



Technology Builds a Bridge of Communication

2022

Environmental, Social and Governance (ESG) Report

TABLE OF CONTENTS

● About this Report	01
● Material Issues	03
● Chairman's Statement	09

01 Rewarding Shareholders and Nurturing Sustainable Values Together

Company Profile	13
Social Recognition	19
ESG Governance	22
ESG Key Performance	28
Corporate Governance	30
Risk Control Compliance	33

02 Embracing Zero Carbon Future by Green First

Feature: Responding to Climate Change	39
Environmental Management	45
Low Carbon Products	48
Green Production	61
Green Office	71

03 Building Technology-driven Innovation Ecosystem

Scientific Innovation	75
Industry Contribution	82

05 Staying Safe and Sharing the Dividends of Growth

Occupational Health and Safety	101
Employee Rights	111
Employee Development	117
Employee Care	123

04 Satisfying Customers with Excellence in Quality

Quality Management	85
Customer Service	97

06 Sharing the Same Values and Social Responsibility

Supply Chain Management	127
People's Well-being	129

● Outlook	131
● Hong Kong Stock Exchange Indicators Index	133
● Feedback	140

About this Report

This Report is the fourth annual Environmental, Social and Governance (ESG) report officially released by Pujiang International Group Limited. This report presents the practices and performance of Pujiang International Group Limited in the areas of environmental, social responsibility and corporate governance in its operations, with the aim of effectively communicating with stakeholders and systematically responding to their expectations and aspirations.

Reporting Period

This Report is an annual report.

Time Frame

1 January 2022 to 31 December 2022, with some slight extensions to prior and subsequent years to enhance comparability and forward-looking reporting.

Reporting Scope

The subject of this Report is Pujiang International Group Limited and its principal subsidiaries, including Shanghai Pujiang Cable Co., Ltd, Ossen (Jiujiang) Innovation Materials Co., Ltd, Ossen Innovation Materials Co., Ltd and Shanghai International Superconductor Technology Co., Ltd. The Company acquired a 40% equity interest in Shanghai International Superconductor Technology Co., Ltd in July 2020. The ESG cases of Shanghai International Superconductor Technology Co., Ltd are also included in the Report to fully reflect the effectiveness of PJI Group's performance. Any other scope that differs from this is explained in the Report.

Basis of the Report

- United Nations 2030 Sustainable Development Goals (SDGs)
- Global Sustainability Standards Board (GSSB) GRI Sustainability Reporting Standards (GRI Standards)
- Environmental, Social and Governance (ESG) Reporting Guide, Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

- Financial Stability Board (FSB) Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

Explanation of References

For ease of expression and comprehension, the designations in the Report refer to the following.

PJI Group, We, Company	mean	Pujiang International Group Limited
Pujiang Cable	means	Shanghai Pujiang Cable Co., Ltd
Ossen Innovation Materials	means	Ossen Innovation Materials Co., Ltd
Ossen Jiujiang	means	Ossen (Jiujiang) Innovation Materials Co., Ltd
International Superconductor	means	Shanghai International Superconductor Technology Co., Ltd

Data Description

The data sources used in this Report include public data from government departments, PJI Group's relevant internal statistical reports, administrative documents and reports, third-party evaluation interviews and third-party research reports, etc. Some of the contents and data have been backdated to previous years where appropriate. The currency types and amounts mentioned in this Report are measured in the Chinese Renminbi (RMB) unless otherwise stated.

Report Reliability Assurance

All the contents and data disclosed in the Report have been considered and approved by the Board of Directors on 29 March 2023. The Company guarantees the truthfulness, accuracy, completeness and consistency of the contents of this Report and does not contain any false records, misleading statements or material omissions. The Company is responsible for the truthfulness, accuracy, completeness and consistency of its contents.

