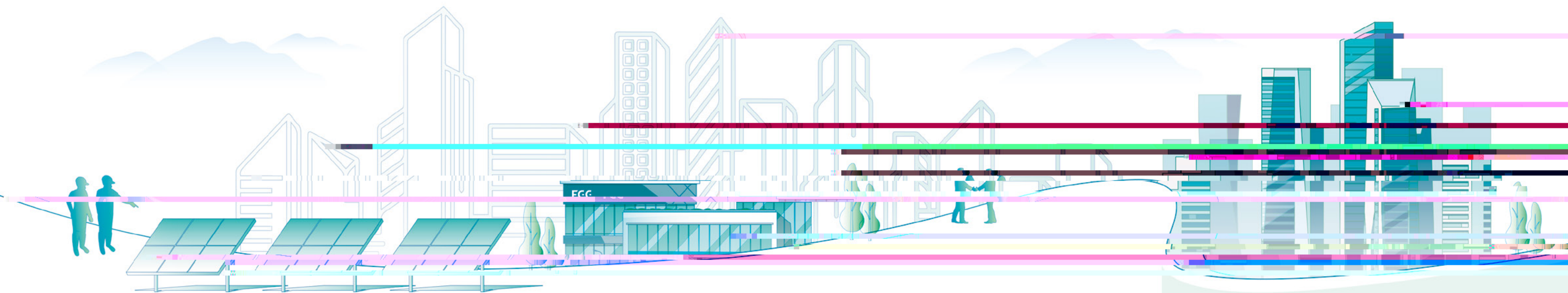




# CONTENTS



## 01

About This Report	03
About Flat Glass	05
Social Responsibility Management	06
Responding to Climate Change	13

## 02

<b>Expanding Global Reach through Sound Operation</b>	<b>19</b>	<b>Customer First and Pursuit for Quality Excellence</b>	<b>29</b>
Sound Corporate Governance	21	Stringent Quality Control	31
Risk Identification and Management	23	Safeguarding Customers' Rights and Interests	34
Compliance and Business Ethics	25	Ongoing Technology Innovation	37

## 03

<b>Building an Eco-friendly Enterprise through Green Operation</b>	<b>39</b>
Environmental Management System	41
Reducing the Environmental Footprint of Operations	43

## 04

<b>Pooling Efforts for Fusion and Symbiosis</b>	<b>45</b>	Key Quantitative Performance	57
Safeguarding Employees' Rights and Benefits	47	Index of Reporting Standards	62
Empowering Employee Growth	51		
Protecting Employees' Health	53		
Giving Back to Society	56		

This Report is prepared in accordance with Standards for the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No. 2 - Contents and Formats of Annual Reports (2021 Revision)(Chapter 5 Environment and Social Responsibility) issued by the China Securities Regulatory Commission , the Environmental, Social and Governance Reporting Guide (effective from 1 January 2022 ) (“ESG Guide”) issued by the Stock Exchange of Hong Kong Limited (the“ Hong Kong Stock Exchange”) and the Guidelines No. 1 for the Application of Self-regulatory Rules of Companies Listed on the Shanghai Stock Exchange — Standard Operation (2021) issued by the Shanghai Stock Exchange (the “SSE”).

Unless otherwise stated, the data and cases mentioned in the Report are derived from Flat Glass Group Co., Ltd. and its subsidiaries during actual operations.

Financial data in the Re—0.7 (J0 Tc.00d8 (s)20.8 14.3 (1)50 ( ) e)-3.6 (i)-5 (n)-.4 (s)-96L2-9.1 ( )-1(n)11.3 l dt949Td[urMTd[ (9B-8.9 1 (o)8. (94u)-9.7 ( Td[ y R)-9.5 1u)-5.3 (l8.5 e)-8.8 (008 Td[(S))-5 (n t)-3 (n)-9.2 9e)-8.5 (9)-43.7 2( c)-9(n t)-5.5.1 (s)-95( d)-2.7 ( )-1(n)11.3 (s)-2.9 6(t)9.8 (e.-5.3 (h

Year of establishment

1998

Company name

Flat Glass Group Co., Ltd.

Ownership and listing

Listed on the Shanghai Stock Exchange  
(stock code 600670)  
Listed on the Hong Kong Stock Exchange  
(stock code 0334)

Principal businesses

Flat Glass is a comprehensive enterprise with an integration of research and development, manufacturing, processing and sales of glass. Its main products cover photovoltaic (PV) glass, float glass, energy-saving architectural glass, and household glass.

Locations

Main locations of Flat Glass and its subordinates include Jiaxing of Zhejiang province and Chuzhou of Anhui province in China, and Haiphong in Vietnam.

Headquarters

Jiaxing, Zhejiang, China

Revenue

RMB 8,713.23 million

Net asset per share

RMB 5.50

Social contribution value per share

RMB 1.46

Note: Social contribution value per share = (net profit attributable to ordinary shareholders + compensation and benefits + interests paid on loans to creditors such as banks + amount of taxes paid by environmental pollution, etc.) / total number of shares of the Company.

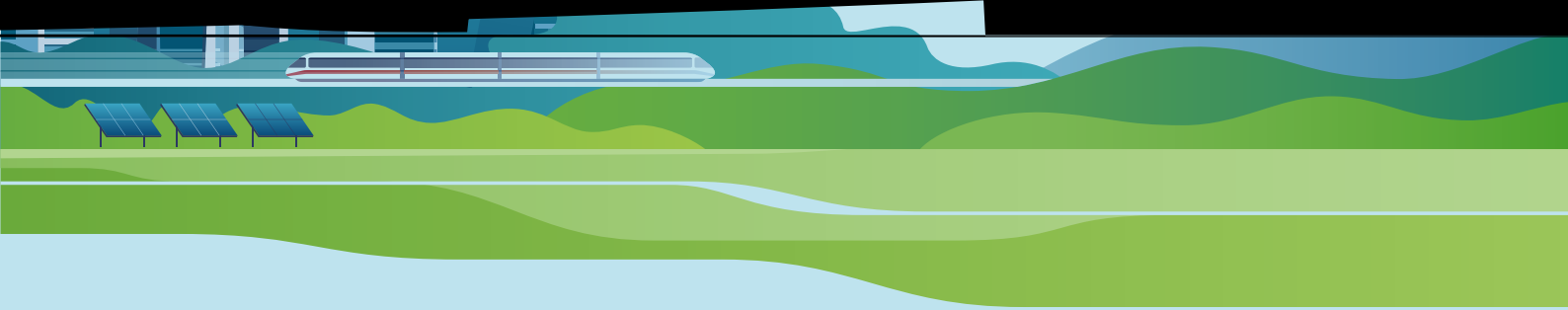
Committed to be a globally influenced company in the glass industry

Fusion and Symbiosis, Creation and Sharing

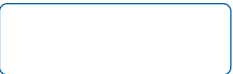
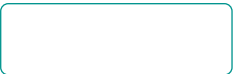
Integrity Pragmatism, Focusing, Passion, Innovation

As a global leading PV glass manufacturer, Flat Glass has a rich history and integrates the teamwork philosophy of "Fusion and Symbiosis" into the Company's corporate culture.

In pursuing rapid growth, the Company's management is not only the Company's duty but also its core competitiveness. In addition to operating in compliance with applicable laws and regulations, Flat Glass integrates environmental and social responsibility into its ESG management strategies of "social responsibility", "sustainability" and "Fusion and symbiosis". At the same time, promote social harmony through its business activities.



