions with occupational hazards was 100%, and no occupational diseases were found.

Safety accidents status

In 2022, the Company did not have general or above work safety accidents. There were 4 lost working hours accidents, with a cumulative loss of 1,825.68 days, an accident rate of 0.153 per million man-hours and a serious accident rate of 0.070. (Remarks: The total working hours are 26,078,000. Accident rate of lost working hours per million working hours = number of accidents with lost working hours x 1,000,000/total working hours. Severe accident rate of lost working hours = lost working days x 1,000/total working hours)

External safety inspection

In recent years, government departments have diversified forms of safety supervision and accurate law enforcement. They have carried out safety inspections by means of regional cross-inspection and expert collaborative inspection. In 2022, the government emergency management department has conducted three safety law enforcement inspections on the Company, and the inspection results meet the requirements without administrative penalties.

3.2 MENTAL HEALTH MANAGEMENT

The Company actively responds to General Secretary Xi's policy of "Enabling the people to have a greater sense of fulfillment, happiness and security", carefully implements the "employee-centered" operation and management concept, formulates the Employees' Mental Health Management Mechanism and organizes its implementation. Build a mental health management platform that serves all employees, identify employees who encounter psychological distress or obstacles in time, provide effective psychological counseling and medical guidance, so as to prevent psychological crisis events. The training improves the ability of all managers to care for and support employees. The company offers timely and sufficient attention and care to employees in practical and psychological difficulties, and provides practical help and psychological support. For situations that are difficult to judge and solve, provide individual psychological counseling together with full-time psychological counselors for employees from a professional view. The psychological counselors strictly keep confidential the privacy involved in the consultation meeting, and will disclose it to a third party without the consent of the employee. Provide mental health examinations for all employees twice a year, and guide employees to correctly understand themselves based on the results, so as to enhance their ability to regulate themselves, withstand pressure and adapt to the environment. Carry out group psychological growth activities in time based on common problems to cultivate healthy personality and good psychological qualities of employees. All employees can enjoy considerate mental health management services.



WIN-WIN COOPERATION TO CONTRIBUTE TO "HARMONIOUS SOCIETY"

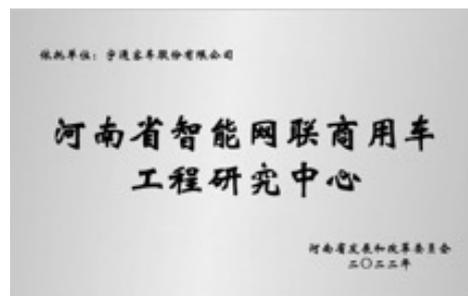
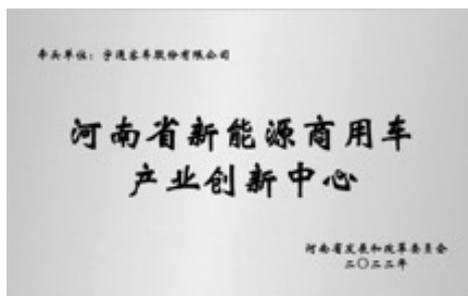
I. WIN-WIN COOPERATION TO PROMOTE INDUSTRIAL DEVELOPMENT

The Company attaches great importance to the building of innovation investment and sharing mechanism. The annual R&D investment accounts for more than 5% of the operation revenue. Through in-depth insight into the demands of users and markets, the Company focuses on the research and independent innovation of low-carbon, electric, intelligent and networking buses, masters core technologies such as safety, energy saving and comfort, and improves the manufacturing process and automation level. At the same time, the Company also jointly builds a service and sharing platform with universities, scientific research institutes, upstream and downstream enterprises in the industrial chain to effectively promote technological innovation and achieve technological leadership, thus promoting management improvement, feeding back industrial innovation and forming a virtuous circle. The Company has established a sharing platform at all levels to provide assistance for industry innovation and promote the rapid transformation of key technologies and scientific research achievements while improving R&D level and innovation ability.

I. CREATE NATIONAL AND LOCAL PUBLIC PLATFORMS

The Company has built the industry's first "National Enterprise Technology Center", "Enterprise Postdoctoral Scientific Research Workstation", "National Engineering Technology Research Center for Electric Bus Control and Safety", "National and Local Joint Engineering Laboratory for Bus Safety Control Technology", "Vehicle Information Technology Sub-laboratory of National Engineering Laboratory for Transportation Safety & Emergency Informatics", "CNAS Accredited Laboratory" and 7 national scientific research and innovation platforms such as "National Industrial Design Center". The Company also has 13 provincial scientific

research and innovation platforms such as "Henan Key Laboratory of New Energy Bus Technology", "Henan International Joint Laboratory for Bus Technology Development", "Henan Fuel Cell Commercial Vehicle Technology Innovation Center", "Henan New Energy and Intelligent Connected Vehicle Innovation Consortium", "Henan New Energy Commercial Vehicle Industry Innovation Center" and "Henan Intelligent Connected Commercial Vehicle Engineering Research Center", creating a good basic environment for R&D activities and ensuring the realization of innovative concepts.



Scientific Research Innovation Platforms Recognized in 2022

2. STRENGTHEN INDUSTRY-UNIVERSITY RESEARCH

Relying on the R&D platforms and open mechanisms such as "Postdoctoral Scientific Research Workstation", "National and Local Joint Engineering Laboratory for Bus Safety Control Technology", and "National Engineering Technology Research Center for Electric Bus Electronic Control and Safety", the Company has established an effective enterprise-oriented technological innovation mechanism combining "production, university, research and application". The Company has established industry-university-research cooperation with well-known domestic universities such as Tsinghua University, Beijing Institute of Technology, Information Engineering University, Jilin University, Xi'an Jiaotong University, Chang'an University, Harbin Institute of Technology, Tongji University and Zhengzhou University, as well as scientific research institutions such as the State Key Laboratory of Automobile Safety and Energy, National Engineering Laboratory for Electric Vehicles, Henan Academy of Sciences, Songshan Laboratory, Longmen Laboratory, China Automotive Technology and Research Center, CAERI, China Academy of Transportation Science, National Automobile Quality Supervision and Inspection Center, National Bus Quality Supervision and Inspection Center and National Car Quality Supervision and Inspection Center. It integrates superior scientific and technological resources and creates a good

environment for gathering of innovative talents and engineering and industrialization of scientific and technological achievements. By the end of 2022, the Company had won 32 national and provincial science and technology progress awards, including 2 second prizes at national level, 7 first prizes, 14 second prizes and 9 third prizes at provincial level(Henan), facilitating the Company's technological innovation, improving the R&D level and innovation ability and promoting fast conversion of key technologies and scientific research achievements.



Henan Science and Technology Progress Awards Won by Yutong in 2022

3. BOOST IMPROVEMENT OF INDUSTRY STANDARDS

As the director unit of Society of Automotive Engineers of Henan and the chairman unit of Henan Automobile Industry Association, the company makes use of its own advantages, continues to strengthen cooperation and exchanges with upstream and downstream enterprises in the supply chain, establishes extensive contacts and technical exchanges with partners, collaboratively develops new products, new technologies and new processes, and realizes industrial production and application. On the other hand, through alliances with "China Fuel Cell Vehicle Technology Innovation Strategic Alliance", "Chin Auto Lightweight Technology Innovation Strategic Alliance", "Henan New Energy Vehicle Industry Technology Innovation Strategic Alliance" etc., it jointly achieves breakthroughs and industrialization in core technologies.

By the end of 2022, the Company has participated in the formulation of 246 national, industrial, local and group standards, of which 210 have been released.

As the key player, the following national standards were formulated and issued, including GB/T 13043-2022 Bus Engineering Approval Evaluation Program, GB/T 41601-2022 Leisure Accommodation Vehicles - Ventilation Safety Requirements and GB/T 42289-2022 Leisure Accommodation Vehicles - Safety General Requirements for the Residential Electric Systems. As a participator, the following national standards were formulated and issued, including GB/T 41798-2022 Intelligent and Connected Vehicles - Track Test Methods and Requirements for Automated Driving Functions, GB/T 29307-2022 Reliability Test Methods of Drive Motor System for Electric Vehicles, GB/T 12782-2022 Requirement and Test Method of Heating Performance for Motor Vehicles, etc. The following standards have been formulated and to be released, including Intended Functions Safety of Road Vehicles, Safety Requirements of Conductive Charging for Electric Vehicles, and Test Methods of Energy Consumption and Range for Fuel Cell Electric Vehicles.

Number of national, industrial and local standards by the Company as a key player/participant in recent three years,

Issued Year	Y2022	Y2021	Y2020
Number	33	27	22

Note: The number of standards in 2020 was 22, an increase of 1 compared with 21 in the previous annual report; the number of standards in 2021 was 27, an increase of 7 compared with 20 in the previous annual report. Differences are standard items newly included in the participation of special vehicle branches.

Annex: List of National, Industrial, Local and Group Standards Participated by the Company in 2022