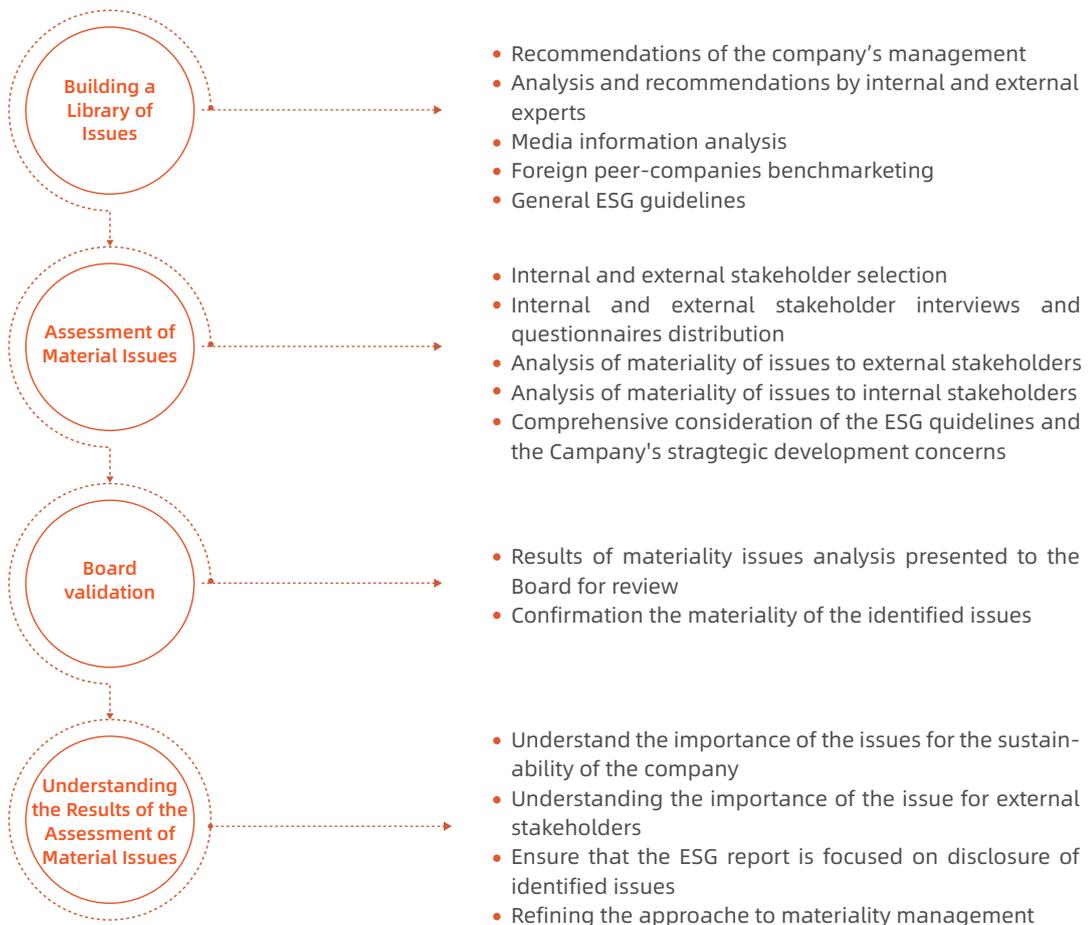
Access to this Report

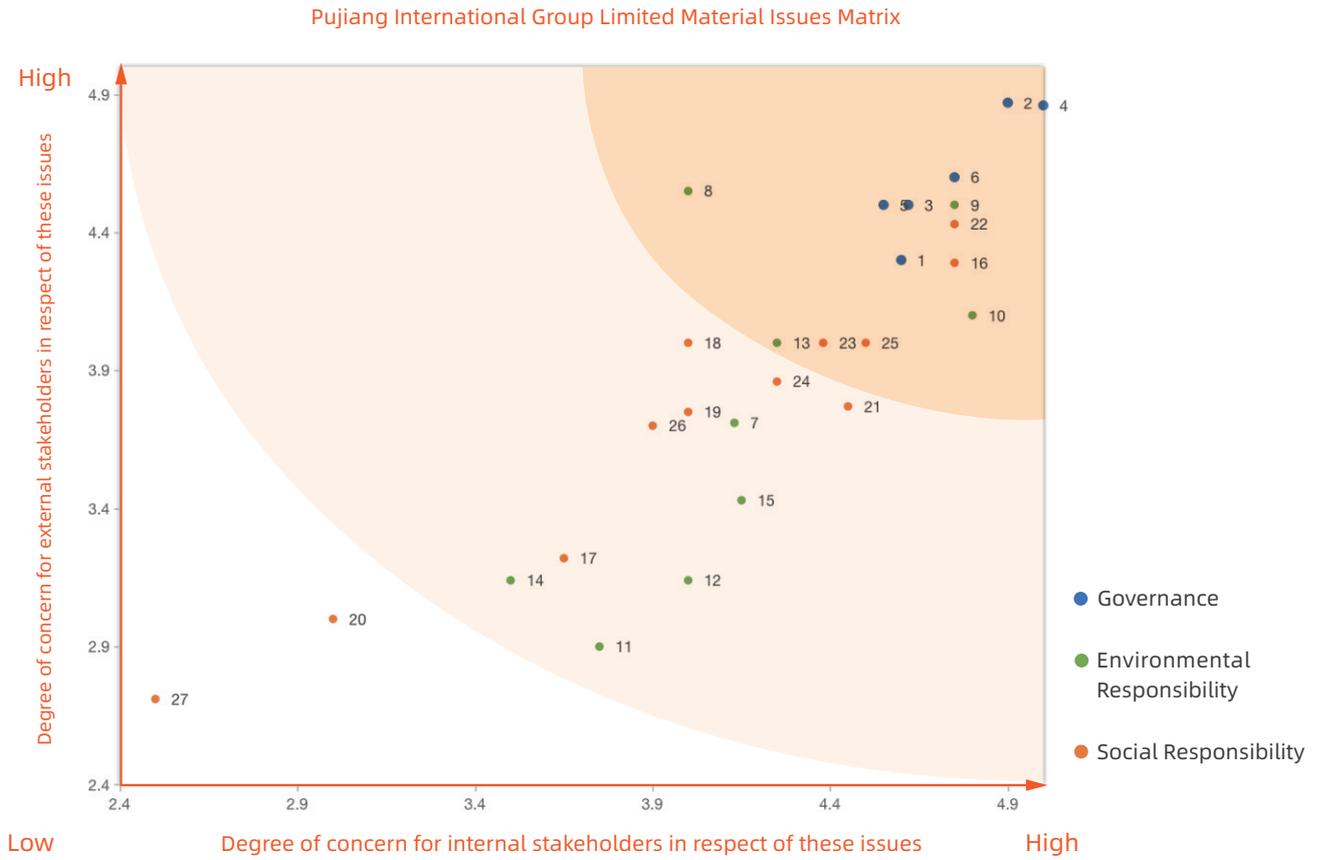
The Report is published in both printed and electronic form, and the electronic version is available on the Company's website (www.pji-group.com) and the website of the Hong Kong Stock Exchange (<https://www.hkex.com.hk/>).

Material Issues

Based on the material issues for 2021, the Company updated the material issues of ESG for 2022 through peer bench-marking, media analysis, stakeholder interviews and recommendations from third-party professional institutions to understand stakeholder demands, in order to help the Company allocate resources more effectively to address ESG-related risks and opportunities.

Material Issues Identification Process





The above assessment process has identified 27 ESG material issues to PJI Group, which form the focus of the Report and are disclosed in detail in the Report.