The Company has set targets for water efficiency, energy use efficiency, greenhouse gas emission reduction and waste reduction based on the main environmental impact elements in its own operations, details of which is listed in the Group's environmental impact analysis table on page 42 of this Report. The Board of Directors will review the Company's ESG performance and achievement of ESG performance targets for the previous year on an annual basis to ensure that the Company's ESG performance is disclosed in the ESG Report, thereby promoting the achievement of ESG performance targets.



Effective ESG management cannot be achieved without the attention of the top management and the participation of all employees. The Company has integrated ESG concepts into its corporate culture and daily operations and formed a top-down ESG management structure, with the Board of Directors overseeing and ultimately responsible for ESG matters.

After the formal operation of the ESG working group internally in 2020, an ESG committee has been established under the operating management in 2022, in a bid to improve the Company's ESG management structure and enhance comprehensive coordination of ESG work to assure effective ESG management. The ESG committee is responsible for identifying ESG risks and opportunities, formulating concepts and targets, and reporting to the business management and the Board of Directors on a regular basis. The Company's ESG working group, which is led by the head of the Board Secretary Office, is responsible for implementing ESG work, coordinating issues relating to ESG management as well as communication and policy implementation.

ESG management structure of Flat Glass







In accordance with the procedures of identification, evaluation and screening, the Company has conducted an analysis of material issues and identified the Company's stakeholders' material ESG issues by taking into consideration of its own business and operational characteristics and drawing on the experience of peers at home and abroad. The materiality has been analyzed and ranked based on full consideration of stakeholders' requirements and issues.

To ensure the effectiveness of the Company's ESG strategy, the Board of Directors reviews the results of the identification of the Company's material ESG issues on an annual basis to ensure that the Company's ESG strategy covers material ESG issues. The process of determining materiality is guided by the following principles.

- Incorporating input from key stakeholders and identifying key stakeholders'ESG issues;
- Incorporating input from the operating management and identifying ESG issues that have a material impact on the Company's business;
- The Board of Directors reviews material ESG issues including those of high concern to stakeholders and have a material impact on the Company's business.

In 2021, the Company, after taking into consideration of various factors including the focus of internal and external stakeholders, policy survey and peer benchmarking analysis, identified 17 material issues and added the issue of responding to climate change.

Key changes to material issues of Flat Glass in 2021

Material issue in 2020	Material issue in 2021	Type of change	Cause of change
——	Responding to climate change	Added	Climate change, which is mainly characterized by warming, is occurring globally and has a profound impact on the sustainable development of human economy and society. In the context of China's aim to achieve carbon peak by 2030 and carbon neutrality by 2060 and the 14th Five-Year Plan, Responding to climate change has become an important issue of concern for the government, society and enterprises.

Climate change has become one of the most pressing issues of the 21st century. According to the Global Risk Report 2021 published by the World Economic Forum (WEF), environmental risks remain a major concern in terms of the probability and impact of risks over the next decade: extreme weather, human environmental damage, and failure of climate actions all rank among the top 10 global risks. Global warming continues to exacerbate the frequency of extreme weather events and is forcing new policy changes, driving technological innovation and progress across industries, and influencing a shift in the green mindset of consumers and investors around the world.

busi6-7l.737-12.0.m7-4..4do -1.312 Td T99[(bu)4.8 (s)4.n.731l o4-1.6 (f7 )-0.9l ora odhe71d pbusd p (t3(m)-11 (m)-lopme 0i8-7)-41 ot.3 ( o.1 i)-fod vbusrae8 n 6-1.-1.312 Td T99-4(i6619-4.109c(s)(• )TjE75262 T991.063 0 (s)4. W.2 1.9)-37.9io1 (7 (12. (m)-11.m)-3.8 -3)-11.9 (3)-r6 (s)-11.9 (2 p)-12

In order to achieve effective management of and adapt to the risks and potential opportunities of climate change on bus







Improvement of energy use efficiency

The product manufacturing process is the main source of carbon emissions for the Company. The energy consumed by the Company is mainly: natural gas, fuel oil and electricity, and energy consumption is also the main source of greenhouse gases (Scope I and Scope II). Based on the guideline of energy saving and consumption reduction, the Company has put in place a comprehensive energy management system and has been carrying out various energy saving-oriented technological improvement projects, details of which is listed in the main tasks and achievements of the Group's cleaner production in 2021 on page 44 of this Report, to continuously improve the energy use efficiency of its operation activities and reduce greenhouse gas emissions. Currently, the Company has set a greenhouse gas emission target, which is 10% reduction by FY2025 compared with the base year FY2021.

At the same time, the Company has integrated ecological and environmental protection concepts into the design process and built a factory that meets green factory standards to reduce the use of various resources during production and operation. 2021, Flat Glass Group Co., Ltd. was approved as a green factory in Zhejiang Province.




Energy management system

Idea	Policy	Objective	Measures
<ul style="list-style-type: none"><li>Implement source control and continuous improvement while meeting and improving productivity to reduce impact of production on environment.</li></ul>	<ul style="list-style-type: none"><li>SOP of Energy and Resource Management</li></ul>	<ul style="list-style-type: none"><li>10% reduction in total energy consumption intensity per unit revenue by FY2025 to 5.15MWh//RMB10,000 in revenue compared with the base year FY2021</li></ul>	<ul style="list-style-type: none"><li>Invest in distributed PV projects for production bases</li><li>Carry out energy saving-oriented technological upgrading</li><li>Adopt waste heat power generation equipment to recover waste heat from production process</li></ul>

Case

Active measures to save energy

In 2021, efforts were made by the Company's business units and plants to improve energy use efficiency, further reduce greenhouse gas emissions and reduce the impact of the Company's operations on environment by optimizing production layout, upgrading and renovating equipment and improving the workshop environment.

Measures	Concrete actions and results
 Optimize production layout	The loading rate of toughened products has been improved, and the production workshop has adjusted the number of loading machine operators in time according to the product specifications of the shift, reducing the occurrence of empty load and low loading rate. It is expected to save electricity consumption by 5%-8%.
 Retrofit and upgrade equipment	We have replaced the existing old motors with energy efficient ones.  The 600T/D PV glass kiln at Jiaxing site was subjected to cold repair and technical improvement, which reduced production energy consumption and improved production efficiency.
 Improve workshop environment	By renovating the workshop, we have improved the daylight hours in several plants and saved 2 hours of artificial lighting in each plant per day.

Green products manufacturing

In the field of glass research and development, manufacturing, processing and sales, the Company, as a manufacturer of PV glass, provides customers with PV glass products with ultra-high transmittance and diversified performance, and also contributes to the reduction of greenhouse gas emissions. Meanwhile, the Company is committed to continuously optimizing and improving the green attributes of its energy-saving architectural glass, household glass and float glass products through technological innovation. In 2021, the Company's tempered glass for construction, laminated glass for construction and insulating glass for construction were certified as China Green Products.