S/N	Standard Name	Standard Type	Standard Code	As a key player/participator	Issued Year
1	Bus Engineering Approval Evaluation Program	National standard	GB/T 13043-2022	As a key player	2022
2	Leisure Accommodation Vehicles - Ventilation Safety Requirements	National standard	GB/T 41601-2022	As a key player	2022
3	Leisure Accommodation Vehicles - Safety General Requirements for the Residential Electric Systems	National standard	GB/T 42289-2022	As a key player	2022
4	Stationary Fuel Cell Power System—Part 2: Performance Test Methods	National standard	GB/T 27748.2-2022	Participated	2022
5	Intelligent and Connected Vehicles - Track Test Methods and Requirements for Automated Driving Functions	National standard	GB/T 41798-2022	Participated	2022
6	Performance Requirements and Test Methods for Lane Keeping Assist System of Commercial Vehicles	National standard	GB/T 41796-2022	Participated	2022
7	Test Methods for Energy Consumption and Range of Electric Vehicles—Part 2: Heavy-duty Commercial Vehicles	National standard	GB/T 18386.2-2022	Participated	2022
8	Motor Vehicles—Device for Indirect Vision-Requirement of Performance and Installation	National standard	GB 15084-2022	Participated	2022
9	Performance Test Methods for Fuel Cell System	National standard	GB/T 24554-2022	Participated	2022
10	Terms and Definitions of Motor Vehicles, Trailers and Combination Vehicle— Part 1:Types	National standard	GB/T 3730.1-2022	Participated	2022
11	Requirement and Test Method of Heating Performance for Motor Vehicle	National standard	GB/T 12782-2022	Participated	2022
12	Reliability Test Method of Drive Motor System for Electric Vehicles	National standard	GB/T 29307-2022	Participated	2022
13	Road Vehicles—Functional Safety—Part 1: Vocabulary	National standard	GB/T 34590.1-2022	Participated	2022
14	Road Vehicles—Functional Safety—Part 2: Management of Functional Safety	National standard	GB/T 34590.2-2022	Participated	2022
15	Road Vehicles—Functional Safety—Part 3: Concept Phase	National standard	GB/T 34590.3-2022	Participated	2022
16	Road Vehicles—Functional Safety—Part 4: Product Development at the System Level	National standard	GB/T 34590.4-2022	Participated	2022
17	Road Vehicles—Functional Safety—Part 5: Product Development at the Hardware Level	National standard	GB/T 34590.5-2022	Participated	2022
18	Road Vehicles—Functional Safety—Part 6: Product Development at the Software Level	National standard	GB/T 34590.6-2022	Participated	2022
19	Road Vehicles—Functional Safety—Part 7: Production and Operation	National standard	GB/T 34590.7-2022	Participated	2022
20	Road Vehicles—Functional Safety—Part 8: Supporting Processes	National standard	GB/T 34590.8-2022	Participated	2022
21	Road Vehicles—Functional Safety—Part 9: Automotive Safety Integrity Level(ASIL)-oriented and Safety-oriented Analyses	National standard	GB/T 34590.9-2022	Participated	2022
22	Flame Resistance of Commercial Bus Interior Materials	Industrial standard	JT/T 1095-2022	Participated	2022
23	The Seats of Passenger Vehicles	Industrial standard	QC/T 633-2022	Participated	2022
24	Quality Requirements for Used Commercial Vehicle and Trailer Export	Industrial standard	WM/T 9-2022	Participated	2022
25	Technical Specifications for Commercial Coaches on Qinghai-Tibet Plateau	Industrial standard	JT/T 963-2022	Participated	2022
26	Commercial Vehicle Forward Collision Mitigation System Performance Requirements and Test Methods	Industrial standard	JT/T 1446-2022	Participated	2022
27	Limits and Measurement Methods of Fuel Consumption for Natural Gas Commercial vehicle for Passenger Transportation	Industrial standard	JT/T-1444-2022	Participated	2022
28	Performance Requirements and Test Procedures of Low Speed Driving Assistance Systems for Commercial Vehicles	Industrial standard	JT/T 1447-2022	Participated	2022
29	General Technical Requirements for Bus	Local standard	DB31/306-2022	Participated	2022
30	Test and Evaluation Methods for V2X System Warning Application Functions of Intelligent and Connected Vehicles	Group standard	T/CSAE 246-2022	Participated	2022
31	Conformity Test Technical Specification for Emission Remote Supervision System of Heavy-duty Vehicles	Group standard	T/CSAE 258-2022	Participated	2022
32	Technical Specification for High-power Wireless Charging of Electric Vehicles	Group standard	T/CPSS 1001-2022	Participated	2022
33	Intelligent and Connected Vehicle Classification Statistics Methodology	Group standard	T/CAAMTB 98-2022	Participated	2022

II. SUSTAINABLE PROCUREMENT

1. IMPLEMENT RESPONSIBLE PROCUREMENT

The Company's procurement work follows the concepts of responsible procurement, and is applied to all aspects of supplier selection and evaluation, daily procurement implementation and supplier team management optimization. A comprehensive Supplier Manual has been compiled as an integral part of the procurement contract, which is updated every year. The manual covers social responsibility requirements, EHS requirements, environmental protection requirements, incorruptible cooperation requirements and other aspects, and requires suppliers to commit to fulfilling the duties in the manual, and to achieve long-term in-depth cooperation and win-win market on this basis. In 2022, 91.6% of both the signed supplier codes of conduct and signed target contracts contained provisions related to environment, labor, human rights and ethical requirements; 97.4% of the procurement personnel were trained in sustainable procurement.

In order to ensure an open, just and fair contract environment, the Company has implemented the sunshine procurement policy, formulated strict and meticulous integrity management requirements and handling mechanism, and set up discipline inspection and supervision departments, complaint mailbox, telephone, WeChat and other supervision and complaint channels to receive internal and external complaints. The Company conducts the cooperation satisfaction survey for all cooperative suppliers every year. In order to ensure the objectivity and effectiveness of the survey results, the survey adopts the method of inviting famous domestic and foreign survey institutions to conduct an independent third-party survey.

2. GREEN PROCUREMENT

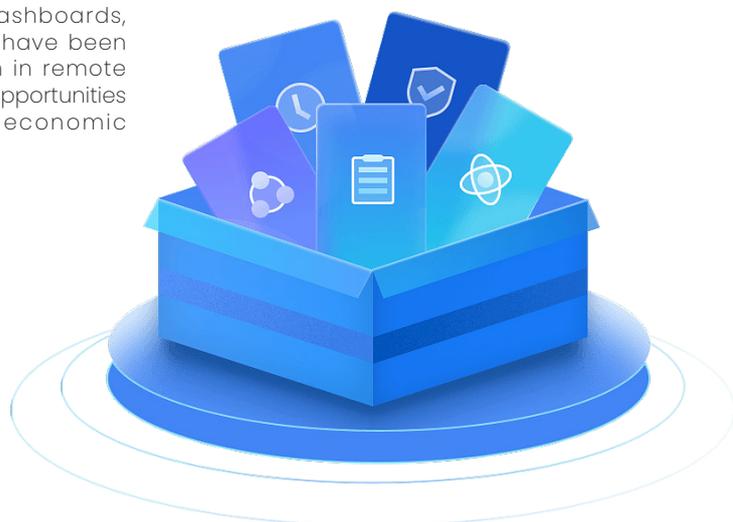
The Company formulates and implements green audit standards for suppliers, focusing on sustainable development, safety, environmental protection and occupational health management of suppliers. Through the formulation of supplier audit standards, comprehensively audit suppliers to ensure the scientificity of audit items, promote the continuous improvement of supplier management level and reduce procurement costs and risks. In 2022, a total of 117 suppliers were reviewed, 12 suppliers were urged to

improve the construction of environmental protection system and upgrade their environmental protection levels. No major negative environmental risks were found in the process. At the same time, by reducing the supply proportion of suppliers with high environmental protection risks and introducing new suppliers to realize green procurement, a total of 5 new suppliers will be introduced in 2022, 100% meeting the requirements of environmental protection proportion.

3. LOCALIZED PROCUREMENT

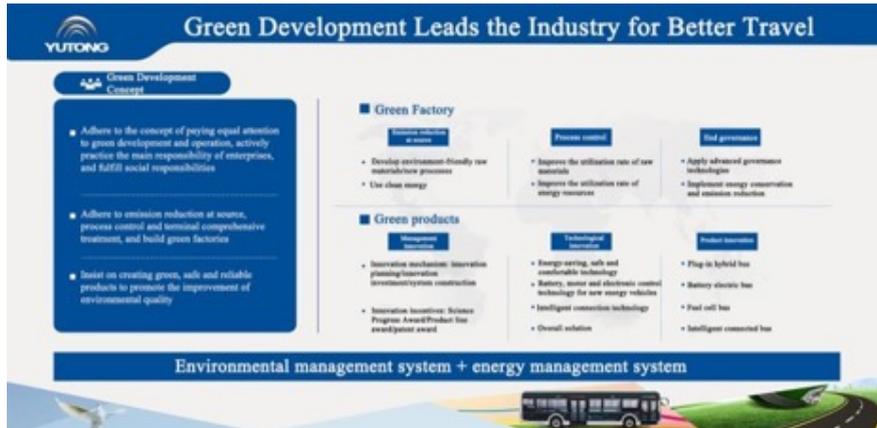
The Company actively promotes the principles of localized procurement and centralized procurement in industrial areas, improves the supply proportion of local suppliers through the upgrading and optimization of supplier system, and promotes long-distance suppliers to build factories locally. Since the implementation, localized factories of chassis, axles, dashboards, air conditioners, air ducts and glasses have been built to reduce environmental pollution in remote transportation links, provide employment opportunities for local people and promote local economic development.

The Company now has 430 formal cooperative suppliers, of which 120 are in Henan, accounting for 27.9%, showing an upward trend. Local economic development is driven by the localized industrial chain.



III. GREEN GOVERNANCE TO PROTECT ENVIRONMENT

The Company unswervingly implements the national sustainable development strategy, actively creates a resource-saving and environment-friendly enterprise, adheres to the concept of "paying equal attentions to energy conservation, low carbon, green development and operation", persists in source emission reduction, process control and end comprehensive treatment, builds a green factory, and insists on creating green, low-carbon, safe and reliable products, promotes the improvement of environmental quality, integrates energy conservation and emission reduction into the Company's operation, sticks to the sustainable development path of "low pollution and low energy consumption in the production process, energy conservation and environmental protection in products and services", and actively practices the main responsibility of enterprises.



1. GREEN MANAGEMENT

1.1 ENVIRONMENTAL COMPLIANCE

The Company strictly abides by the requirements of environmental laws and regulations such as Environmental Protection Law of the People's Republic of China, Water Pollution Prevention and Control Law, The Law on Air Pollution Prevention and Control and Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste, conscientiously implements the environmental protection concept of "paying equal attention to green development and operation", and comprehensively adopts the pollution prevention and control technology system of source emission reduction, process control, end treatment and fine management and control. Actively build green factories, vigorously promote the R&D and application of new energy bus products, and boost the improvement of ecological environment quality. In 2022, the Company had no environmental pollution accidents and was not punished by regulatory authorities for relevant environmental violations.

In accordance with the requirements of laws and regulations such as Environmental Impact Assessment Law of the People's Republic of China and Regulations on Administration of Construction Project Environmental Protection, the Company strictly implements the environmental impact assessment approval and the "three-simultaneity" mechanism. In 2022, the Company obtained the environmental impact assessment approval for the intelligent and automatic improvement project of New Energy Bus Branch of Yutong Bus Co., Ltd. and the cylindrical gear processing workshop project of Zhengzhou Jingyida Auto Parts Co., Ltd., the environmental protection acceptance

of the new painting room project of the production supporting project for energy-saving and new energy bus production base, and the acceptance of the reconstruction project of the hydrogen refueling station for high-pressure hydrogen fuel cell buses supporting an annual output of 5,000 special buses, and were publicized on the "National Environmental Protection Acceptance Information Platform for Construction Project Completion".

The Company carries out cleaner production audit in accordance with the requirements of Law of the People's Republic of China on Promotion of Cleaner Production. In 2022, the Company completed the third round of mandatory cleaner production audit in Shibalihe Plant Area and the second round of mandatory cleaner production audit in Special Vehicle Plant Area. The cleaner production level of each plant area reached the domestic leading level.

In 2022, the Company, the New Energy Bus Branch and the Special Vehicle Branch completed the renewal procedures of the Pollutant Discharge Permit, valid to 2027. In addition to the pollutant discharge permit and radiation safety permit, the Company did not obtain new ecological environment administrative licenses in 2022.