Governance

- 1 | Operation of the Three Boards
- 2 | Operational Performance
- 3 | ESG Governance
- 4 | Compliance Management and Anti-Corruption
- 5 | Effectiveness of the Risk Management Process
- 6 | Technology Innovation and Smart Manufacturing

*Highly material issues highlighted

Environmental Responsibility

- 7 Environmental Management
- 8 Identification of Climate Change Risks and Opportunities and Preventive Measures
- 9 Greenhouse Gas Emissions
- 10 Sustainable Product (Low Carbon) Development and Application
- 11 Energy Consumption Management
- 12 Water Resources Management
- 13 Pollutants and Waste Management
- 14 Material Consumption and Circular Economy
- 15 Ecology and Natural Resource Conservation

Social Responsibility

- 16 Occupational Health and Safety
- 17 Employee Rights Protection
- 18 Employee Training and Career Development
- 19 Employee Care
- 20 Democratic Management
- 21 Supplier Social and Environmental Assessment
- 22 Product and Service Complaints
- 23 Product Quality Management
- 24 Intellectual Property Protection
- 25 Consumer Information Security and Privacy Protection
- 26 Sustainable Industry Drive
- 27 Community Investment and Philanthropy

Highly Material Issues Management Approaches

Highly Material Issues	Implications for PJI Group	PJI Group Achievements 2022	Sections Corresponding to Management Policies and Initiatives
Operation of the Three Boards	The Three boards (i.e. the Board of Directors, the Board of Supervisors and the Shareholders' meeting), as the authority, decision-making and supervisory bodies of PJI Group, ensure that their operation is regulated and effective as a basis for the sound operation of the Company.	The three boards operate scientifically in accordance with the provisions of the <i>Articles of Association</i> and each has to fulfill its respective duties.	Corporate Governance

Operational Performance	The performance of Company's financial performance is a fundamental part of PJI Group's commitment to shareholders and society.	The Company's revenue decreased only by 0.2% to 2.151 billion under the impacts of COVID-19.	Company Profile
ESG Governance	As the capital market pays more attention to ESG management the Company's integration of ESG concepts into the Company's management system and the comprehensiveness and accuracy of ESG information disclosure will enhance the Company's image in the capital and financing markets.	The Company has established an ESG governance structure to clarify ESG responsibilities at the management and executive levels.	ESG Governance
Compliance Management and Anti-Corruption	The Company's strict compliance with laws, regulations and listing regulatory requirements and the maintenance of an honest and clean corporate image will enhance the trust of all interested parties in the Company.	There were no acts of corruption, bribery or extortion by any of the Company's employees in 2022.	Risk Control Compliance
Effectiveness of the risk management process	Balancing profitability with potential risks and implementing scientific and comprehensive risk management helps companies to be more resilient.	The Company improves its risk management policy and continuously reviews the effectiveness of its risk management framework.	Risk Control Compliance
Technology Innovation and Smart Manufacturing	Scientific and technological innovation is the key support to enhance the competitiveness of enterprises, through the technical research of cable, prestressed and superconducting materials to provide inexhaustible power for the high-quality development of PJI Group.	By the end of 2022, PJI Group had 169 registered patents. (excluding International Superconductor)	Scientific Innovation Quality Management

<p>Sustainable Product (Low Carbon) Development and Application</p> <p>Identification of Climate Change Risks and Opportunities and Preventive Measures</p> <p>Greenhouse Gas Emissions</p>	<p>It is the common mission of all mankind to curb climate warming and explore the path of low carbon economic development. PJI Group is actively developing greener and lower-carbon cable, prestressed and superconducting materials to promote the ‘dual carbon’ goals.</p>	<p>In FY 2022, PJI Group's GHG emissions intensity (tonnes per million revenue) declined.</p> <ul style="list-style-type: none"> Greenhouse gas emission intensity (Scope 1 & 2): 1.14 tCO₂e <p>International Superconductor has carried out carbon accounting for superconducting cables and estimates that superconducting cables have significantly lower carbon emissions than conventional cable throughout their life cycle.</p>	<p>Low Carbon Products</p> <p>Green Production</p> <p>Green Office</p> <p>Feature: Responding to Climate Change</p>
<p>Pollutants and Waste Management</p>	<p>Environmental and ecological health is the common wealth of mankind. PJI Group actively reduces waste water discharge and waste generation to create an environmentally friendly corporate image.</p>	<p>In 2022, the Group discharged only 3,540 tons of industrial wastewater, a significant reduction of 67.5% compared to last year.</p>	<p>Green Production</p>
<p>Occupational Health and Safety</p>	<p>Creating a healthy and safe working environment allows employees to efficiently create value for the business.</p>	<p>In 2022, the Group's accident frequency rate per 200,000 man-hours worked was 0.22; the number of work-related fatalities was 0.</p>	<p>Occupational Health and Safety</p>

Product Quality Management Product and Service Complaints	Quality products and customer service guarantees are the key to gaining customer trust and establishing long-term relationships.	In 2022, PJI Group had no customer complaints or product recalls. <ul style="list-style-type: none"> • 100% customer satisfaction for Pujiang Cable. • 100% customer satisfaction for Ossen Innovation Materials. • 100% customer satisfaction for International Superconductor. 	Quality Management Customer Service
Consumer Information Security and Privacy Protection	Each customer's personal data must be handled with the highest standards of care.	In 2022, the Company continues to improve information security management systems, comprehensively consolidating and strengthening the Company's data and information security.	Customer Service

Chairman's Statement



Chairman of the Board,
Pujiang International Group Limited

Dr. Tang Liang

2022 witnessed the 20th CPC National Congress and is a crucial year for the implementation of the 14th Five-Year Plan. General Secretary Xi Jinping outlined the necessity to accelerate the green transformation of development patterns and actively promote carbon peaking and carbon neutrality in his report to the 20th CPC National Congress. Green Industrial Development During the 14th Five-Year Plan also underscored the comprehensive improvement of green manufacturing and the swift green transformation in the manufacturing industry. In an active response to the call for national green development, PJI Group is committed to researching and applying new materials, processes, and technologies in the fields of bridge cable manufacturing, prestressed materials, and superconducting materials, among others. In 2022, PJI Group achieved a total operating income of RMB 2.151 billion and profit attributable to the owners of the Company of RMB 171 million.