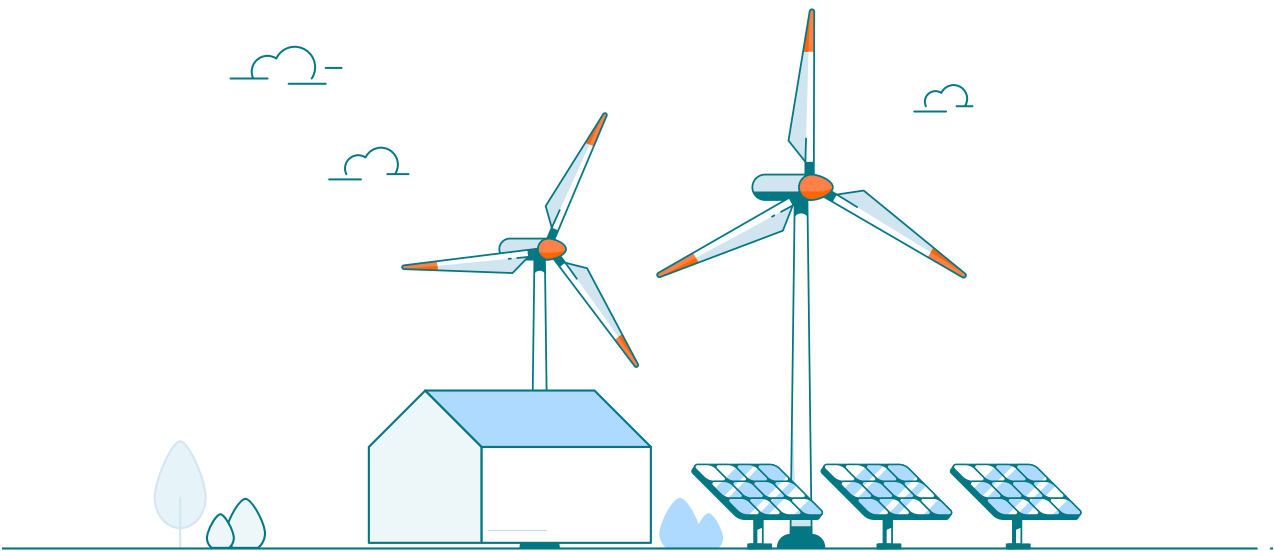
In addition, in 2021, the Company intended to issue convertible corporate bonds. The proceeds, after deducting the issuance costs, will be invested in a project with an annual output of 750,000 tons of ultra-thin ultra-high-transmittance panels for solar equipment, a distributed PV power plant construction project and a technological transformation project with an annual output of 15 million square meters of solar PV ultra-white glass, in a bid to continue to deliver low-carbon and green products to the market.

Company's actions

- A leading global manufacturer of PV glass products with diverse performance requirements
- Continuously reducing energy consumption and resource use in the manufacturing process to reduce the environmental footprint of our products

Supporting the global efforts for clean energy transition

- The Company contributes its part to the global efforts for clean energy transition and the achievement of carbon neutrality goals by its competitive PV glass products, which are mainly used in PV power generation modules to provide clean electricity for various industries.



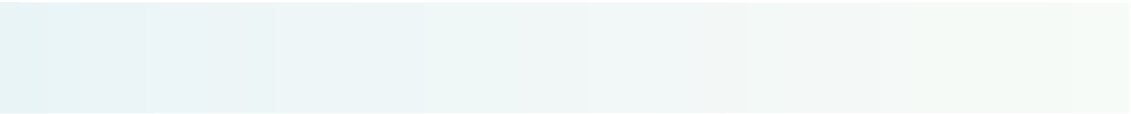
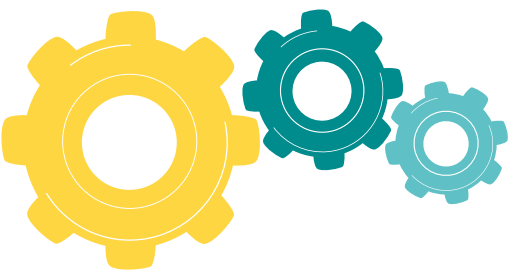
## Expanding Global Reach through Sound Operation

Flat Glass always takes operational compliance as the bottom line. By improving its own management system and institution to enhance its risk response capability, Flat Glass has ensured sound operation and sustainable profitability in return for shareholders and investors.

01



The Company attaches importance to corporate risk control and constantly improves its risk management work and internal control system. It is open to supervision and suggestions from the Risk Management Committee and Audit Committee on risk control, and jointly directs relevant departments to implement the risk management system and execute risk management routines to secure the Company's need for safety control.





Compliance operations

The Company steadily promotes compliance management and continues to improve the system construction and compliance management process. During the Reporting Period, the Company has not been punished or warned by regulatory authorities for zero violations to laws and regulations governing product quality, customer services, intellectual property protection, environmental protection, labor engagement, etc. A list of laws and regulations governing the areas in which the Company involves is detailed in the table below.

Product and service responsibility

China: Product Quality Law of the People's Republic of China, Law of the People's Republic of China for Protection of Consumers' Rights, Foreign Trade Law of the People's Republic of China, Advertising Law of the People's Republic of China, etc.  
Vietnam: No.36/2005/QH11 Trade Law, No. 54/2014/QH13 Customs Law, No.107/2016/QH13 Import and Export Tax Law, No.59/2020/QH14 Enterprise Law, etc.

Complied

Intellectual property protection

China: Patent Law of the People's Republic of China, Trademark Law of the People's Republic of China, etc.  
Vietnam: No.50/2005/QH11 Law, No.103/2006/NĐ-CP Decree, No.211/2016/TT-BTC Notice, No.22/2018/NĐ-CP Decree, 42/2019/QH14 Law, etc.

Complied

Environmental protection

China: Environmental Protection Law of the People's Republic of China, Atmospheric Pollution Prevention and Control Law of the People's Republic of China, Solid Waste Pollution Prevention and Control Law of the People's Republic of China, Water Pollution Prevention and Control Law of the People's Republic of China, Cleaner Production Promotion Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China, etc.  
Vietnam: No.2-2020-QH14 Environmental Protection Law, No.06-2022-ND-CP Decree, No. 08-2022-ND-CP Decree, No.01-2022-TT-BTNMT Circular, No.02-2022-TT-BTNMT Circular, etc.

Complied

Employment

China: Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Social Insurance Law, Labor Dispute Mediation and Arbitration Law, Trade Union Law, Law on the Protection of Rights and Interests of Women, Measures for Labor Protection of Female Workers of Zhejiang Province, etc.  
Vietnam: 58\_2014\_QH13 Vietnam Social Security Law, 45\_2019\_QH14\_Vietnam Labor Law, etc.

Complied

Occupational health and safety

China: the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases, Regulation on Work-Related Injury Insurances, Work Safety Law of the People's Republic of China, etc.  
Vietnam: No.84\_2015\_QH13 Labor Safety Law, No.39\_2016\_ND-CP Decree, No. 44\_2016\_ND-CP Decree, No.58\_2020\_ND-CP Decree, No.88\_2020\_ND-CP Decree, etc.

Complied

Anti-corruption

Maintaining good business order and upholding integrity while doing business are prerequisites for sound corporate development. Anti-corruption is the focus of the Company's compliance management. The Company has strictly complied with such laws and regulations as the Anti-Unfair Competition Law of the People's Republic of China and the Interim Provisions on Banning Commercial Bribery, formulated and improved the Fraud Prevention and Whistle-blowing Encouragement System, implemented anti-corruption and anti-fraud management work by strictly following the guideline of prevention before supervision, and regularly conducted anti-corruption training for all employees to develop their awareness of anti-corruption.

To eliminate practices of corrupt, extortion, fraud and money laundering, the Company has restrained the behavior of employees in the Employee Handbook, clearly defined the penalties and treatment measures for employees' bribery, and required employees to sign the "Integrity Pledge" when they get employed by the Company. The anti-corruption work in the procurement process is also the focus of the Company's anti-corruption work. The Company has incorporated clear integrity clauses in most of its contracts signed to communicate anti-corruption principles to suppliers and encourage them to be clean and disciplined.







# Customer First and Pursuit for Quality Excellence

As a specialist serving the glass industry for years, Flat Glass with a vision of "Committed to be a globally influenced company in the glass industry", insists on embracing integrity and quality to become a Chinese national brand engaged in the glass industry. The Company has continued its efforts to improve the quality management and service level and carry out technological innovation to create ongoing value for customers.