In accordance with the requirements of the Environmental Protection Tax Law of the People's Republic of China, the Company actively implements its obligation to declare and pay environmental protection taxes. In 2022, all plants of the Company will declare and pay environmental protection taxes to the

local tax authorities on time and in full according to the requirements of the Regulations for the Implementation of the Environmental Protection Tax Law.

The Company attaches great importance to environmental protection and governance. Since 2018, the Company has successively won the honors of "Green Factory", "Green Supply Chain" and "Green Product" in accordance with the green manufacturing system requirements and performance indicators of the Ministry of Industry and Information Technology; In 2020, the Company's Shibalihe Plant Area, New Energy Plant Area and Special Vehicle Plant Area have been classified according to the requirements of automobile manufacturing and industrial coating performance grading indicators. The Company was rated as a "Performance Grade A Enterprise". In 2021, Jingyida Plant Area was rated as a "Performance Grade A Enterprise".

1.2 ENVIRONMENTAL MANAGEMENT SYSTEM (COVERING 4 PRODUCTION PLANTS AND ZHENGZHOU SALES CENTER)

In September 2011, the Company passed the ISO14001 environmental management system certification (certificate No.: 00120E32830R2L/4100). In 2022, the Company smoothly passed the annual supervision and audit of China Quality Certification Center (CQC). The Company fully implemented ISO14001 Environmental Management System, promoted clean production, carried out whole-process environmental risk management on product design, procurement process, production and manufacturing, test and inspection, living services, pollutant control and so on, improved resources utilization rate, and avoided or reduced environmental damage. In the stage of infrastructure planning and construction, we actively adopted advanced manufacturing techniques, strictly abode by the "three-simultaneity", introduced international advanced production equipment and environmental protection facilities, and reduced environmental pollution. Each year, the Company entrusts a third party to conduct an annual review of the Company's environmental management system, and is always committed to continuous improvement

In 2021, the Company was awarded the "Outstanding Contribution Award of Three-year Action Plan for Pollution Prevention and Control in Zhengzhou" by Zhengzhou Municipal People's Government. In 2022, the Company was awarded the title of "VOCs Training Base" by Zhengzhou Ecological Environment Bureau.

The Company discloses its environmental information according to law. In March 2023, the Company disclosed in detail its environmental performance and environmental management information for 2022 in the Enterprise Environmental Information Legal Disclosure System (Henan) (<http://222.143.24.250:8247/home/home>), which was subject to public inquiry and supervision in accordance with the requirements of the Guidelines on the Format of Legal Disclosure of Enterprise Environmental Information.

of the management system. In accordance with the requirements of laws and regulations and system management, the Company has formulated pollution prevention and control management system of wastewater, waste gas and solid waste, as well as the internal management standards of the enterprise, and actively taken pollutant control measures to reduce the impact of various pollutants on the surrounding environment.

The Company has set up a leading group for clean production, formulated relevant rules and regulations, prepared plans from raw materials, production process technology and terminal management, and regularly committed a third party to carry out cleaner production audits. In 2022, the Company and the Special Vehicle Branch carried out the third and second rounds of mandatory clean production audits respectively, and the clean production level reached the domestic advanced level and successfully passed the acceptance of the expert group.

1.3 ENVIRONMENTAL EARLY WARNING AND EMERGENCY RESPONSE MECHANISM

In order to strengthen the management of hidden dangers of environmental pollution accidents, prevent environmental pollution accidents, accomplish the disposal of sudden environmental pollution accidents promptly, efficiently and orderly as well as minimize the loss and harm caused by environmental pollution accidents, the Company organizes all departments to carry out environmental risk identification and evaluation annually in accordance with the national and local environmental policies and regulations as well as the requirements of the environmental management system, and the workplace environmental risk identification coverage rate is 100%. On the one hand, the Company updates the list of important environmental factors, formulates management plans and prevention measures for important environmental



factors, and continuously improves the environment. On the other hand, in view of the identified environmental risks, the Company establishes the Emergency Plan for

Environmental Pollution Accidents, which is filed with the local environmental protection supervision department after being reviewed by experts, organizes accident emergency drills every year, revises and improves the plan according to the simulation drill effect. At the same time, according to the relevant management

requirements of radiation safety license, a special Emergency Plan for Handling X-ray Radiation Accidents was established, and an emergency drill for simulated radiation accidents was carried out and the annual assessment of the safety and protection status of radiation devices was completed in 2022.

1.4 ENVIRONMENTAL TRAINING AND PUBLICITY

At the beginning of each year, the Company's environmental management training plan is formulated. The environmental protection management department of the Company organizes the training on environmental protection policies, regulations and standards, the latest external policies and the Company's internal environmental protection management systems/standards for environmental protection responsible persons and management specialists of each department. The workshop/department environmental protection management specialists retrain all employees of each department. The environmental protection training rate of the Company's employees is 100% through hierarchical training.

to employees by hanging energy conservation and environmental protection slogans in places with a large number of people, showing boards of environmental protection regulations and knowledge at the gate of the Company, rolling out environmental protection publicity slogans on LED electronic screens in front of the Company's administration building, exhibition halls, workshops and other areas, so as to advocate energy conservation and emission reduction.

At the same time, the Company propagandizes the principles, policies and laws of energy-saving and environmental protection through banners, exhibition boards and posters, so as to popularize energy-saving and environmental protection knowledge to all employees and enhance their awareness. During the publicity of "World Environment Day(June 5th)", the new environmental protection regulations are publicized



1.5 TOTAL INVESTMENT IN ENVIRONMENTAL PROTECTION

The Company attaches great importance to environmental protection and continuously improves the level of pollution control. From 2020 to 2022, Yutong Bus, New Energy Branch of Yutong Bus and Special Vehicle Branch of Yutong Bus (hereinafter referred to as "Three whole vehicle plants") invested a total of CNY 38.72 million in the transformation of pollutant emission reduction.

Green development, prevention and control of pollution, protection and improvement of ecological environment

Yutong always implements the national sustainable development strategy, abides by various laws and regulations, actively creates resource-saving and environment-friendly enterprises, adheres to the concept of "equal emphasis on green development and operation", and adheres to the principles of reduction, recycling and harmlessness, and builds green factories.

Strengthen the prevention and control system for environmental pollution caused by industrial solid waste

Strengthen the prevention and control system for hazardous waste pollution

Strengthen the assurance mechanisms

Strictly implement legal liability

1. Strengthen the prevention and control system for environmental pollution caused by industrial solid waste
Strengthen the production, storage, use and disposal management of solid waste, comprehensive utilization evaluation of resources and other systems.
2. Strengthen the prevention and control system for hazardous waste pollution
Specify the hierarchical and classified management of hazardous waste, information registration system, construction of regional centralized disposal facilities and sites, etc. Strengthen the hierarchical transfer management of hazardous waste, storage and other transfer data and information through informatization means, stipulate electronic transfer manifests, and clarify that hazardous waste transfer management should be controlled in the whole process to improve efficiency.
3. Strengthen the assurance mechanisms
Add a chapter on safeguard measures to comprehensively guarantee the prevention and control of environmental pollution caused by solid waste from land use, construction of factories and plants, economic and technical policies and measures, training and guidance for employees, industrial specialization and large-scale development, technological progress in pollution prevention and control, government level arrangement, environmental pollution liability insurance, participation of social forces, tax preferences, etc.
4. Strictly implement legal liability
Improve severe penalties on illegal acts, increase the amount of fines and the types of punishment, and strengthen the punishment to individuals, as well as supplement legal responsibilities for some illegal acts. For example, in case of illegal acts such as unauthorised transfer of hazardous wastes, the legal representatives, main persons in-charge, persons directly in charge and other responsible personnel shall be fined or administratively detained according to law.

Strengthen publicity on prevention and control of environmental pollution caused by solid waste via Training, Social TV Screen

Strengthen publicity on prevention and control of environmental pollution caused by solid waste via Training, Social TV Screen

2. GREEN DESIGN

2.1 GREEN PRODUCT DESIGN

The Company unswervingly implements the national sustainable development strategy, actively fulfills its main responsibilities, abides by various laws and regulations, and actively creates a resource-saving and environment-friendly enterprise. Technological R&D has been continuously carried out around new energy, intelligence, comfort and safety. The following technologies have been developed and applied in batches: ReCtrl technology, high-voltage electromagnetic compatibility technology, efficient electric drive variable frequency technology, plug-in composite energy control technology, power adaptive charging technology, vehicle + Internet of Vehicles service platform, bus frontal collision safety technology, blue core intelligent fuel saving system, etc. All the above technologies and systems will greatly reduce the energy consumption of buses.

Yutong's products are energy-saving buses and new energy buses. Silence technology is adopted to systematically study and analyze the causes of noise, and comprehensively improve the bus frame, engine mount technology and body sound insulation technology in a targeted manner to achieve low noise. Among them, the energy-saving bus uses liquefied petroleum gas as fuel to realize lightweight of the vehicle through the application of new materials and processes. Digital simulation technology is used to reduce the weight of the vehicle on the basis of ensuring the structural strength and rigidity of the vehicle. Strengthened road simulation test under full-road conditions is carried out to ensure the reliability of lightweight structure. On the basis of the reliability

and safety of the vehicle, low fuel gas consumption and low pollution are achieved. The new energy bus is an electric bus. Lithium-ion batteries and AC induction motors are selected as the power system, and independent R&D of vehicle control technology for new energy buses, integrated electric drive technology for new energy buses and integrated on-board energy system technology are adopted.

Based on advanced R&D technology, Yutong's products have been certified as China Energy Conservation Products by China Quality Certification Center and issued with China Energy Conservation Product Certificate. In 2021, Yutong won the title of "National Demonstration Enterprise for Green Design of Industrial Products"; Fig: Announcement of Yutong Bus Energy-saving Product Certificate and Demonstration Enterprise for Green Industrial Products issued by the Ministry of Industry and Information Technology

In the future, the Company will continue to increase investment in R&D and industrialization, continuously improve the performance and quality of products through independent innovation, optimize and improve the green design methods along the whole life cycle of energy-saving and new energy buses, and establish a green indicator system covering the whole life cycle of products, so as to make more and greater contributions to the sustainable development of China's buses, the improvement of the overall level of the manufacturing industry and the realization of the goals of energy conservation and emission reduction.



Figure: Announcement of Yutong Bus Energy-saving Product Certificate and Demonstration Enterprise for Green Industrial Products issued by the Ministry of Industry and Information Technology

2.2 GREEN PLANNING

When planning and designing plants, the Company strictly abode by the state industrial policies and relevant requirements, such as "energy-saving evaluation system for fixed assets investment projects", "three-simultaneity system", "control indicators for industrial projects construction land" and so on in the concept of green factory and its assessment indicators.