The PJI Group places great emphasis on sustainable development, taking sustainable actions in every aspect of its business value chain. The Company promises to reach its carbon peaking by 2025, and carbon neutrality by 2050. The initiative is driven by the commitment to establishing the Company as a high-tech, high-quality, eco-friendly and sustainable comprehensive manufacturer.

Pool Strength and Create a Green Future Together

In 2022, under the deployment of the national "dual carbon" strategy, the PJI Group set multi-dimensional and feasible environmental management goals including green production, low-carbon products, and initiatives addressing climate change, and explored new paths for energy conservation and carbon reduction throughout the entire product lifecycle. Subsequently, the latest 2060Mpa cable developed by the Company is used in the Lingding-yang Bridge of Shenzhen-Zhongshan-Passage, which has drastically reduced bridge weight due to its greatly increased strength, thus contributing greatly to energy efficiency and emission reduction and serving the national goal of "carbon peaking and carbon neutrality". Additionally, International Superconductor, PJI Group's subsidiary, in association with China Academy of Social Sciences, has concluded a full life cycle carbon emission assessment of superconducting cables, providing a reliable theoretical foundation and data for the continuous carbon reduction and promotion of superconducting cables on the market.

Tackle Difficulties and Promote Technological Innovation Together

Technological innovation is a powerful driver for companies' high-quality development and green transformation. PJI Group adheres to the corporate culture of "Innovation as the Soul", dedicating our efforts to addressing technical challenges and furthering our deep exploration in cable manufacturing, which is our main business, while comprehensively promoting green construction and intelligent maintenance of cables. In 2022, Pujiang Cable, PJI Group's subsidiary, conducted a research project on carbon fiber composite cables and collaborated with Zhengzhou Metal Products Research Institute Co., Ltd. of SINOSTEEL and China Shipbuilding Industry Metal Structure Testing and Testing Center to conduct relevant inspections and tests. It is anticipated that this novel composite material will be applied to bridge projects in the upcoming years. Additionally, International Superconductor, PJI Group's subsidiary, also undertook the preliminary scientific research on the 5-kilometer superconductor cable project, carried out innovative research on the framework design of the liquid nitrogen cycle scheme, optimization of the multi-layer insulation structure, and fabrication of multi-layered current leads. In 2022, the Company spent RMB 106 million on R&D, which is basically consistent with 2021. As of this year, the Company has been awarded one National First Prize in Science and Technology, one Provincial Special Prize in Science and Technology, and 169 patents in total.

Work Collaboratively to Shoulder Social Responsibility

In 2022, while steadily creating economic benefits, PJI Group actively assumes corporate social responsibility and obligations by engaging in public welfare efforts in various fields such as environmental protection, affordable education, health initiatives, fundraising for public welfare, and community development. Dr. Tang Liang, Chairman of PJI Group, collaborating with Ossen Charity Foundation, generously donated RMB 2 million to the Shanghai Overseas Chinese Foundation through the Ossen Charity Foundation, continuously delivering positive value to society. In 2022, 178 employees from the Company took part in volunteering and spent RMB 346 million on social welfare activities

Adhere to the mission of integrity and innovation, and strive to continue the new chapter. As a leading global manufacturer of bridge cables and prestressed materials, PJI Group unswervingly enhances its R&D and innovation capabilities and continues to deploy energy-saving and emission reduction technologies in bridge cable manufacturing, prestressed materials, superconducting materials in a bid to achieve green and sustainable development; Along with that, we maintain our original commitment, add more excellent partners to join our efforts in making progress and taking on social responsibility, and strive forward to reach the vision of being a comprehensive high-tech manufacturer that benefits people.

01

Rewarding Shareholders and Nurturing Sustainable Values Together

Company Profile
Social Recognition
ESG Governance
ESG Key Performance
Corporate Governance
Risk Control Compliance



Company Profile

Headquartered in Shanghai with offices in Hong Kong and listed on the Hong Kong Stock Exchange since 2019 (stock code: 2060.HK), PJI Group is the largest supplier of bridge cables for the construction of grand bridges in China and one of the leading manufacturers of prestressed materials in China. As a leading supplier of bridge cables and prestressed materials to the two grand bridge engineering segments, PJI Group has supplied bridge cables to over 1,000 bridges worldwide and has won over 50 national quality awards, including the “Zhan Tianyou Civil Engineering Award” and the “China Construction Engineering Luban Award”.

In addition to the two core businesses of cable and prestressed materials, PJI Group is actively making a foray into the field of high-temperature superconducting cables. The Company owns 40% of International Superconductor and is committed to providing first-class superconducting technology solutions and services. The world's first 35 kV kilometer-grade high-temperature superconducting cable demonstration project, independently developed, manufactured and constructed by International Superconductor, was officially put into operation in Shanghai in December 2021, demonstrating the Company's internationally leading position in the field of high-temperature superconducting cables and leading the Company to capture market share in the wave of domestic substitution in this field.

Key Performance

According to the Frost & Sullivan report, from 1991 to 2017, the Company ranked

1st

in market share for grand bridge cables built in China

3rd

in market share for prestressed materials in the country.

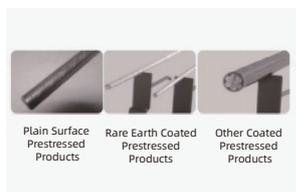
PJI Group's three major businesses

Bridge cables



- Over **30 years** experience in bridge production
- Involved in over **1,000** bridge projects
- The **largest** supplier of special bridge cables for the construction of grand bridges in China

Prestressed materials



- One of the **largest** producers of prestressed materials in China
- One of the **first** Chinese manufacturers of prestressed materials to receive certification from an overseas professional body

Superconducting cables



- Superconducting cable is a superconducting material that uses a non-resistant, high current density transmission
- Landing of the **world's first** 35 kV kilometer-grade superconducting cable demonstration project

Name of Subsidiary	Business Overview
--------------------	-------------------



Pujiang Cable

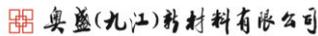
Shanghai Pujiang Cable Co., Ltd is a high-tech enterprise specializing in the production of cable-staying and suspension cables, and is one of the largest cable design and manufacturing suppliers in the world, as well as one of the cable manufacturers with the longest main plant and tensioning platform, advanced equipment and high technical content in China.