02



Product quality management

The Company always upholds the business philosophy of "centering on customer satisfaction, to expand market with quality, to develop with improvement" and the quality policy featuring "quality first, quality is everyone's responsibility". The Company, in the pursuit of high-quality development, has put in place a comprehensive quality management system, and to ensure that the quality control measures are effectively implemented in all production links and provide customers with high quality products, the Company has formulated quality management procedures, adopted cross-supervision method, provided quality training, among other measures.

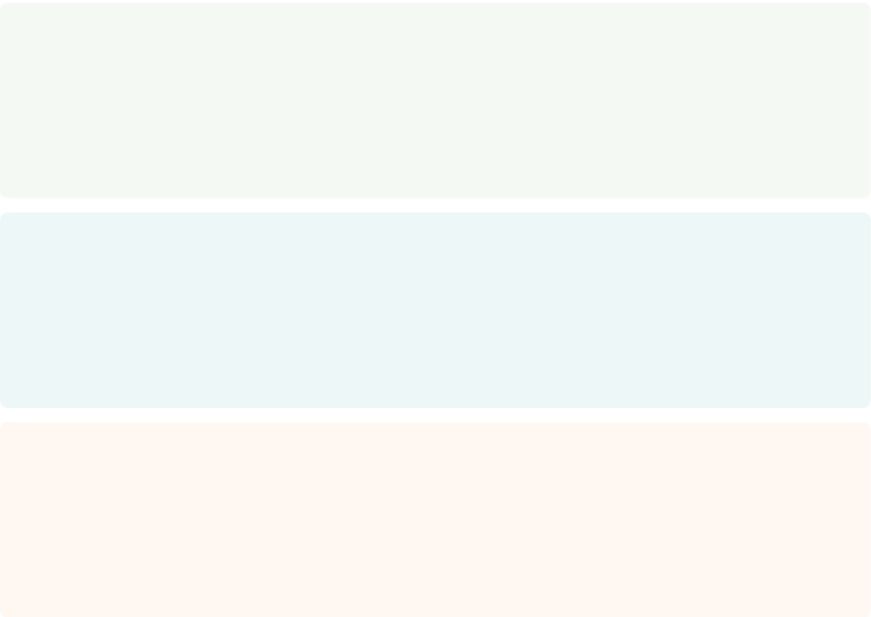
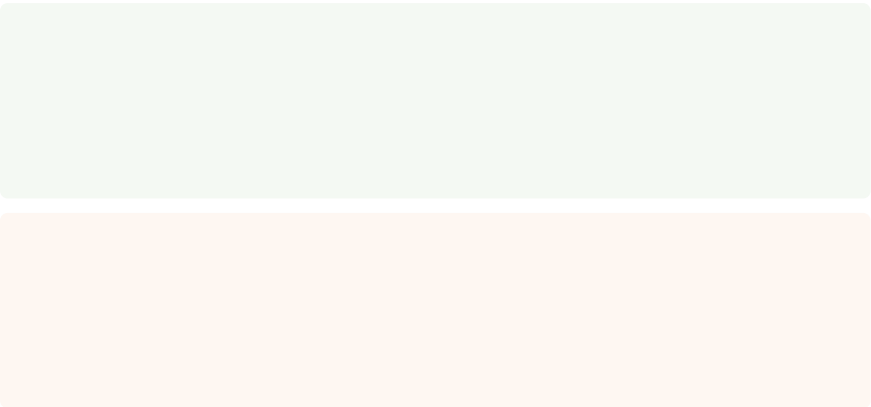


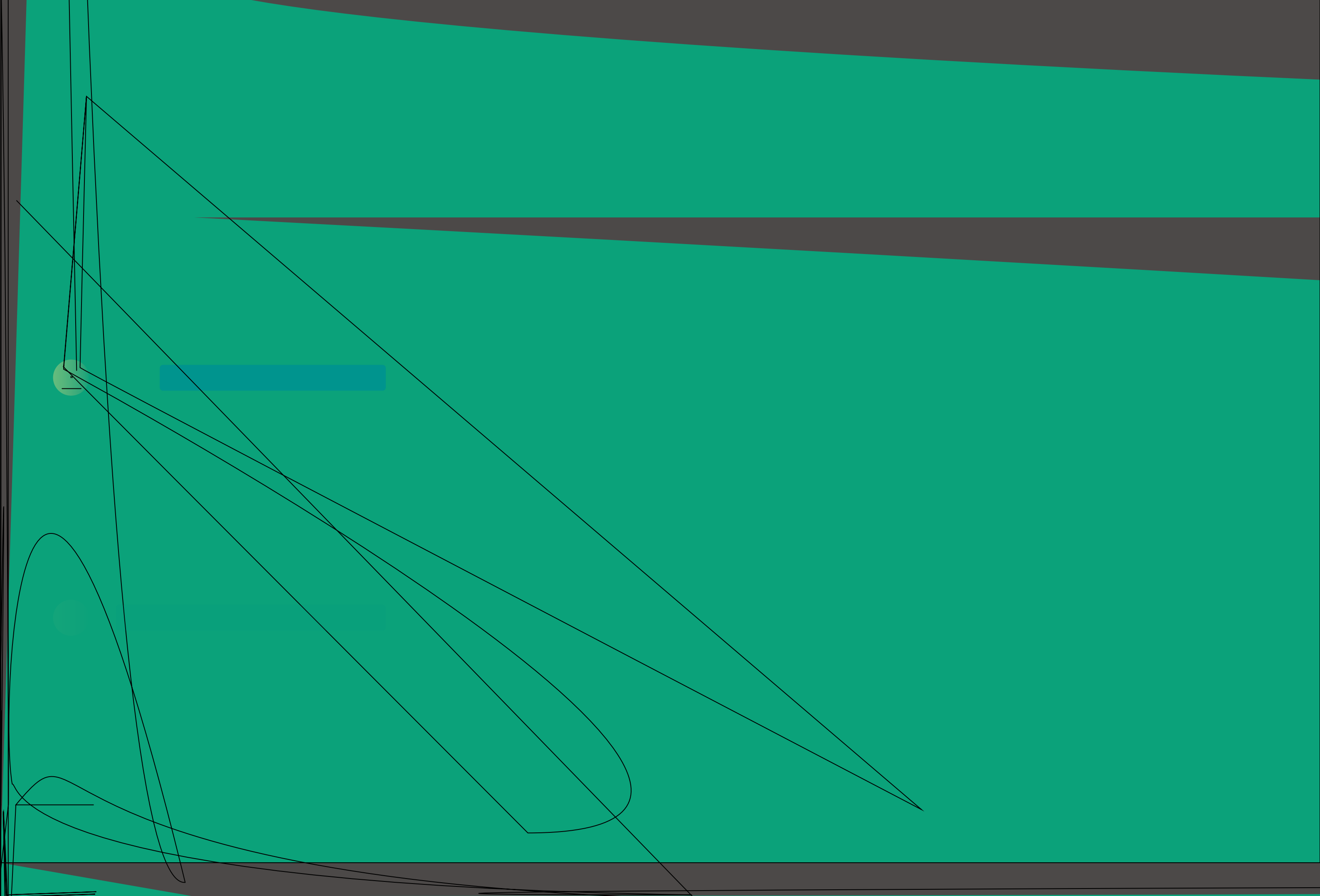
The Company has established the Non-conforming Product Recall Process system to strengthen product safety management and protect the legitimate rights and interests of customers. The Company's General Manager serves as the highest decision maker of product recall, the Sales Department is responsible for the specific implementation of the recall, and the Quality&Technology Department is responsible for the reverse tracing of the non-conforming products. The Company saw zero product recall in 2021.