Green planning for the park: The layout of the plant area follows the principle of intensive land use, and improves the land utilization efficiency through joint workshops, multi-storey parking lots, multi-storey office buildings, etc.; A green transportation system combining new energy buses, shared bikes and self-driving buses is planned in the plant area to reduce carbon emissions; Arbors, flowering plants, hedges and flower beds are used for greening in the plant area. An ecological garden is planned in the front area of the plant to create a beautiful and comfortable working environment for employees.

Green planning of buildings: apply green technology, reduce energy consumption and expand the application proportion of renewable energy. Including setting up a photovoltaic shed on the roof of the parking building, replacing lighting fixtures with high-efficiency energy-saving lamps, lighting partitioning, grouping and timing control, rational use of natural ventilation and natural daylighting, infrared radiation heating, secondary utilization of purified wastewater, etc.

Green equipment planning: use new energy-saving and environmental protection equipment and technologies to reduce energy and resource consumption and pollutant emissions. Including: use new technologies such as waste heat recovery and pretreatment zirconization process and equipment with higher energy efficiency grade, eliminate high-energy consumption equipment; take the lead in introducing runner adsorption + RTO incineration process to treat coating VOCs exhaust gas in the industry, and use direct-combustion exhaust gas incinerator, high-efficiency cartridge dust collector and other pollution treatment equipment. It will give full play to the demonstration role and lead the green transformation of local manufacturing industry.



In 2018, Yutong was rated as the second batch of national green factories by the Ministry of Industry and Information Technology

3. GREEN LOGISTICS

The Company responded to the national environmental protection requirements and paid attention to the construction of a green supply chain system. In 2020, it was rated as a "Green Supply Chain Enterprise" by the Ministry of Industry and Information Technology. It gives full play to the demonstration role and leads the green transformation of local manufacturing industry.

3.1 GREEN PACKAGING

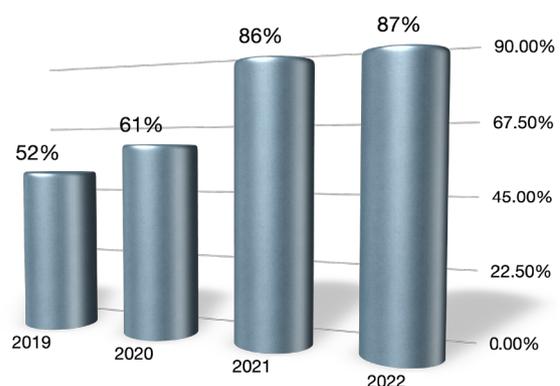
According to the packaging requirements of materials in transportation, storage, distribution, quality protection and other aspects, the Company formulates relevant packaging standards in combination with relevant national and industrial regulations, standards and requirements, reviews and revises the packaging standards every year, improves the packaging environmental protection standards, simplifies packaging together with suppliers, saves materials, and adopts recyclable packaging to reduce the environmental hazard of disposable packaging.

Supplier access stage: The Company sends the packaging standard and specification to the supplier, explicitly requests them to adopt the recyclable package, audits the packaging plan submitted by the supplier while the logistics engineer strictly checks and refuses to use disposable external packaging.

Continuous improvement: The Company continues to promote the application and improvement of recyclable turnover packaging of purchased parts,

optimizes the packaging material, lining and structural form, and reduces the use of disposable packaging materials. By 2022, the turnover packaging of domestic parts accounted for 87%, which is already at the leading level in the commercial vehicle industry.

turnover packaging ratio



3.2 GREEN TRANSPORTATION

The Company actively promotes the improvement of incoming logistics mode, implements MILK-RUN circular pick-up mode in areas where parts suppliers are concentrated, and takes the lead in developing and applying transportation management system in the field of domestic buses to strengthen the management of logistics providers. Require that only vehicles of China V or above can enter the plant area. Guide logistics providers to use battery electric

vehicles and other vehicles that meet the national environmental protection requirements, so as to reduce the negative impact of transportation business on the environment, to decrease transportation costs and energy consumption. Independently develop the incoming logistics management system to ensure that the incoming vehicles meet the national environmental protection requirements. The tractors, sweepers, domestic garbage collection vehicles and commuter vehicles in the plant area are all battery electric, eliminating fuel consumption and realizing green energy conservation and environmental protection.

4. GREEN OFFICE

4.1 GREEN OFFICE MEASURES

The Company carries on the energy-saving environmental protection knowledge training to the employee, advocates the energy-saving environmental protection office. The Company conducts energy-saving and environmental protection knowledge training, starting from small things, starting from me, advocating energy-saving and environmental protection office. The Energy Control Management Regulations of the Company clearly stipulates management requirements on office electricity, and the relevant departments are responsible for the implementation of targeted supervision.

4.2 GREEN OFFICE PERFORMANCE

8.2.1 Green travel: In 2022, 128 new energy commuter vehicles of the Company travelled 1.35 million kilometers cumulatively and served 1.44 million people. It is estimated to reduce carbon dioxide emissions by 833.6 tons.

Electricity saving: is it estimated that 92,000 kWh of electricity and 48.36 tons of carbon dioxide emissions were reduced (1 megawatt hour =0.5257 tons of carbon dioxide) in 2022.



IV. MANAGEMENT AND CONTROL TO SAVE ENERGY AND CUT EMISSIONS

1. ENERGY MANAGEMENT SYSTEM

The Company is always carrying out laws and regulations and other relevant requirements, adhering to the energy-saving management concept of "law-abiding, clean production, energy efficiency improving, continuous improvement". Moreover, it actively carries out the social responsibility of enterprises and promotes clean production and energy efficiency promotion systematically to create energy-saving, low-carbon and green factory. The Company sets up an energy-saving and emission-reduction leading group headed by the President to lead the implementation of energy management work; the group shall report the annual energy-saving self-examination report and energy statistics report on time, improve the energy management system and control standards, promote the implementation of energy-saving and carbon-reduction projects, implement the energy-saving target management responsibility system so as to strictly control energy consumption, reduce water resources consumption and reduce carbon emissions.

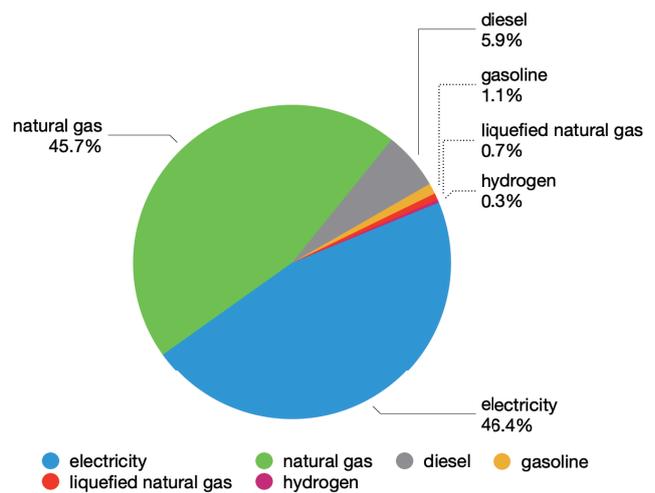
In 2018, the Company established energy management system and carried out certification audit of the third party, obtained Energy Management System Certificate (No.: 00121En20302RIL/46500), and continuously improved every year. In 2022, the Company carried out certification re-audit according to the requirements of the new version of ISO 50001:2018 standard, and passed the routine supervision and audit.



2. ENERGY USE

The main types of energy used by the Company are electricity, natural gas, heat, gasoline, diesel, of which gasoline and diesel are mainly used for official vehicles, commuter vehicles, production of finished vehicles, for the consumption of mobile sources. According to 2022 comprehensive energy consumption ratio, electricity consumption accounts for 46.4%, natural gas consumption for 45.7%, accounting for 92.1% in total, which are the main energy used in the production process.

Energy Consumption Structure in 2022



Electricity is purchased from SGCC and used in every link of the Company's production workshops, auxiliary production (power supply) and ancillary production (functional office, canteen etc.). Natural gas is purchased from CR GAS. It is mainly used for surface drying of semi-finished parts and body surface spraying paint, process tank heating, spray-paint room heating, radiant heating of workshop and office area heating in winter.

S/N	Category	Item	Unit	Y2022	Y2021	Y2020	Remarks
1	Energy consumption	Comprehensive energy consumption	Ton standard coal	34,560.94	38,601.28	37,095.57	Note ①
2		Total energy consumption	MWH	281,211.88	314,086.90	301,835.39	Note ②
3		Electricity consumption	10 thousand KWH	13,042.32	13,916.87	13,152.17	
4		Natural gas	10 thousands m ³	1,187.68	1,299.20	1,203.93	
5		Heat consumption	Million KJ	0	0	26,524.95	
6		Liquid natural gas	Ton	129.61	173.38	279.35	
7		Gasoline	Ton	252.64	335.52	262.34	
8		Diesel	Ton	1,396.01	2,334.45	2,152.88	
9		Hydrogen	10 thousands m ³	23.43	3.96	0	
10		Kerosene	Ton	0	0.64	0.64	
11		Integrated energy consumption per unit product	Ton standard coal/unit	1.165	0.918	0.756	Note ⑤
12	Carbon emission	Direct CO ₂ emission (Range 1)	tCO ₂	33842.47	41228.89	39318.19	Note ③
13		Indirect CO ₂ emission (Range 2)	tCO ₂	68,563.48	73,160.99	87,937.92	Note ④

Description: The statistical accounting scope includes Yutong Bus Co., Ltd, New Energy Bus Branch of Yutong Bus Co., Ltd, Special Vehicle Branch of Yutong Bus Co., Ltd. and Door Bar Workshop of Jingyida Plant Area at 25th Street.

Note ① : The comprehensive energy consumption uses the conversion coefficient of electricity 10,000 kWh = 1.229 tce, natural gas 10,000 m³ = 13.3 tce, liquefied natural gas 1 ton = 1.7572 tce, thermal power 1,000,000 kj = 0.0341 tce, gasoline/kerosene 1 ton = 1.4714 tce, diesel 1 ton = 1.4571 tce and hydrogen 10,000 m³ = 4.3610 tce. The data source is reported to the annual report of the platform of Statistics Bureau.

Note ② : Total energy consumption = comprehensive energy consumption/1.229*10, of which 1.229 is the electric conversion coefficient.

Note ③ : Direct carbon emissions include natural gas, liquefied natural gas, gasoline, diesel oil, kerosene and carbon dioxide welding gas. The calculation of carbon emission standards refers to the Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Machinery and Equipment Manufacturing Enterprises issued by the National Development and Reform Commission. The carbon emission factor of natural gas is 21.6219 tCO₂/10,000 m³, that of liquefied gas 2.7318 tCO₂/t, that of gasoline 2.9251 tCO₂/t, that of diesel 3.0959 tCO₂/t and that of kerosene 3.0334 tCO₂/t. Restatement of information: Compared with the information disclosed earlier, the direct CO₂ emissions increased by 5089.40 tCO₂ in 2020, 4453.49 tCO₂ in 2021 and 2747.61 tCO₂ in 2022, because of welding.