By now the company has two production bases, which can meet the manufacturing requirements of both bridge cables for 1,500m main span cable-stayed bridges and 3,500m main span suspension bridges.



Ossen Innovation Materials

Established in 2004, Ossen Innovation Materials Co., Ltd is one of the largest manufacturers of prestressed materials in China and a member of the China Prestressing Association. As one of the first manufacturers of prestressed materials in China, it has accumulated nearly twenty years of production experience since it was put into production. It is a key enterprise in its city and one of the most important prestressing exporters in China.



Ossen Jiujiang

Ossen (Jiujiang) Innovation Materials Co., Ltd is a manufacturer of prestressed materials under Pujiang International Group, with a relatively advanced prestressed steel wire production line in the world in terms of speed and technology. At present, it has developed two series and seven varieties of products with dozens of specifications, including prestressed concrete strand, coated prestressed products, unbonded prestressed concrete strand, and bright surface prestressed concrete wire, coated wire, indented wire and spiral rib wire, which are among the most complete manufacturers in that industry in China.



International Superconductor

Shanghai International Superconductor Technology Co. Ltd was incorporated in Baoshan District in 2018. The company focuses on serving national major energy strategies and spawn new industries, with the ultimate goal of realizing technologies and products that lead the future, focusing on green and environmentally friendly clean energy fields such as superconducting power equipment and magnet system application engineering. The company integrates design, research and development, production and inspection, engineering application and technical consulting services of superconducting products, and has the ability to develop and produce various types of large-length high-temperature superconducting cables and high-performance cables and superconducting magnets. superconducting magnets. The company can provide superconducting cables, superconducting magnets, superconducting cable accessories, cryogenic and vacuum systems, monitoring systems and other products and related technical consulting and evaluation work for the industry and users, and can provide users with a package of solutions for the engineering application of superconducting magnets.

International Presence

PJI Group is deeply involved in the worldwide bridge cable business, with a global service footprint of 21 countries and regions. The positive industry environment combined with a solid leading position will guarantee the long-term steady growth of the Company's value. In addition, the Company will actively lay out new areas of development potential, continue to explore more room for incremental performance, innovate products with new technology, and thus continue to develop a new future.



International Presence of Pujang International Group Limited

PJI's cable business



Canakkale Bridge
(Turkey)



Oujiang North Estuary Bridge
(China)



Sunxihe Bridge
(China)



Longjiang Bridge
(China)



San Francisco Oakland Bay Bridge (USA)



Shenzhen-Zhongshan Bridge (China)



the Nizhou Section of the Humen No.2 Bridge (China)

Representative Works of PJI Group's Cable Business



PJI Group developed and manufactured 2060Mpa high-strength cables for the Lingding-yang Bridge of Shenzhen-Zhongshan-Passage

PJI Group, with its exceptional research and development competencies in bridge cables and extensive project experience, was selected as a supplier of main cables and stay cables for the Lingding-yang Bridge of Shenzhen-Zhongshan-Passage Project. Innovatively, the Company developed and manufactured 2060Mpa high-strength cables for this project. The Lingding-yang Bridge is a major control project of the Shenzhen-Zhongshan-Passage. It adopts a three-span full floating system suspension bridge structure, in which a main span is 1,666 meters in length and a main tower is 270 meters in height, making it the world’s largest full offshore steel box girder suspension bridge.



Lingding-yang Bridge of Shenzhen-Zhongshan-Passage was under Construction

Economic Performance	Unit	2022	2021	2020
Revenue	10,000 RMB	215,176.7	215,626.3	194,710.2
Total assets	10,000 RMB	559,565.2	532,084.3	459,563.0
Profit attributable to owners of the Company	10,000 RMB	17,130.4	20,501.7	15,121.9

Chronicle of Major Events

1989

Pujiang Cable's predecessor, Shanghai Pujiang Cable Factory, was established.

1999

The Jiangyin Yangtze River Bridge, the first suspension bridge with a main span of 1,385 metres in China, for which we supplied suspension cables, was completed. This project was awarded the Eugene-Figo International Award by International Bridge Conference in the field of suspension bridges in 2002 which was the first time a China project won this award.

2004

The operating subsidiary, Ossen Innovation Materials, was incorporated in the PRC to engage in the prestressed materials business and the Maanshan facility commenced production.

2007

The prestressed materials business was awarded the third "China Outstanding Corporate Citizenship" by the Corporate Citizenship Committee the China Association of Social Workers.

2010

Dr. Tang Liang acquired a controlling interest in Pujiang Cable and Ossen Innovation Materials and issued American Depositary Shares in the United States of America, which are listed on the NASDAQ Global Market.

1991

Nanpu Bridge, China's first super-long-span cable-stayed bridge, for which we supplied stay cables, was completed. The Nanpu Bridge project was awarded the First-Class Prize of The State Scientific and Technological Progress by The State Scientific and Technological Commission in 1995.

2001

The Nanjing No.2 Yangtze River Bridge, for which we supplied suspension cables, was completed. The project was awarded the 3rd Zhan Tianyou Civil Construction Award. The Company as a whole was restructured into a joint-stock company.

2005

The Nanjing No.3 Yangtze River Bridge, for which we supplied suspension cables, was completed. The project was awarded the 7th Zhan Tianyou Civil Construction Award. Our Jiujiang facility commenced production.

2009

The Xihoumen Bridge, a suspension bridge with the longest main span in China among all completed suspension bridges at the time, for which we supplied stay cables, was completed. In 2015, the project was award-ed the China Highway and Transportation's First Class Prize for Science and Technology. The prestressed materials business was awarded the Foreign Invested Technologically Advanced Enterprise by The Bureau of Commerce of Anhui Province. In the same year production at the Xitang facility started.