Establishment of a sound quality system	<ul style="list-style-type: none"><li>All the Group's production plants have been certified by ISO9000, China Compulsory Certification (CCC), Zhejiang Made, SPF, ROHS, REACH, EN12150 and other product certifications;</li><li>Throughout the year 2021, we established or revised and issued SOPs such as Regulations of PV Division on Pallet Management, Regulations of PV Division on Excipients Feeding Management, Code of Practice on Quartz Sand Operation, Code of Practice on FLAT Warehouse Management, Code of Practice on Feeding Inspection of Float Glass (Large Version), Control Scheme for Tempered Glass, etc., and promoted the standardization and unification of production, process and inspection of production bases;</li><li>Increased the audit frequency of suppliers and implemented control over the import of raw materials from the head process.</li></ul>
Technology improvement	<ul style="list-style-type: none"><li>Made improvement in the technology control of perforated double-glazed products, colorless coated products, and falling ball on back plate.</li></ul>
Enhanced technical supervision	<ul style="list-style-type: none"><li>Newly purchased glass mechanical performance monitoring equipment to ensure timely, comprehensive and effective product quality feedback and improvement, and to promote steady enhancement of glass performance.</li></ul>
Contribution to quality awareness raised for all employees	<ul style="list-style-type: none"><li>Carried out regular quality promotion activities at all levels by holding morning meetings, team meetings, weekly meetings, monthly meetings, etc. to improve employees' quality awareness;</li><li>Improved and optimized internal quality management system and standard documents, and carried out periodical internal supervision and inspection to correct deviations;</li><li>Summarized product quality data by product/by category, and conducted follow-up analysis in phases before development of measures for improvement;</li><li>Set up quality appraisal targets for teams/departments, with clear rewards and penalties, to tap internal potential.</li></ul>

Supplier management is an important part of the Company's efforts to improve quality management and ensure it's continuous operation. The Company has formulated and continuously improved the Supplier Management Code to standardize the quality management of suppliers. Besides, it is committed to fostering suoant pa 67.8(t p)-28 (g)229s7.7 (p)11.6 (d)-4.8TJ0 Tsptar-3.8 (n)-4-7.7 (p)-527.1 (e)-11.3 (r)319.41 (a)-0.9u(d t16.6 (e)6 m)-3.4 (37.1 (e)-11r -1.312 Td9 (n i)-7 (p)11.6 (d)t o)-7.6(t p)-28 (.1 (p)-13-1.312 Td.9 (n5 -7(a)31 (.3 (r)-41.4 9s7.7d g (r)-3.1 (7527.1 (3126)-







## Building An Eco-friendly Enterprise through Green Operation

Flat Glass attaches importance to climate change and ecological issues and complies with laws and regulations related to environmental protection and industry guidelines. It has formed a comprehensive environmental management system and procedure to reduce the negative impact of its own operations on environment through efficient use of energy and other resources, effective energy saving and emission reduction, and waste management measures, in an effort to achieve sustainable development of the Company and society.

03



Use of Water

The Company's main source of water intake is municipal water supply in our locations, and there was no problem in obtaining suitable water sources that are fit for the purpose of the Company's operation. The Company advocates water conservation. At Flat Glass, the treated waste water have been reused as recycled water to meet demands, thereby saving first utilized water.

The Company has continued its efforts for the improvement of the use of recycled water. In 2021, during the production and operation of the Company, the water consuming system for the pre-treatment punching machine and the flushing system of the workshop toilets replaced new water by recycled water to reduce the use of water resources. The target for water use of the Company is detailed on page 7 of this Report.

Air emission management

In accordance with environmental protection regulations and related requirements, the Company has formulated comprehensive management measures for the emission of nitrogen oxide (NOx), sulfur dioxide (SO<sub>2</sub>) and particulate matter (PM) in the production process to ensure that all emission indexes are in line with local and industry emission standards.

Type of air emissions and emission standards

Emission category	Emission type	Monitoring measures	Subject to the emission	Attainment
Air emissions	NO <sub>x</sub>	• Install online air monitoring equipment to monitor emissions in real time;	• Implement the emission limit specified in Emission Standard of Industrial Air Pollutants of Flat Glass (GB26453-2011);	Reached
	SO <sub>2</sub>			Reached
	PM	• Conduct third-party testing of PM every month;	• Discharge 70% according the requirements of Zhejiang Air Pollution Prevention and Control Action Plan.	Reached
		• Conduct third-party comparative testing of SO <sub>2</sub> , NO <sub>x</sub> and PM every quarter;		
		• Conduct third-party testing of sulfur concentration in fuel oil regularly.		

Waste management

The Company has maintained consistently high standards and strict requirements in the implementation of its waste control system. Specifically, it has formulated the Waste Control Procedures to regulate the waste control operations. The hazardous wastes generated from the Company's production and operation activities include waste lead accumulators, waste engine oil, chemical containers (ink boxes/paint buckets, etc.), waste lamps, etc. To dispose these hazardous wastes, an approved third party company has been entrusted the Company.

The Company's non-hazardous wastes include waste glass, waste grinding wheels, waste paper, waste wood chips, wood scraps, waste foams and waste plastics, etc. It follows the principle of reduction and reuse for waste control to maximize resource utilization.

Type of solid waste and discharge standards

Category	Type	Control system	Diposal method
Hazardous wastes	Waste lead accumulators, waste engine oil, chemical containers (ink boxes/paint buckets, etc.), waste lamps, etc.	GB Standard for pollution control on hazardous waste storage Hazardous Waste Management System	Entrusted to an approved waste disposal company for disposal
	Waste glass		Recycled by the Group
Non-hazardous wastes	Waste grinding wheels, waste paper, waste wood chips, wood scraps, waste foams and waste plastics	Waste Control Procedures	Recycled by suppliers
	Sludge		Recycled by a building materials company for brick making
	Food waste		Entrusted to an approved company for unified treatment

Waste water discharge management

The main pollutants in the Company's industrial wastewater are organic matter and NOx. The Company has applied for wastewater discharge permits in accordance with the requirements of national and local authorities, strictly implemented discharge declaration and discharge registration, and established wastewater treatment systems, including collection tanks, sedimentation tanks, valveless filtration, precision filtration and clear water tanks. Waste water has been discharged through the outlet in a uniform manner to meet the standards.

Type of waste water and discharge standards

Category	Type	Monitoring measures	Subject to the emission standards	Attainment
Industrial waste water	COD	• Install online wastewater monitoring equipment to monitor discharges in real time;	Integrated Wastewater Discharge Standard (GB8978-1996)	Reached standard
	NOx	• Sewage treatment companies are entrusted to conduct sampling monitoring four times a month;		Reached standard
		• The Company requires an external testing once a year.		