Note ④ : Indirect carbon emissions include electricity and heat, and the average CO₂ emission factor of central China regional power grid in 2012 is 0.5257tCO₂/MWH according to the Average Carbon Dioxide Emission Factor of Central China Regional Power Grid in 2011 and 2012 issued by the National Development and Reform Commission. The thermal carbon emission standard is specified in the Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Machinery and Equipment Manufacturing Enterprises issued by the National Development and Reform Commission. The emission factor is 0.11tCO₂/GJ.

Note ⑤ : The comprehensive energy consumption per unit product is increased in 2022 compared with 2021, mainly due to the impact of environmental situation, low output and high basic energy consumption in 2022.

3. APPLICATION EFFECT OF ENERGY-SAVING AND CARBON REDUCTION TECHNOLOGY

On the basis of the original energy-saving technologies such as surplus energy recovery, frequency conversion transformation and reclaimed water reuse, the Company continues to optimize the production process equipment, and adopts measures such as centralized production scheduling, optimization of equipment start-up and shutdown time, elimination and replacement of high-energy-consumption motors to reduce energy consumption. According to the established plan, gradually promotes the optimization and elimination of coating and drying process, color bar process, public power, pickling and phosphating process, taking low-carbon technology route, improving equipment energy efficiency, reducing carbon emission to maximum degree.

Year	Quantity of energy saving projects developed	Electricity saving (MWH)	Natural gas saving (10,000 m ³)	Carbon emission reduction (tCO ₂)
Y2020	20	1,820	54	2,144
Y2021	9	1,600	7.5	1,003
Y2022	10	2,992	15.2	1,903

TYPICAL PROJECT CASES ARE AS FOLLOWS:

Case	Implementation plan	Annual energy saving
Energy-saving renovation of post-treatment system of air compression station in new energy plant	Through the energy efficiency monitoring of the air compression station system, it is found that the molecular sieve performance of the micro-gas consumption double-tower adsorption dryer used in the compressed air post-treatment system degrades, resulting in a continuous increase in gas consumption during the backblowing process with finished compressed air in low temperature desorption, and the gas loss rate reaches more than 15%. Through transformation, the original desorption process is replaced by a zero-gas consumption blowing heat dryer to replace compressed air with an electric heating blower.	About 1.6 million cubic meters of compressed air and about 175 MWh of electricity are saved annually.
Frequency conversion transformation of dust collector for laser and robotic cutting machines	Most of the dust collectors matched with laser and robotic cutting machines operate at power frequency. In the actual process, there are equipment standby such as material sorting, program calling and profiling, etc. The dust collector cannot operate at reduced frequency through linkage signals. The frequency of the dust collector can be adjusted according to the equipment status and energy consumption can be reduced by modifying and adding frequency converters and control circuits.	After the transformation of 66 dust collectors, about 604 MWh power can be saved annually.



CLEAN ENERGY UTILIZATION:

In 2019, Yutong Bus built 1.6 megawatts of distributed photovoltaic project in the employee parking lot in New Energy Plant, for the electricity use of production in workshop. The project was launched in April 2019, and by the end of 2022, the cumulative photovoltaic generation capacity was 5,173,800 KWH, reducing carbon dioxide emissions by 2,720 tons. In 2022, the photovoltaic power generation was 1,483,600 kWh, reducing CO₂ emissions by 780 tons. Water intake volume: water company calculates the amount of water through meter reading.

4. WATER CONSERVATION

The Company always adheres to the concept of "paying equal attention to energy conservation, low carbon, green development and operation", implements national laws and regulations and local water resources management policies, continuously optimizes the plant management system, actively carries out water-saving publicity, water-saving diagnosis and other work, and fully explores water-saving measures. On this basis the water-saving performance indicators are decomposed, so as to ensure scientific, reasonable and economical use of water in company production process and continuous improvement of water resources utilization efficiency.

4.1 WATER-SAVING PUBLICITY AND EDUCATION

On every "World Water Day" and "China Water Week", on one hand, Yutong Bus actively contacted the Water-saving Office in the District, actively participated in the public water-saving publicity activities organized by the Municipal and District Water-saving Office, introduced the enterprise water-saving management experience and the principle and benefits of the water-saving renovation project; on the other hand, it planned and organized the water-saving publicity activities of the water-using departments of the Company in advance. Employees actively participated in sharing of daily water-saving skills, knowledge competition, leakage and venting inspection and signature promotion activities.



Annex: Water taken quantity and repeated water consumption

Item	Unit	Y2022	Y2021	Y2020
Water taken quantity	Ton	1,507,536	1,368,988	1,540,679
Repeated water consumption	Ton	48,403,484	54,230,004	61,461,365

Note:

Water intake volume: water company calculates the amount of water through meter reading.

Repeated water consumption is a calculation data, and the calculation logic is the number of cycles per hour of the circulating pump * daily operation period * quantity of operation day per month * quantity of operation month per year.

4.2 WATER SAVING PROJECT IMPLEMENTATION

In the process of plant construction and production operation, all links of "water supply, water consumption and drainage" are actively benchmarked, advanced domestic and foreign water-saving technologies and processes are introduced and applied. Water saving is realized from the source of water supply through supply-demand linkage control and zoning differential pressure water supply, and the end reduces water intake and external discharge by improving the reuse rate of reclaimed water.

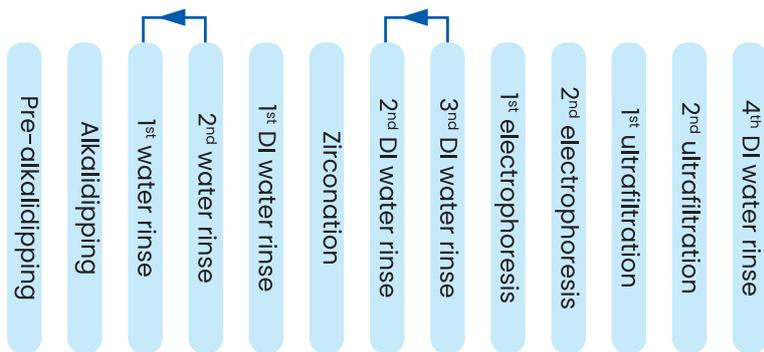


SCHEMATIC DIAGRAM OF SOME WATER-SAVING EQUIPMENT:

1) Spray circulating water system in shower room: It is mainly used for spraying test of finished vehicle.



2) The electrophoresis pure water system and the pure water washing circulation system



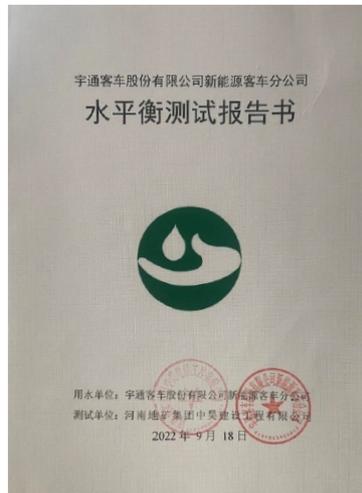
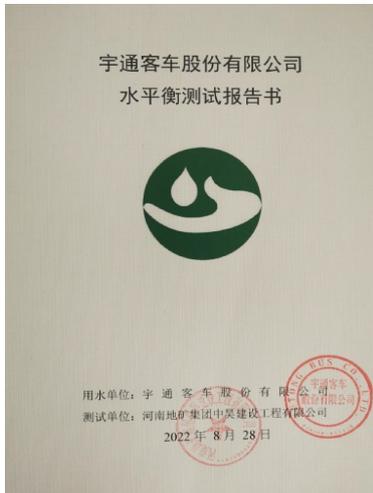
According to the difference of water quality requirements for each process tank in the (pure) water washing process, it is recycled. When the water quality of the back channel does not meet the standard after testing, it is introduced into the previous process through pumps and pipelines to continue to use, thus improving the circulating water consumption rate.



Site Photo of Tertiary RO Filtered Pure Water System Process water for painting process: In the past, wet hydrocyclone pools were used to collect paint mist in spray booths. The use of hydrocyclone pools generated water consumption. Five dry spray booths have been put into operation in 2021. Dry paper boxes are used to collect paint mist instead of hydrocyclone pools, eliminating water consumption and saving about 2,780 tons/year. [Estimation logic: about 230 tons for each, water is replaced twice a year and the monthly amount of make-up water is about 8 tons/piece. It needs to be deleted after verification]

In 2022, the acid pickling and phosphating process was canceled and replaced by pickling-free raw materials, which reduced the water consumption of the acid pickling and phosphating process and saved about 143,000 tons of water annually.

In the management process, water balance test and publicity training are carried out regularly through accountability of water-saving management, quota and target control management, so as to realize continuous refinement of the management process and continuously promote efficient utilization of water resources. In 2022, Zhonghao Construction Engineering Co., Ltd. of Henan Geology & Mineral Group was entrusted to carry out the water balance test, and the test results were summarized: Through the sorting and calculation of test data, all water consumption indexes of Yutong buses used by users meet the requirements of General Principles for Water Balance Test of Enterprises in Henan Province (Trial) (July 2020), Evaluating Guide for Water Saving Enterprises (GB/T7119-2018) and Local Standard of Henan Province - Industrial and Urban Domestic Water Quota (DB41/T385-2020).



In terms of reclaimed water reuse, each plant area of the Company is equipped with a reclaimed water reuse system for toilet flushing and greening. The amount of reclaimed water to be reused in 2022 will be about 240,000 tons.

5. THREE-WASTE DISCHARGE REDUCTION (WASTEWATER, WASTE GAS AND INDUSTRIAL RESIDUE)

5.1 WASTEWATER REDUCTION

All plants constructed the drainage systems according to principle of "rain and sewage separation, clean and polluted separation, separating-treatment according to water quality". All of Yutong's 3 complete vehicle plants built comprehensive sewage treatment stations and adopted "physical and chemical treatment + hydrolytic acidification + contact oxidation + aeration biological filter" treatment technology. After pretreatment, the wastewater from each production section is discharged into the integrated sewage treatment station together with domestic sewage for further treatment. Production wastewater and domestic sewage treated shall meet the second level of Table 4 in Integrated Wastewater Discharge Standard (GB8978-1996). Some of the wastewater is deeply treated to reach the Reuse of Urban Recycling Water—Water

Quality for Urban Miscellaneous Water Consumption (GB/ T18920-2020) and then the water is used for toilet flushing and plant greening. As Yutong is a key waste water discharge company, according to the standard regulation requirements of the sewage outlet, the wastewater outlet is equipped with COD, ammonia nitrogen, total phosphorus, total nitrogen and pH on-line monitoring systems, which are connected with the competent department of environmental protection. A third party is entrusted to maintain these operations. So as to monitor the wastewater quality in real time and ensure that major pollutants discharged meet the standards. At the same time, the Company entrusts a third party to monitor the discharge wastewater every month, and all the monitoring data meets standard.