2013

The world's largest self-anchored suspension bridge at the time, the United States Oakland Bay Bridge, for which we supplied PPWS that makes up its main suspension cables, was completed. The prestressed materials business was awarded the Second Prize in Jiangxi Provincial Science and Technology Progress by the Jiangxi Provincial People's Government.

2015

The cable business was awarded the "Shanghai Brand"-Certificate by the Shanghai Famous Brand Recommendation Committee and the Shanghai Famous Trademark Certificate by the Shanghai Administration for Industry and Commerce. Nizhou Section of the Humen No.2 Bridge of which we were awarded the tender for the supply of suspension cables for its construction, was the longest main-span suspension bridge in China at the time.

2017

The prestressed materials business was awarded the "Technology Invention Award" by the People's Government of Jiangxi Province.

2018

We were awarded the tender for the supply of suspension cables for the 1915 Canakkale Bridge in Turkey, which is the world's longest main span suspension bridge planned as of the date of this prospectus. The bridge has a main span of 2,023 metres.

2019

We were awarded the tender for the supply of main cables, cable-stayed cables and slings (tender G06) for the construction of the Shenzhen-Zhongshan Bridge. We further acquired a 26% equity interest in Shanghai Push Medical Device Co., Limited and PJI Group was successfully listed on the Main Board of the Hong Kong Stock Exchange (HKSE).

2020

The Company invested RMB166 million in International Superconductor to acquire a 40% equity interest.

2021

PJI Group completed the privatization of Ossen Innovation Materials on 9 September (New York time).

2022

PJI Group ranked a "B" rating in the "Climate Change" category of the 2022 rating issued by CDP Worldwide (CDP), placing it among the top 40 companies evaluated in China. At the end of December, the new factory of Ossen (Jiujiang) Innovation Materials Co., Ltd was completed.

Social Recognition

Cable Business

Award Name	Awarded by	Year
First Prize in Science and Technology Award	China Highway and Transportation Society	2022
Special Prize of Science and Technology Award	Highway and Transportation Society of Hubei Province	2022
Specialized and sophisticated SMEs - "Little Giant" Enterprise	Ministry of Industry and Information Technology of the People's Republic of China	2022
Shanghai Province "Specialized, Refined and New" Small and Medium-Sized Enterprise	Shanghai Commission of Economy and Information Technology	2022
Shanghai Gold Award in Quality	Shanghai Municipal Government	2021
National Manufacturing Single Item Champion Demonstration Enterprise	Ministry of Industry and Information Technology of the People's Republic of China China Federation of Industrial Economics	2021
"Pujiang brand" won the "Century Shanghai Industry, Ten Favorite Brands by Citizens (Industrial Category)"	Shanghai Federation of Industrial Economics	2021
Zhejiang "Specialized, Special and New" Small and Medium-Sized Enterprises	Zhejiang Provincial Department of Economy and Information Technology	2021
Jiangsu Province Credit Evaluation Grade AAA Certificate	Nanjing Anhuan Credit Evaluation Co., Ltd.	2021
The project "R&D and Application of Key Technologies of New Cable Sealing System" won the first prize in the "Invention and Entrepreneurship Award" issued by the China Association of Invention	China Association of Invention	2020
First Prize and Second Prize of Science and Technology Award	China Highway and Transportation Society	2020

Prestressed Materials Business

Award Name	Awarded by	Year
High Tech Enterprise	Science and Technology Department of Jiangxi Province Department of Finance of Jiangxi Province Jiangxi Provincial Taxation Service, State Taxation Administration	2022
Jiangxi "Specialized, Special and New" Small and Medium-Sized Enterprises	Department of Industry and Information Technology of Jiangxi Province	2022
Anhui Innovative Small and Medium Enterprises	Department of Economy and Information Technology of Anhui Province	2022
First Prize at the National Metal Products Industry Annual Conference	National Metal Products Information Network	2022
Jiangxi Provincial City Contract-keeping and Credit-worthy Enterprise	Administration for Market Regulation of Jiangxi Province	2022
Anhui Provincial Water-saving Enterprise	Anhui Provincial Department of Housing and Urban-Rural Development	2021
Top 20 Industrial Economy Enterprises	Party Working Committee of Cihu High Tech Development Zone Management Committee of Cihu High Tech Development Zone	2021
Jiangxi Famous Brand Products	Jiangxi Famous Brand Strategy Promotion Association	2020
The Fourth Jiangxi Provincial Patent Award	People's Government of Jiangxi Province	2020
Third Prize of Technology Invention Award of Jiangxi Province	Jiangxi Provincial Government	2020

Superconducting Materials Business

Award Name	Awarded by	Year
Third Prize for Quality Research of Domestically Made Kilometer Superconducting Cable Insulation Pipe	Shanghai Administration of Market Regulation Shanghai Commission of Economy and Information Technology	2022
Silver Award in Shanghai Industrial Youth Innovation Competition - Demonstration Project of Domestically Made Kilometer Superconducting Cables	Shanghai Economic and Information Technology Work Committee of the Communist Youth League	2022
Special Equipment Production License	Shanghai Administration of Market Regulation	2022
Shanghai Superconducting Manufacturing Innovation Centre Awarded	Shanghai Municipal Commission of Economy and Information Technology	2022
First place in Shanghai in the Field of New Materials	China International Industry Fair (CIIF)	2021

ESG Governance

PJI Group has set up a clear ESG organizational structure and clarified the ESG management responsibilities of the Board of Directors, management, and executive level, in order to promote the scientific and effective integration of PJI Group’s ESG management with the existing management system and steadily improve the Company's ESG management. At the same time, the Company is actively exploring climate change management mechanisms to ensure a time-liner review of the Company's climate risks and opportunities and to strengthen the Company's resilience to climate risks. PJI Group has formulated the *Terms of Reference of the ESG Working Group of PJI International Group*, and Ossen Jiujiang has also refined its own policy of the *Terms of Reference of the ESG Working Group* in order to better promote the effective operation of the Company's ESG management.