The main tasks and achievements of the Group's cleaner production in 2021

Targets	Measures
Reduction of air emissions	• The Company put a set of integrated dust, nitrate and sulfur treatment facilities into operation to treat air emissions with higher treatment efficiency and online compartmentalized maintenance
Reduction of hazardous wastes	• Urged suppliers to use harmless packaging materials • Adopted inner packaging bags to reduce the external packaging of hazardous waste
Reduction of non-hazardous wastes	• Waste grinding and polishing wheels were re-glued using epoxy resin adhesive, waste were reused, single groove grinding wheels were reduced, and double and triple groove grinding wheels were widely used; waste polishing wheels were reduced by 30% on the basis of data for 2020 • According to the size of wooden boxes, the specifications of the boards were customized to reduce scraps, with a 10% reduction of the waste wood on the basis of data for 2020
Reduction of wastewater discharge	• Improved the reuse rate of grinding wastewater, etc.; utilized rainwater, etc. as water for production

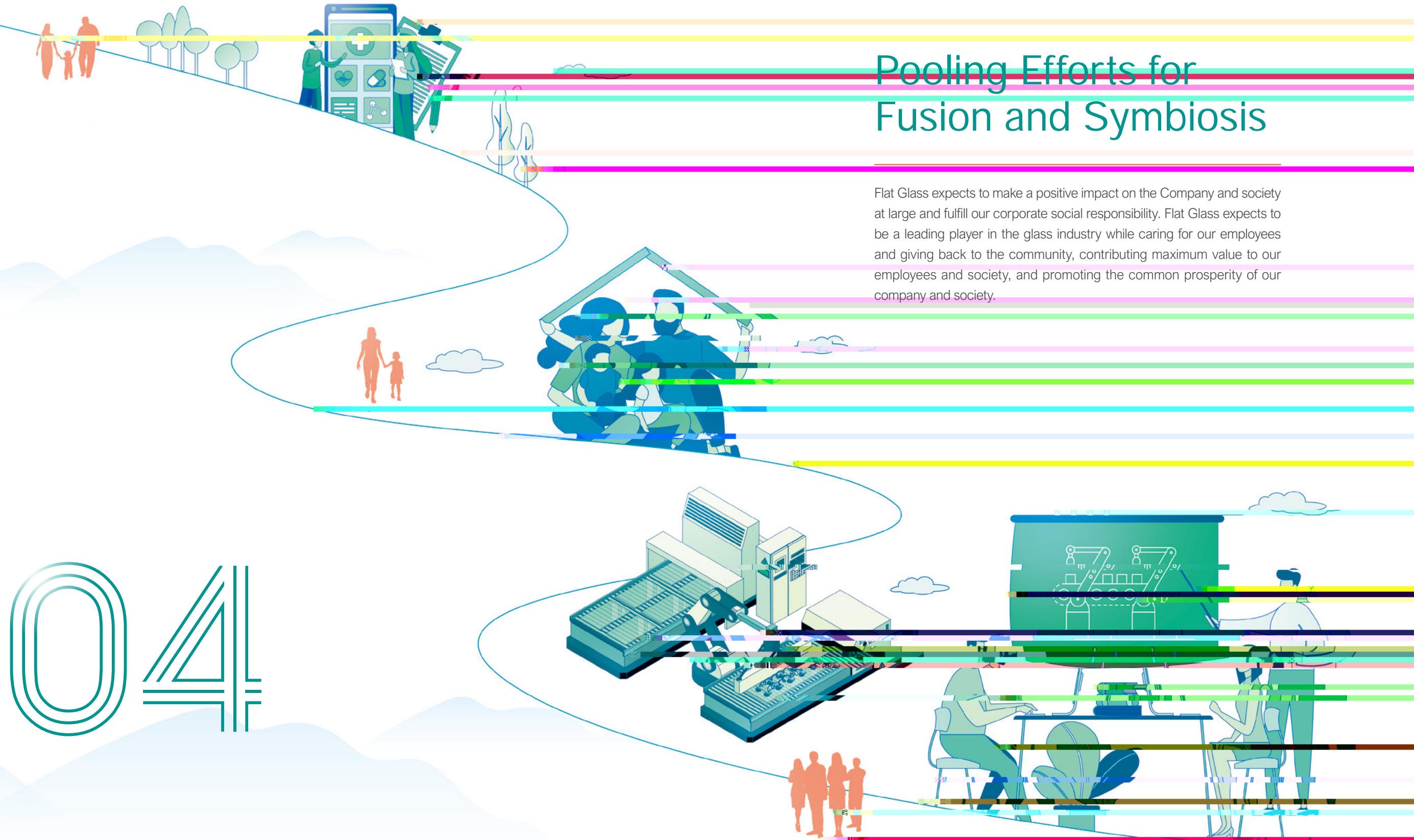
Case

Technology transformation for the project with an annual output of 15 million square meters of solar PV ultra-white glass.

In May 2021, the Company carried out a cold repair and technical transformation of a PV glass kiln with a daily melting capacity of 600 tons/day. A total of 150 units of the original inefficient motors were replaced and eliminated by using motors with high energy efficiency, and the energy efficiency of the new motors was improved by about 1% after replacement, saving energy consumption of about 250 tons of standard coal per year. At the same time, thanks to the infrared high radiation energy-saving coating, which was used as insulation material for this kiln project, the energy efficiency of the glass kiln was improved by 5%, saving energy consumption by about 3,373 tons of standard coal per year.







# Pooling Efforts for Fusion and Symbiosis

Flat Glass expects to make a positive impact on the Company and society at large and fulfill our corporate social responsibility. Flat Glass expects to be a leading player in the glass industry while caring for our employees and giving back to the community, contributing maximum value to our employees and society, and promoting the common prosperity of our company and society.



The Company protects all legal rights and interests of employees, strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other laws and regulations, follows the Compilation of Human Resource Management Systems, the Annual Performance Appraisal Management Measures, the Attendance and Leave Management System and the Compensation Management System formulated by the Group to enable a diversified and inclusive work culture atmosphere for employees. The Company adheres to the principles of fairness, impartiality and openness in the recruitment and employment of employees and undertakes to provide equal opportunities in job interview, recruitment, promotion, transfer and salary, etc. It does not discriminate or treat employees differently regardless of age, gender, place of origin, religious beliefs, marital status,



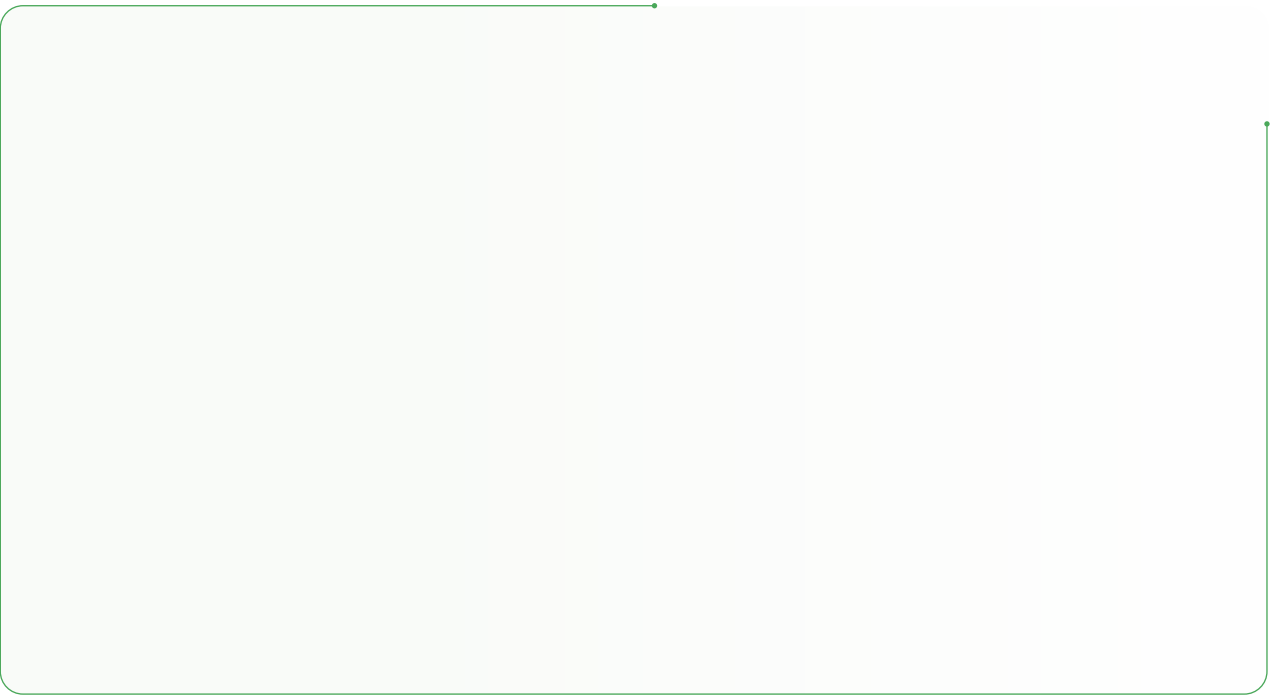
Charity fund

In order to bring into play the team spirit and courtesy of employees and further reflect the people-oriented mindset of the Company, the Company's Charity Fund has helped those employees who are sick and hospitalized, or in financial difficulties or maternity leave, and offered condolence payments or send blessings to employees who are involved in personal events such as weddings and funerals. In 2021, efforts of Charity Fund has benefited 236 individuals in total.