DISCHARGE CONCENTRATION CONTROL OF MAIN WATER POLLUTANTS:

Plant area	Pollution factor	Allowable discharge concentration	Actual discharge concentration in 2022	Executive standard
Shibalihe Plant Area	COD	150	23.91	GB 8978-1996
	Ammonia nitrogen	25	6.84	GB 8978-1996
	Total phosphorus	1	0.33	GB 8978-1996
	Total nitrogen	/	30.65	/
New Energy Plant Area	COD	150	28.41	GB 8978-1996
	Ammonia nitrogen	25	8.54	GB 8978-1996
	Total phosphorus	1	0.26	GB 8978-1996
	Total nitrogen	/	24.79	/
Special Vehicle Plant Area	COD	150	32.58	GB 8978-1996
	Ammonia nitrogen	25	0.55	GB 8978-1996
	Total phosphorus	1	0.12	GB 8978-1996

Notes:

① Discharge concentration unit: mg/L;

② According to the requirements of pollutant discharge permit, there is no on-line monitoring of total nitrogen factor in Special Vehicle Plant Area. There is no allowable discharge concentration requirement for total nitrogen factor in Shibalihe and New Energy Plant Areas.

WASTEWATER DISCHARGE:

Year	Y2022	Y2021	Y2020	Year-on-year decline
Wastewater discharge	776,296	1,095,190	1,232,543	29.12%

Notes:

1. The wastewater discharge in 2022 was counted according to the data of the online monitoring system for total sewage outlet flow rate in the plant areas, including Shibalihe Plant Area, New Energy Plant Area and Special Vehicle Plant Area.

2. The wastewater discharge in 2020 and 2021 was calculated according to the water intake volume of the plant × 0.8.

DISCHARGE CONTROL OF MAIN WATER POLLUTANTS:

Types of pollutants	Permitted total emission (t/ year)			Total emissions (t) in 2022		
	Shibalihe plant	Yutong New Energy plant	Yutong Special Vehicle plant	Shibalihe plant	Yutong New Energy plant	Yutong Special Vehicle plant
COD	63.6	80.7	3.5495	9.55	13.36	0.008
Ammonia nitrogen	15.9	14.0	0.2662	1.83	3.39	0.00006

5.2 GAS EMISSION MANAGEMENT

According to the requirements of the Three-Year Action Plan for Winning the Blue Sky Protection Campaign, the Company has fully started the comprehensive upgrading and transformation project of air pollution emission since 2017. From 2018 to 2022, the Company invested around 265 million Yuan in the management of VOC (Volatile Organic Compounds) such as painting and drying in the coating line, the transformation of low-nitrogen combustion of natural gas boilers and the installation of on-line monitoring equipment. After modification, the emission concentration of VOC decreased from an average of 120mg/m³ to below 25mg/m³ and the emission reduction of VOC reached more than 80%. The NO_x emission concentration of boilers decreased from about 200mg/m³ to below 30mg/m³, the emission of NO_x reduced more than 85%. As a key company in air pollutant emission, the Company installs VOC on-line monitoring equipment and boiler flue gas on-line monitoring equipment at the main emission outlets of the three factories to monitor the discharge status in real time; meanwhile, the Company establishes Self-monitoring Scheme according to the requirements of HJ971-2018 Sewerage Permit Application and Nuclear Technology Specification for Automobile Manufacturing Industry, and entrusts a third party monitoring institution to carry out the monitoring regularly.

5.2.1 COATING WASTE GAS EMISSION REDUCTION MEASURES

The electrophoresis process adopts waterborne paint and other processes use environmental friendly coatings with high solids and low VOC content. After testing by a third party organization, the VOCs content of coating meets the standard Technical Requirement for Low-volatile-organic-compound-content Coatings Product (GB/T 38597-2020). From 2021 to 2022, the Company invested CNY 50.52 million in Shibalihe Plant Area to complete the process layout adjustment and automatic spraying process transformation of water-based primer/topcoat spray painting line. Water-based coatings were used instead, that is, the VOCs content of water-based interior paint was lower than 40g/L and that of water-based intermediate coat was lower than 250g/L under ready-to-use state. The VOCs content of water-based primer is lower than 380g/L, which greatly reduces the generation of VOCs from the source. In terms of spraying process, the electrophoretic dip coating method is adopted for primer. It takes the lead in realizing large-area spraying of vehicle body coating, topcoat and varnish by using electrostatic spraying technology. The whole process is dominated by advanced robot spraying and supplemented by manual spraying. The coating

spraying efficiency is at the leading level in the bus industry in China, greatly reducing the emission of volatile organic compounds per unit product.

In terms of end-treatment, drying VOC waste gas in the plant of the Company is incinerated by RTO, painting VOC waste gas is treated by "concentration wheel + RTO". After purification, the emission concentration of the waste gas reaches the limit specified in Henan local standard DB41/1951-2020 Emission Standard of Volatile Organic Compounds in Industrial Coating Process. At the same time, the VOC on-line monitoring equipment is installed at the spray-paint and drying exhaust outlets, and connected with the environmental protection authorities to monitor the VOC mission status in real time. The emission concentration, emissions and whereabouts of four pollution factors such as non-methane hydrocarbon, benzene, toluene and xylene at the company's VOCs exhaust outlet are disclosed. The public can log in to the Enterprise Environmental Information Disclosure System (Henan) (<http://222.143.24.250:8247/home/home>) to query the 2022 Annual Report of Enterprise Environmental Information Disclosure.

5.2.2 BOILER WASTE GAS EMISSION REDUCTION MEASURES

Low nitrogen transformation was carried out in 2018, including 4 gas boilers of 20 steam ton and 1 gas boiler of 1.5ton in the Company's Shibalihe plant area, 2 gas boilers of 20 steam ton and 1 gas boiler of 10 steam ton in New Energy Plant area, 2 gas boilers of 12 steam ton in Special Vehicle Plant area and 3 gas boilers of 6 steam ton in Jingyida plant. Major pollutant indicators achieved: NO_x ≤ 30mg/m³, SO₂ ≤ 10mg/m³, smoke ≤ 5mg/m³ and NO_x emissions was reduced by 9.35 tons annually. According to Zhengzhou Gas - Related Industrial Enterprises Monitoring Full Coverage of the Implementation of Work, on-line monitoring equipment are installed for boiler flue gas, and connected with environmental protection authorities to monitor NO_x discharge status in real time. SO₂, particulate matter, Ringelmann blackness and other pollution factors are manually tested by a third-party organization on a quarterly basis.

For information on the emission concentration, discharge amount and destination of four pollution factors such as nitrogen oxides, sulfur dioxide,



particulate matter and Ringelmann blackness at the Company's boiler flue gas discharge outlet, the public can log into the Corporate Environmental Information Disclosed in Accordance with the Law (Henan) (<http://222.143.24.250:8247/home/home>) to inquire about the annual report of enterprise environmental information disclosure in 2022.

5.2.3 CUTTING AND WELDING SMOKE EMISSION REDUCTION MEASURES

CO₂ shielded welding and argon arc welding are adopted for welding operation. The welding fume and waste gas generated during operation are collected by a gas collecting hood, and then discharged at high altitude or recycled for air supply after dust removal and purification by a high-efficiency filter cartridge. The emission concentration of particulate matter meets the emission standard. The semi-finished products are processed by laser cutting and fine plasma cutting, which produce a small amount of smoke and dust. The dust purification system is equipped with Donaldson dust purification system. The dust purification efficiency

is over 95%. The dust concentration and emission rate after the waste gas purification meet the requirements of the second grade standards.

For information on the emission concentration, discharge amount and whereabouts of low-concentration particulate matter pollution factors at the Company's welding fume discharge outlet, the public can log into the Enterprise Environmental Information Disclosure System (Henan) (<http://222.143.24.250:8247/home/home>) to inquire about the annual report of enterprise environmental information disclosure in 2022.

5.2.4 MEASURES FOR EMISSION REDUCTION OF OIL SMOKE IN CANTEEN

After the waste gas from the canteen is collected and treated by the oil fume purifying device, it reaches the local standard Emission Standard of Fume Pollutants from Catering Industry (DB41/1604-2018) of Henan Province, and is discharged through the 15-meter high exhaust canister. At the same time, online fume monitoring equipment is installed in Shibalihe plant area, which is networked with municipal authorities to monitor fume emission concentration in real time.



5.2.5 EXHAUST GAS EMISSION

Year		Y2022	Y2021	Y2020
Exhaust gas emission (ton)	Volatile organic compounds	30.24	107.41	134.98
	NO _x	16.27	12.85	17.93
	Particulate matter	8.74	2.17	2.31
	SO ₂	14.04	4.2	5.78

Note ① The statistical scope covers the three vehicle plant areas, namely Shibalihe Plant Area, New Energy Plant Area and Special Vehicle Plant Area.

② Exhaust emission is calculated in accordance with HJ971-2018 Technology Specification for Application and Issuance of Pollutant Permit - Complete Vehicle Manufacturing Industry, among which:

a. Volatile organic compounds: The paint waste gas from the main discharge outlets of the Company is treated by zeolite runner + RTO incineration, and the drying waste gas is treated by RTO incineration, and all of them are equipped with online monitoring equipment and networked with the environmental protection department, and the online monitoring data are used to calculate the discharge amount; The discharge amount of VOCs waste gas from the Company's general discharge outlets is calculated according to the discharge rate in the third-party test report.

b. NO_x: The main discharge outlets of the Company's boiler flue gas are equipped with online monitoring equipment to connect with the environmental protection department, and the online monitoring data are used to calculate the discharge amount; NO_x at other discharge outlets is used to calculate the discharge amount according to the discharge rate in the third-party test report.

c. Particulate matter: The emission of low-concentration particulate matter is calculated according to the emission rate in the third-party test report. (Note: Particulate matter in 2022 includes boiler flue gas and smoke dust and other general dust at discharge outlets; 2020 and 2021 only refer to boiler flue gas and smoke dust.)

d. SO₂: Discharge amount is calculated according to the discharge rate in the third-party test report.

e. Compared with 2020 and 2021, the waste gas emissions in 2022 were quite different, mainly because of two factors: First, the statistical scope of discharge outlets changed after the Yutong changed its Pollutant Discharge Permit in June 2022. Second, the emission statistical method changed. The emissions at main discharge outlets were calculated according to the statistical data of the pollutant online monitoring system, and those at the general discharge outlets were calculated according to the emission rate in the third-party monitoring report.