Learn more about the *Terms of Reference of the ESG Working Group of Pujiang International Group Limited*



PJI Group ESG and Climate Change Management Structure

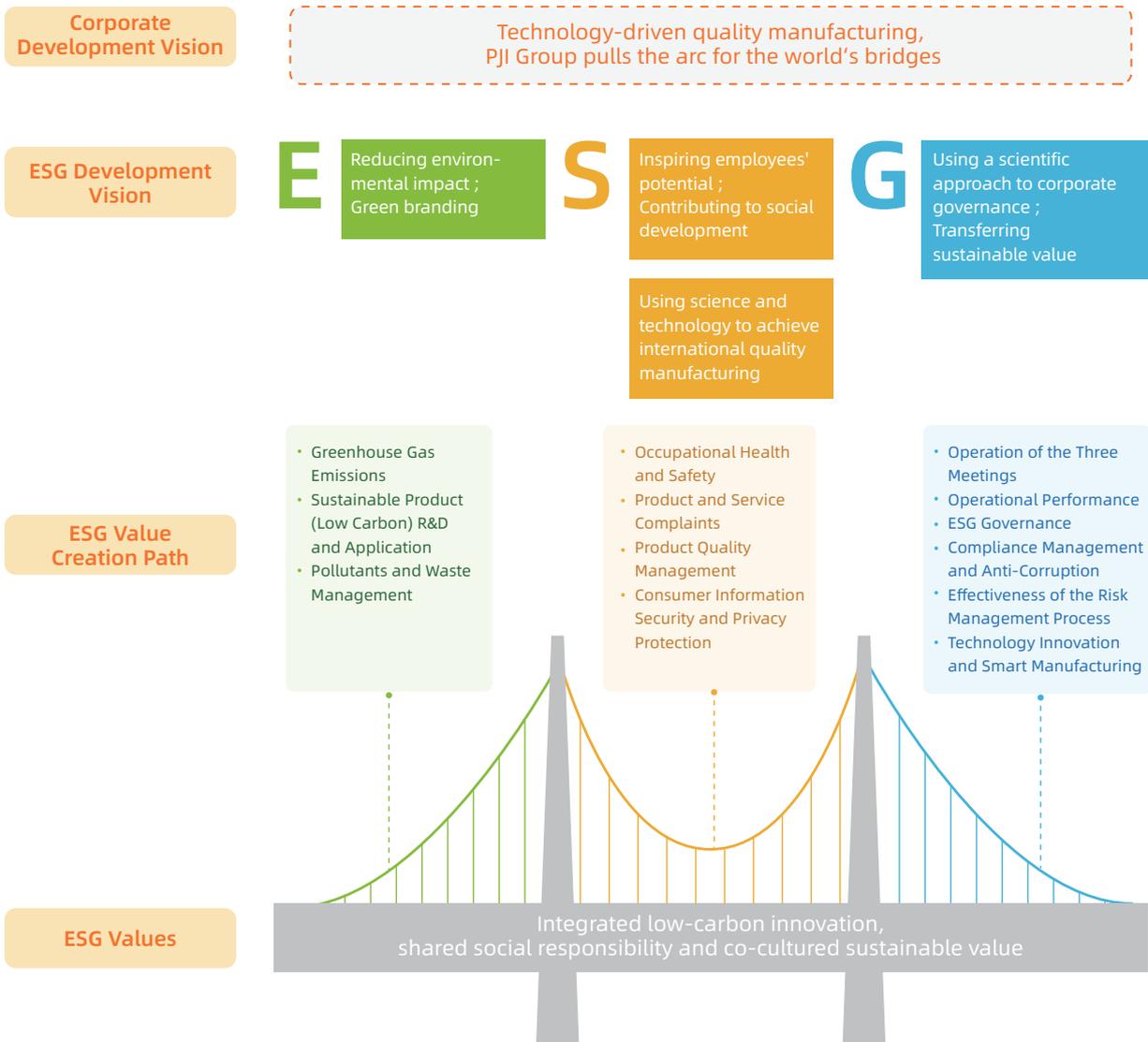
Stakeholder Communication

Stakeholders	Main Objectives and Focus	Communication Channels	Measures Carried out by the Company
Shareholders and Investors	<ul style="list-style-type: none"> Steady operations Good return on earnings Protection of shareholders' rights True, accurate and timely disclosure of information 	<ul style="list-style-type: none"> General Meeting of Shareholders Investor consultation sessions, roadshows Receive investors for site visits Disclosure of information (including financial statements) Company contact details (e-mail) 	<p>Publish notices of shareholder's meetings and motions as required to ensure timely and accurate disclosure of company information. Carry out various forms of investor activities hold regular results briefings and arrange roadshows to enhance investor recognition. Disclose the Company's contact details on its website and in its reports and ensure that various communication channels are accessible.</p>
Customers	<ul style="list-style-type: none"> High quality and green products and services Stable product delivery capability, building long-term relationships 	<ul style="list-style-type: none"> Customer visits Conduct customer Satisfaction surveys Actively reach new customers 	<p>We continue to explore domestic and international markets, develop low-carbon and environmentally friendly products, as well as strengthen quality management, ensure stable production and on-time delivery, and sign long term strategic cooperation agreements.</p>
Government	<ul style="list-style-type: none"> Operate legally and with integrity Pay taxes in accordance with the law Safety and human rights protection for employees Pollution prevention and resource utilization Fulfill social responsibility 	<ul style="list-style-type: none"> Occasional cooperation with on-site inspections and checks Conducting working conference workshops Completion of environmental assessment reports, energy conservation reports, safety evaluation reports and other submissions for approval in accordance with regulations 	<p>Strictly abide by all laws and regulations, implement company compliance management and pay taxes in accordance with the law, and have zero tolerance for corrupt practices. Strengthen the Company's safety and environmental management, and accept government supervision and inspection assessment, and actively assume social responsibility.</p>
Employee	<ul style="list-style-type: none"> Protection of basic rights and interests Benefits and remuneration package Occupational health and safety Inclusive and friendly working environment Career development 	<ul style="list-style-type: none"> Trade Unions Staff-management talks Training and learning Staff activities 	<p>We set up trade union Organizations at all levels, conduct seminars and activities, and open communication channels between staff and management; pay salaries and benefits in full and on time, and pay social insurance in accordance with the law; provide a healthy and safe working environment; establish fair recruitment, retention and promotion mechanism; care for our staff, help workers with difficulty and continuously enrich staff welfare.</p>