Cultural and sports activities dedicated to employees

The Company cares for employees' lifestyle and spiritual and cultural cultivation by holding various forms of cultural, sports and recreational activities and club activities to stimulate the vitality and creativity of employees, enrich and activate their cultural and recreational lifestyle, and develop their entrepreneurial spirit, perseverance and teamwork.

In 2021, the Company held speech contest, book club event, rice dumpling making on the Dragon Boat Festival, talent show, youth group building activities, badminton competition and other forms of amateur activities, and set up calligraphy club, art troupe, to strengthen overall development of employees.



Caring for women

The Company recognizes and respects the diversity of its employees and is committed to creating a diverse and inclusive work culture for its employees. To promote gender balance and drive cultural diversity, the Company has cared for its female employees and helped them address the obstacles they encounter in their careers and build self-awareness and confidence.

Measures	Description
Safeguard by rules and regulations	The Company has established a women's federation and provided care for female employees in their menstruation, pregnancy, childbirth, breastfeeding and menopause through the establishment and improvement of the Five Period Protection Management System for Women. All these efforts have benefited female employees
Extend care during festival	The Company offers holiday condolences on Women's Day every year, and conducts targeted interviews to be aware of the change of ideas and personal demands of female employees
Secure accommodation	The Company provides dormitories for female employees, including single rooms and double rooms for couples, etc., so as to solve the problem of accommodation
Provide skill training	The Company encourages female employees to participate in our daily production and construction, provides skill training for individual growth, and sets up female forklift teams in each subsidiary

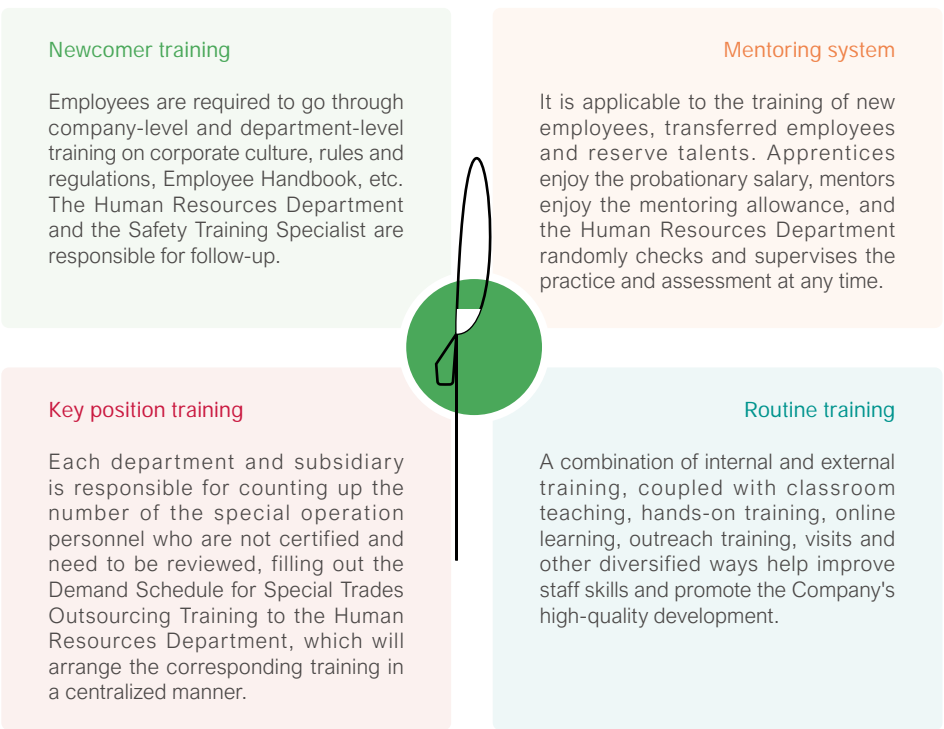
Employee motivation

In order to further establish and improve the medium and long-term incentive and restraint mechanism and introduce the scarce talents, leading talents and high-end talents in the frontier business, the Company has implemented the A-share incentive plan for the middle and senior management and core technicians in 2021, granted 700,000 shares from the restricted A-share stocks reserved for registration, with 3 incentive targets; granted 5,245,472 shares from the A-share stock options for registration, with 283 incentive participants.

Supporting employees to achieve career development and value of life is an important mission of the Company for their growth. To this end, the Company provides diverse training for employees to continuously enhance their expertise and skills, improve their management skills, and help them build meaningful careers.

## Staff training

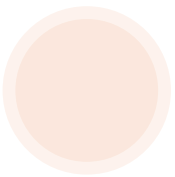
The Company has been vigorously promoting the "craftsmanship", and committed to the building of a learning organization and the establishment of a team of versatile professionals who honor dedication, put equal stress on integrity and ability, are proficient in skills, and pursue innovation. Over the years, the Company has focused on the development of employee training system through a targeted and diversified talent training system to continuously improve the ability and value of employees. The Company has also set up a special education fund to ensure that employees can enjoy free skill level training and professional proficiency training. In 2021, the Company conducted a total of 562 training sessions.



Employee health and safety has always been the top priority in the Company's business management. By following the "6S" management policy of Seiri, Seiton, Seiso, Seiketsu, Shitsuke and Security, focusing on the standardization of production safety and job safety attainment, and taking great efforts for accident and hidden danger investigation and management, the Company has ensured the health and safety of all employees, and secured them a safe and comfortable workplace where they are free from occupational hazards.

The Company regards employee safety as one of its priorities, strictly abides by the Law of the People's Republic of China on Work Safety, Regulations on Work Safety Permits, Regulation on the Safety Management of Hazardous Chemicals and other national laws and regulations related to safe production, and strengthens the safety management of the Company by continuously strengthening the top-level design of safety management and optimizing and improving the safety management system of the Group.

The Company has formulated a production safety responsibility system, set up a production safety committee at the Group level, identified General Manager as principal of the Company's production safety, and created a production safety responsibility group in each business division as a management body to effectively implement all production safety work.






Occupational health

The main occupational disease hazards existing in the Company's workshop include high temperature, limestone dust, acid fog, noise, etc. In accordance with the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases and other laws and regulations, the Company has put in place the Regulations on Management of Labor Protective Supplies and other related occupational health management systems, supplemented the Occupational Health Management System in 2021, and has passed ISO45001:2018 (GB/T 45001-2020) occupational health and safety management system certification.

Every three years, the Company commissions an external professional organization to identify the occupational disease hazards in the Company's workplace. In September 2021, the Company commissioned Zhejiang Hebang Security Technology Co., Ltd. to conduct the evaluation of the current situation of occupational disease hazards before the generation of a written evaluation report on the current situation, and invited occupational health experts to review and accept the evaluation report and the site. The Company has taken a series of occupational disease prevention measures such as equipping occupational disease protection tools, replacing equipment and arranging regular occupational disease medical checkups to effectively prevent and control occupational disease hazards of personnel exposed to occupational hazards.