5.3 SOLID WASTE TREATMENT

According to the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the National Hazardous Waste Inventory, the Company divides wastes into general wastes and hazardous wastes. General wastes include metal waste, waste packaging materials and domestic waste. Recyclable waste is recycled by recycling company while other non-recyclable waste is treated by municipal government. Hazardous wastes mainly include paint slag, sludge precipitated by wastewater pretreatment system, waste mineral oil and solvent, poly-putty, waste paint bucket, etc. Temporary storage sites for hazardous wastes conforming to the Standard for Pollution Control on Hazardous Waste Storage (GB 18597-2001) are built in each plant area,

and all kinds of hazardous wastes are collected and temporarily stored by classification. And a qualified third party is entrusted for disposal. At the same time, the Company takes many measures to reduce the production of hazardous waste, such as replacing toxic and harmful raw materials, reducing toxic and hazardous waste during production process. The sludge heat pump drying low-temperature dehumidification and sludge low-temperature vacuum drying integrated technologies are adopted in Shibalihe plant area and new energy plant area respectively for dewatering. The moisture content of sludge is reduced from about 75% to less than 25%, achieving obvious lightweight solid waste. Sludge production decreased by about 650 tons/year.

	Year	Y2022
Solid waste category	Yield of recyclable waste (ton)	35,680.52
	Sludge from domestic sewage treatment (ton)	337.85
	Production of hazardous waste (ton)	2193.33

Notes:

- ① The statistical coverage of various waste generation of Yutong in 2022 includes Shibalihe Plant Area, New Energy Plant Area and Special Vehicle Plant Area.
- ② The Yutong's waste generation data in 2022 are from the environmental statistics of 2022.
- ③ 100% of Yutong's recyclable waste is entrusted to a third party for comprehensive utilization, and 100% of hazardous waste is entrusted to units with hazardous waste business qualifications for compliance disposal. The volume of each type of waste transferred/disposed is equal to the amount generated. Stakeholders

According to the Plan of Action for the Prevention and Control of Soil Pollution (NDRC [2016] No. 31), the Company carried out the investigation and rectification of hidden dangers of soil pollution in accordance with the principle of "prevention first, protection first, risk control". In 2022, the Company commissioned a third party to formulate the soil pollution hidden danger investigation plan, soil and groundwater monitoring plan. After the plans were reviewed by municipal expert group, production areas, chemical warehouses, gas stations, sewage treatment stations and hazardous waste temporary storage in the plant areas of Shibalihe plant, New Energy plant and Yutong Bus Special Vehicle plant were particularly checked to monitor soil and groundwater. There are 25 soil monitoring points and 7 groundwater monitoring points in Shibalihe plant area. Totally 1,175 soil monitoring and analysis projects and 259 groundwater monitoring projects were carried out. In New Energy plant area, there are 21 soil monitoring points and 7 groundwater monitoring points. Totally 987 soil monitoring and analysis projects and 259 groundwater monitoring projects were carried out. In Special Vehicle plant area, there are 14 soil monitoring points and 6 groundwater monitoring points. Totally 658 soil monitoring and analysis projects and 222 groundwater monitoring projects were carried out. In these three plants, various monitoring indicators at 60 soil monitoring points met requirements of Category II land filtering value standard limit in Table 1 and 2 of Soil Environment Quality Risk Control Standard for Soil Contamination of Development Land (Trial) GB36600-2018. Various monitoring indicators at 20 groundwater monitoring points met requirements of Category III groundwater limit in Table 1 of GB/T14848-2017 Standard for Groundwater Quality. No contamination is caused to soil and groundwater.

6. TREE PLANTING AND ENVIRONMENTAL PROTECTION

In order to jointly contribute to carbon emission reduction and environmental protection, Yutong Bus organized activities such as planting trees in the factory, cooperative tree planting with garden companies, and all employees assisting in planting trees in public welfare forest in 2022, with a total of 2,889 trees planted.



V. PUBLIC WELFARE AND POVERTY ALLEVIATION TO CONTRIBUTE TO SOCIETY

1. PUBLIC WELFARE ACTIVITIES

The Company always adheres to the social responsibility purpose and concept of "strengthening national industry and becoming an excellent corporate citizen", and actively assumes the social responsibility of the enterprise while doing a good job in its own development. Over the years, the Company has cooperated with Zhengzhou Charity Federation and relied on three public welfare activity platforms of "Yutong Love", "Yutong Wings Project" and "Yutong Open Day". Various public welfare activities are carried out in a planned and organized manner continuously, appealing and attracting young employees to actively participate, cultivating their sentiments, improving their sense of social responsibility, and enriching the form and connotation of Yutong public welfare activities.

In 2022, the Company carried out more than 20 public welfare activities such as "Poverty alleviation through business development", "Education sponsorship", "Social Major Event Assistance", "Warm Sun in Winter" and "Children's Traffic Safety Public Welfare Tour", and donated nearly CNY 36 million to poor students, primary school students nationwide and disaster-affected areas throughout the year. More than 400 volunteers participated, more than 10,000 people were rescued, and the enterprise commitment of "benefiting the society" was fulfilled; At the same time, the company actively participated in local public welfare activities in overseas markets and established "TEAM ZERO (Zero carbon league)" in Europe, America, the Middle East and other regions to help the implementation of zero-carbon activities; When Pakistan was hit by floods in the Middle East, a total of more than 400,000 yuan of living materials and basic medicines were donated to meet the basic needs of the victims; In Kazakhstan, the CIS region, a public welfare school bus traffic safety training camp was launched to enhance the safety knowledge of local children and parents.

1.1 POVERTY ALLEVIATION THROUGH BUSINESS DEVELOPMENT

The company has continuously signed procurement contracts with suppliers in underdeveloped areas in Henan Province, and purchased more than CNY 60 million of parts and components, helping local enterprises improve their product management ability and profitability.

1.2 EDUCATION SPONSORSHIP

With the core concept of "Helping them to help themselves and guide their growth", Yutong's education sponsorship project in 2022 funded 99 poor students who were unable to pay their tuition fees after they entered the university, with a subsidy amount of CNY 1,130,600; At the same time, attention was paid to the education of primary and secondary school students, and a total of CNY 11.767 million was subsidized for the construction of schools.

1.3 SERIOUS ILLNESS ASSISTANCE

In 2022, 657 employees in difficulty received serious illness assistance, with a subsidy of CNY 4,210,500.

1.4 WARM SUN IN WINTER

The Company continued to pay attention to the poverty-stricken people in the mountainous areas of Henan Province with special difficulties, as well as a number of war veterans and their dependents more than 2,600 and sent 3,917,000 yuan of condolence materials to give warm care.

1.5 TRAFFIC SAFETY OF CHILDREN

Yutong joined hands with One Foundation to donate 3.16 million Yuan to carry out "Children Traffic Safety Public Welfare Activities" to dedicate to children traffic safety education.

1.6 DONATIONS

In 2022, the Company actively fulfilled its social responsibilities and donated negative pressure ambulances, with a total donation of CNY 11.895 million.

2. HELP THE REVITALIZATION OF CENTRAL AND WESTERN REGIONS AND RURAL AREAS

At present, Yutong has 193 suppliers located in the central and western regions, accounting for 44.9%; the purchase amount is 6.83 billion yuan, accounting for 56.9%. Yutong supports the development of the central and western regions of the country with practical actions.

Yutong has 24 fresh food suppliers, including 4 suppliers in rural areas, accounting for 16.7%; the purchase amount is 5,417,400 yuan, accounting

for 9.1%. Through the form of direct purchase and joint purchase in the place of origin, the Company organizes the purchase of fruits and vegetables such as Gansu Jingning apples, Sanmenxia Shiheshan apples, Zhongmou vegetables, Xinzheng cherries and honeypeaches in the place of origin. Meanwhile, the Company conducts direct purchase activities to help consuming slow-moving vegetables, so as to promote local agricultural products sales and rural revitalization.

EXTENSIVE COMMUNICATION TO HELP "SUSTAINABLE DEVELOPMENT"

1. SUSTAINABLE DEVELOPMENT STRATEGY

Yutong Bus is committed to taking a responsible way of operation, actively carrying out social responsibility and building a sustainable world. Through strengthening responsibility management, innovative responsibility practice and other measures, Yutong actively promotes the integration of social responsibility into the daily production and operation of the enterprise.

CSR VISION

Adhering to the core values of "Morality, Collaboration, Innovation" and carrying out the operation philosophy of "employee-centered and customer-oriented", Yutong Bus actively performs its social responsibility, and is committed to realizing the win-win relationship of enterprise-employee-customer and building the ecological relationship of sustainable development between the enterprise and society. We strive to protect the rights and interests of the government, customers, employees, partners and other stakeholders through innovations in technology, products and management, as well as sound business operations, and strive to become an enterprise trusted by all stakeholders.

2. STAKEHOLDER COMMUNICATION

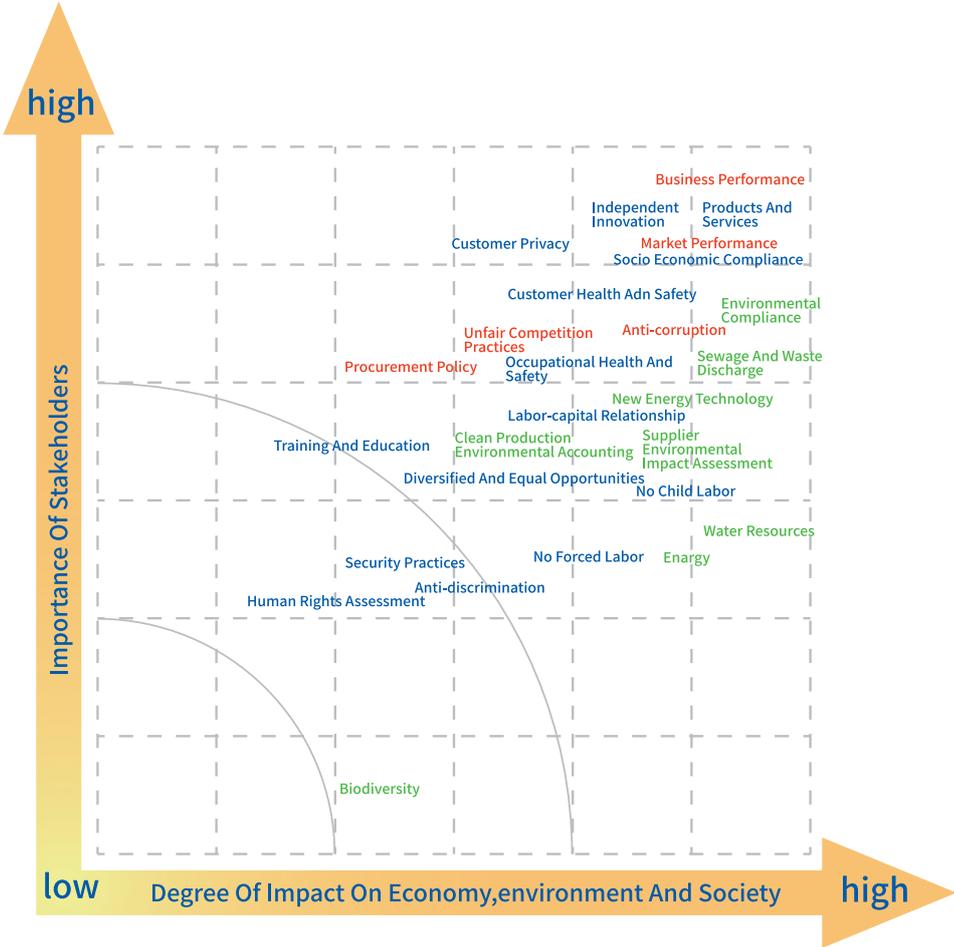
In order to optimize enterprise management and implement social responsibility, Yutong Bus identifies different stakeholders and establishes the corresponding normal communication mechanism, including organizing meetings, participating in or organizing activities and participating in academic seminars to gain in-depth understandings of stakeholder needs, as an important input for management optimization. Through management optimization and a series of social responsibility measures, we have won the trust and support of stakeholders. The identified stakeholders and issues and mechanisms are as follows:

Stakeholder	Concerned issues	Communication channel/ mechanism
 <p>Customers, consumers</p>	<ul style="list-style-type: none"> ▲ Customer demand ▲ Customer operations/demand ▲ Product satisfaction 	<ul style="list-style-type: none"> ▲ On-line promotion ▲ Offline presentation, exhibition ▲ WeChat/ telephone ▲ Customer satisfaction survey ▲ Summit forum ▲ High-level visit
 <p>Shareholders, investors</p>	<ul style="list-style-type: none"> ▲ Industry situation ▲ Financial disclosure ▲ Major issues of the Company ▲ Management change ▲ ESG risk management and report 	<ul style="list-style-type: none"> ▲ Company announcement ▲ Investigation of shareholders ▲ Company's periodical report on performance exchange ▲ Investor online exchange ▲ Investor hotline ▲ Social responsibility report

Stakeholder	Concerned issues	Communication channel/ mechanism
 Employees	<ul style="list-style-type: none"> ▲ Employment ▲ Salary and welfare ▲ Attendance and vacation ▲ Reward, punishment and communication ▲ Protection of employee rights and interests 	<ul style="list-style-type: none"> ▲ Conference on democratic management ▲ Integrity mailbox ▲ EIP Human Resources Window ▲ Labor union mailbox, telephone, letters and visits
 Suppliers	<ul style="list-style-type: none"> ▲ Product responsibility ▲ Supply chain management 	<ul style="list-style-type: none"> ▲ Site investigation ▲ Supplier satisfaction questionnaire ▲ Supplier site audit ▲ Quality communication ▲ Supplier conference ▲ Open procurement bidding
 Government	<ul style="list-style-type: none"> ▲ Operating performance, R&D investment ▲ Green manufacturing, intelligent manufacturing ▲ Industrial internet construction, service-oriented manufacturing 	<ul style="list-style-type: none"> ▲ Government communication meeting, publicity and implementation meeting ▲ Leading/participating in the national, provincial and municipal industrial transformation and upgrading projects ▲ Government-led exhibitions and conferences ▲ Inviting the government to make investigation
 Industry, colleges and universities, research institutes	<ul style="list-style-type: none"> ▲ Social responsibility ▲ Product liability ▲ Green production ▲ R&D innovation 	<ul style="list-style-type: none"> ▲ Leading/participating in the formulation of national/ industrial standards for bus industry ▲ Member representative conference organized by the association ▲ Carrying out school-enterprise cooperation ▲ Seminar meeting ▲ Intra-industry communication/visit
 Media (including NGO media)	<ul style="list-style-type: none"> ▲ Strategic planning and development direction of enterprise ▲ Product and technology ▲ Scale and performance ▲ Enterprise capital and financial situation ▲ Environmental protection ▲ School children safety education 	<ul style="list-style-type: none"> ▲ Press releases provided by the enterprise ▲ Press conference and media communication meeting ▲ Media visits ▲ Active interview and inquiry by media ▲ Joint response of media

3. SELECTION OF SUBSTANTIVE ISSUES

In order to ensure the effective implementation of the concept of social responsibility, before the preparation of the social responsibility report, through communication with the Company and its subordinate enterprises, as well as the majority of stakeholders of social responsibility, and conducted research on topics. Stakeholders and the Company jointly determined the importance of topics and sorted out the topics of high concern to stakeholders. The participants have considered the importance of issues in terms of "influence on the economy, environment and society" and "importance to stakeholders", forming the following substantive matrix:



According to the matrix diagram, 23 issues to which stakeholders pay high attention are confirmed. These include 5 economic issues, 7 environmental issues and 11 social issues.

Economy	Environment	Society	
Economic performance	Environmental compliance	Socio-economic compliance	Diversity and equal opportunity
Market performance	Sewage and waste discharge	Products and Services	Forced and compulsory labor
Anti-corruption	Clean production	Independent innovation	Training and education
Unfair competition behavior	Supplier environmental assessment	Customer health and safety	Prohibition of child labour
Procurement policy	Energy utilization	Customer privacy	
	Water resources	Occupational health and safety	
	New energy technology	Labour-capital relation	

PLAN FOR THE FUTURE

In 2023, the Company will continue to implement its enterprise commitment of "win-win with partners, creating value for customers (society), benefiting society, enriching employees and giving back to shareholders", strive to forge ahead, continue to pursue excellence, vigorously promote management and technological innovation, solidly build a fine culture and excellent team. With good products and services, Yutong serves for people's good travel, fulfills social responsibilities with high standards, and actively contributes to social value. The main measures are:

Firstly, on the basis of the research, development and reserve of basic technology and applied technology of bus, Yutong will vigorously promote the integration and development of electrification, intelligence and networking, high-end and internationalization, create greater value for customers with better products and services, and make greater contribution to energy conservation and emission reduction in China with more advanced new energy technologies;

Secondly, Yutong will further promote production safety, environmental protection management, occupational health, to keep environmental standards consistently leading, improve security steadily and provide employees with a better working environment;

Thirdly, Yutong will continue to rely on three public welfare platforms of the Company to deepen public welfare activities, rural revitalization, consolidation of poverty alleviation achievements etc., and actively implement Enterprise commitment of "benefit the society".

KEY PERFORMANCE TABLE

Items	Y2022	Y2021	Y2020
Operation revenue (100 million Yuan)	217.99	232.33	217.05
Revenue growth rate	-6.17%	7.04%	-28.82%
Total profit (100 million Yuan)	7.08	5.43	3.48
Total profit growth rate	30.23%	56.29%	-83.34%
Net profit attributable to shareholders of listed companies (100 million Yuan)	7.59	6.14	5.16
Growth rate of net profit attributable to shareholders of listed companies	23.68%	18.95%	-73.43%
Weighted average return on assets	5.15%	4.06%	3.11%
Earnings per share (Yuan)	0.34	0.28	0.21
End-of-term asset-liability ratio	51.34%	52.30%	53.64%

HONORS

Y2022



April

Continuous and effective verification of 12-star service capability - CTEAS certification
Awarded by: Beijing Sky Certification Center

July

Fortune China 500
Awarded by: Fortune (Chinese version)

July

China's 500 Most Valuable Brands
Awarded by: World Brand Lab

August

2022 Top 500 Chinese Brands
Awarded by: Brand Alliance

August

Intelligent Manufacturing Standard Application Pilot 2022
Awarded by: Ministry of Industry and Information Technology

July

2022 New Information Consumption Experience Center
Awarded by: Ministry of Industry and Information Technology

September

National Benchmark Enterprise in Quality and Integrity
Awarded by: China Quality Inspection Association

October

Listed as National Intellectual Property Demonstration Enterprise 2022
Awarded by: National Intellectual Property Administration

November

Green pioneer of new energy
Awarded by: Busworld

November

Ranked first in CAACS survey bus brand 2022
Awarded by: China Automotive Maintenance and Repair Trade Association

October

2022 Pilot Demonstration of Integrated Development of Next-generation Information Technology and Manufacturing Industry
Awarded by: Ministry of Industry and Information Technology

December

2022 Outstanding Brand Power Enterprise of New Oriental Power
Awarded by: Hexun.com

December

National service-oriented manufacturing demonstration enterprise
Awarded by: General Office of the Ministry of Industry and Information Technology

INDEX

Content	Benchmarking of GRI Sustainability Reporting Guidelines	Page
Manager Message	102-14	1
About Us	102-1 ~ 8/10/12/16/18	2
Legal Operation	102-11, 419-1	5
Governance Compliance	102-22 ~ 24/32/45, 417, 201-1	7
Anti-Corruption	102-11, 205-1 ~ 3, 419-1	8
Product Quality Control	416-1	17
Protection of basic rights and interests of employees	102-8, 202-2, 405-1, 405-2, 102-41, 201-3, 402-1, 408-1, 409-1, 401-2, 401-3, 102-35/36, 201-3, 202-1, 401-2	23
Care About Staff Health	403-1 ~ 4, 401-2	28
Help Enhance Industrial Standards	102-13	33
Practice Responsible Procurement	102-9,414-1	35
Green Management	307-1	37
Green Purchasing	308-1/2	36
Green Office	302-4	43
Energy Management System	302-1/3/4, 305-1/2/5	43
Water Conservation	301-1, 303-1 ~ 3	47
Three-Waste Discharge Reduction	305-7, 306-1, 306-2	51
Public Welfare Activities	413-1	57
Procurement Localization	204-1	36
Sustainable Development Strategy	102-18 ~ 20	59
Stakeholder Communication	102-17/21/40/42 ~ 44/47,103-1	59
About the Report	102-46/48 ~ 56	65
Index	102-55	66
Feedback Form	102-53	67

FEEDBACK FORM

In order to continuously improve the preparation of this report, we do look forward to hearing your comments and suggestions. Please complete the following related questions and feed back to the following address.

Mailing address: No. 6, Yutong Road, Guancheng District, Zhengzhou City, Henan Province

Postal code: 450061

Tel.: 0371-66733145

E-mail: zhaomza@yutong.com

YOUR INFORMATION:

Tel.: _____ Name: _____

Fax: _____ Company/Organization: _____

Title: _____ E-mail: _____

MULTIPLE-CHOICE QUESTIONS (PLEASE TICK ✓ IN THE CORRESPONDING POSITION)

1. This report comprehensively and accurately reflects the significant impact of the Company on the economy, society and environment.

Very good Good Mediocre Poor Very poor

2. This report responds and discloses the concerns of stakeholders.

Very good Good Mediocre Poor Very poor

3. The information, indicators and data disclosed in this report are clear, accurate and complete.

Very good Good Mediocre Poor Very poor

4. Readability of the report, namely, the logical main line, content design, language and layout design of the report.

Very good Good Mediocre Poor Very poor

OPEN QUESTIONS

1. What is the most satisfactory aspect of this report?
2. What else do you need to know?
3. What are your suggestions for our future social responsibility report?