In May and October 2021, the Household Glass Division provided all employees in the divisions with occupational health and safety training on wearing of articles for labor protection, safety risks of each position, preventive measures, and presentation of cases of work-related accidents.

Key points of occupational disease risk prevention

	<p><b>Provision of tools for occupational disease prevention</b></p>	<ul style="list-style-type: none"><li>According to the prevention and control requirements of the existing occupational disease risks, in terms of personnel, dust masks (NK95) and ear plugs have been distributed to operators at each position exposure to occupational diseases as per the prevention and control needs, and the employees have been urged to use them.</li></ul>
	<p><b>Renovation of facilities for hazards reduction</b></p>	<ul style="list-style-type: none"><li>Replaced high-noise equipment with low-noise equipment and set up vibration and noise reduction measures;</li><li>Conducted technical improvements for noisy positions in the workshop to reduce the adverse effects of noise on employees.</li></ul>
	<p><b>Regular physical examination</b></p>	<ul style="list-style-type: none"><li>Carried out pre-employment medical examinations and off-the-job medical examinations, and regularly organized occupational disease medical examinations for personnel on duty.</li></ul>



The Company always keeps promotion of social causes in mind while seeking self-development, and is enthusiastic about social welfare, actively organizing volunteer teams to contribute to community development. In 2021, the Company's combined public welfare donations in promoting quality education and flood relief amounted to RMB 1,497.1 thousand.

Case

To actively respond to the call of the Party Central Committee to push "Those Who Become Prosperous First to Help Those Who Lag Behind", and care about support the public welfare of the youth, the Company voluntarily donated RMB 1 million to a common prosperity fund dedicated to youth development in Jiaxing City set up by the Jiaxing Municipal Committee of the Communist Youth League in December 2021 in Zhejiang Provincial Youth Development Foundation to contribute to youth development.



Donation to Zhejiang Youth Development Foundation

Case

Volunteer blood donation is a major livelihood task related to people's health and life safety, an important part of cultural and ethical progress and volunteerism, and a practical action to practice socialist core values. In February 2021, the Company called on its employees to join efforts for the Volunteer blood donation and love pass activity to promote the volunteer spirit of "dedication, fraternity, mutual help and progress", practice the core socialist values and show care about others.



Volunteer blood donation and love pass activity scene

Economic Performance

Indicator	Unit	2020	2021
Revenue	RMB 0,000	626,041	871,323
Total profit	RMB 0,000	187,390	238,022
Net asset per share	RMB	3.54	5.50
Social contribution value per share <sup>1</sup>	RMB	1.13	1.46

Note:  
[1]. Social contribution value per share = (net profit attributable to ordinary shareholders excluding non-recurring items + payments to the government + employee compensation and benefits + interests paid on loans to creditors such as banks + amount of value (such as external donations) created for other stakeholders - other social costs caused by environmental pollution, dismissal of employees, etc.) / total number of shares of the Company. The Company corrected the social contribution value per share of FY2020.

Environmental Performance

Note:  
[1]. The direct energy consumption includes the use of fuel oil, natural gas, PV-generated electricity, gasoline usage of private vehicles and diesel usage of private vehicles. The direct energy consumption was converted into MWh based on the average lower heating value (LHV) coefficients of various energy sources published in the China Energy Statistical Yearbook 2017 by the Department of Energy Statistics, National Bureau of Statistics.  
[2]. Indirect energy consumption refers to the use of purchased electricity.  
[3]. Category 1 GHG emissions include direct greenhouse gas emissions from natural gas consumption, self-owned vehicles gasoline consumption and diesel consumption of diesel generators of the Company, the calculation method of which is with reference to the recommended values of related parameters in

Social Performance

Employment and Labour Practices Performance

## Index of Environmental, Social and Governance Reporting Guide of Hong Kong Stock Exchange

[illegible]



Index of Guidelines No. 1 for the Application of Self-regulatory Rules of Companies Listed on the Shanghai Stock Exchange — Standard Operation

Provisions and Disclosures		Reporting Chapter
		Responsibility Theme: Responding to climate change Expanding Global Reach through Sound Operation Customer First and Pursuit for Quality Excellence Building an Eco-friendly Enterprise through Green Operation Pooling Efforts for Fusion and Symbiosis
		Expanding Global Reach through Sound Operation
		Social Responsibility Management
		Key Quantitative Performance Table
		Comply
	Development of social responsibility system	Responsibility Theme: Responding to Climate Change Expanding Global Reach through Sound Operation Customer First and Pursuit for Quality Excellence Building an Eco-friendly Enterprise through Green Operation Pooling Efforts for Fusion and Symbiosis
	Deficiencies and problems in fulfilling social responsibility	Not involved
	Improvement measures and specific time schedule	Not involved
		Expanding Global Reach through Sound Operation Pooling Efforts for Fusion and Symbiosis
	Compliance with laws and regulations on environmental protection and industry standards	Building an Eco-friendly Enterprise through Green Operation
	Environmental protection plan	Building an Eco-friendly Enterprise through Green Operation
	Use of natural resources	Responsibility Theme: Responding to Climate Change
	Pollutant disposal	Building an Eco-friendly Enterprise through Green Operation
	Pollution prevention and control facilities	Building an Eco-friendly Enterprise through Green Operation
	Payment of taxes related to environmental protection	Building an Eco-friendly Enterprise through Green Operation
	Supply chain security	Building an Eco-friendly Enterprise through Green Operation
	Other responsibilities for environmental protection	Customer First and Pursuit for Quality Excellence
		Building an Eco-friendly Enterprise through Green Operation Key Quantitative Performance Table

Provisions and Disclosures		Reporting Chapter
	New, reconstructed and expanded construction projects or major investments	Building an Eco-friendly Enterprise Through Green Operation
	Violation of laws and regulations on environmental issues and the punishment	Building an Eco-friendly Enterprise Through Green Operation
	Major litigation on environmental issues or assets sealed up, frozen, seized, pledged or mortgaged	Not involved
	Key pollutant discharge units	Building an Eco-friendly Enterprise Through Green Operation
	Impact of newly promulgated laws and regulations on the Company	Not involved
	Major events on environmental protection	Not involved
		Building an Eco-friendly Enterprise Through Green Operation
	Pollutant emission	Building an Eco-friendly Enterprise Through Green Operation
	Construction and operation of environmental protection facilities	Building an Eco-friendly Enterprise Through Green Operation
	Emergency plan for pollution accidents	Building an Eco-friendly Enterprise Through Green Operation
	Measures on pollutant reduction	Building an Eco-friendly Enterprise Through Green Operation
	Laws and regulations on product safety and industry standards	Customer First and Pursuit for Quality Excellence
	Production environment and process	Customer First and Pursuit for Quality Excellence
	Mechanism of the protection on product quality and safety and accident emergency plan	Customer First and Pursuit for Quality Excellence
	Other responsibilities for production and product safety	Customer First and Pursuit for Quality Excellence
	System of employee management and measures for violation handling	Pooling Efforts for Fusion and symbiosis
	Prevention of occupational hazards and ancillary safety measures	Pooling Efforts for Fusion and symbiosis
	Staff training	Pooling Efforts for Fusion and symbiosis
	Other protection responsibilities for employees' rights and interests	Pooling Efforts for Fusion and symbiosis
8.15		comply



Add: No.1999 Yunhe Road, Xiuzhou District, Jiaxing City, Zhejiang Province  
Tel: 0573-82793013  
Fax: 0573-82793015  
E-mail: [flat@flatgroup.com.cn](mailto:flat@flatgroup.com.cn)