Community and Public	<ul style="list-style-type: none"> • Increase employment opportunities • Care for the community environment • Enhance the well-being of people 	<ul style="list-style-type: none"> • Conduct volunteer activities • Carry out charitable assistance 	<p>Preference is given to employing local staff. Carry out volunteer activities and community charity assistance.</p>
Suppliers and Contractors	<ul style="list-style-type: none"> • Fair tender • A partnership for win-win development 	<ul style="list-style-type: none"> • Tender meeting • Fairs • Supplier review meeting • Exhibition communication 	<p>Ensure sunshine procurement, fulfill contracts according to contract and work with suppliers and contractors who excel in environmental, safety and quality management in the long term.</p>
Bank	<ul style="list-style-type: none"> • Good financial position • Operate with integrity and credit 	<ul style="list-style-type: none"> • Working meetings, site visits • Post-loan follow-up, daily communication 	<p>Continuously improve the Company's profitability, implement integrity in operations, repay interest on time and cooperate with loan reviews and supervision.</p>
Competitors	<ul style="list-style-type: none"> • Healthy competition in the industry • A cooperative and mutually beneficial partnership • Contribute to the development of the industry 	<ul style="list-style-type: none"> • Participation in industry standards • Industry Networking Conference 	<p>We practice fair competition, strengthen intellectual property management and protect our own and others' intellectual property rights; actively participate in the development of industry standards and industry seminars to promote the sustainable development of the industry.</p>
Market Supervisor	<ul style="list-style-type: none"> • Comply with regulatory requirements and operate in compliance • Disclosure of information and filing materials 	<ul style="list-style-type: none"> • Consultation and communication • Information disclosure • Cooperation with enquiries 	<p>Strictly comply with regulatory requirements, implement compliance management and disclose timely, accurate and truthful information and reporting materials in accordance with the law.</p>

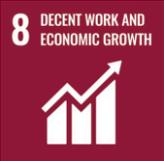
ESG Strategic Model

Based on its social responsibility concept, PJI Group has established the ESG values of "integrated low-carbon innovation, shared social responsibility and co-cultured sustainable value", and is actively responding to the highly significant issues of ESG, promoting the further improvement of the Company's ESG management and creating environmental, social and economic values for shareholders, employees, customers and partners.



PJI Group's ESG Strategy Model

Support for UN SDGs

United Nations Sustainable Development Goals (UN SDGs)	PJI Group's Action
 <p>5 GENDER EQUALITY</p> <p>Achieving gender equality and the empowerment of all women and girls</p>	<p>The Company has formulated the <i>Board Diversity</i> and the <i>Employee Diversity Policy</i>, which ensure that all employees are treated with respect and there is zero tolerance for any form of workplace discrimination.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Promoting long-term, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>The Company continues to strengthen its core competitiveness, promote technological innovation, maintain steady revenue growth and share the dividends of corporate development with its employees.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Building disaster-resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation</p>	<p>The Company insists on long-term innovation and strives to integrate into the main track of national innovation in the fields of cable, prestressed and superconductivity, taking into account the two major directions of low-carbon and intelligent development to help the sustainable development of bridges, power grids, steel and other industries.</p>
 <p>10 REDUCED INEQUALITIES</p> <p>Reducing inequalities within and between countries</p>	<p>As a world supplier of bridge cables, the Company responds to the national Belt and Road (B&R) Initiative and promotes the development of transport infrastructure in other countries with high quality bridge cable products.</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Building inclusive, safe, disaster-resilient and sustainable cities and human settlements</p>	<p>With bridge cables and prestressed products as the core of its business, PJI Group provides high quality and safe products for urban transportation and other infrastructure. In addition, its subsidiary International Superconductor is actively exploring superconducting cable projects with a view to contributing to the low-carbon development of urban power grids.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Ensuring the adoption of sustainable consumption and production patterns</p>	<p>PJI Group and its subsidiaries focus on reducing environmental impact throughout the product life cycle, while actively developing and promoting green and low-carbon products for application in bridge cables, prestressed and superconducting materials.</p>



Urgent action to address climate change and its impacts

PJI Group actively responds to the country's "double carbon" target, upholds the concept of low-carbon development and proactively participates in the development of green infrastructure. At the same time, the Company is gradually deploying a climate change management mechanism with reference to the TCFD framework, with a view to managing climate change issues in a more scientific, effective and timely manner.



Creating peaceful, inclusive societies for sustainable development, access to justice for all, and effective, accountable and inclusive institutions at all levels

PJI Group has formulated policies such as the *Anti-Corruption Policy* to regulate the Company's business operations and establish a long-term early warning mechanism for the Company to combat commercial bribery and corruption, in order to protect the long-term development of the Company.

ESG Key Performance

Environmental Performance	Unit	2022	2021
SO ₂ emission intensity	kg/million revenue	0.00051	0.00043
NOx emission intensity	kg/million revenue	0.18	0.15
Emission intensity of particulate matter	kg/million revenue	0.02	0.01
Industrial wastewater discharge	Tonnes	3,540	10,900
Industrial wastewater reuse	Tonnes	0	18,343
COD (Chemical Oxygen Demand) treatment	Tonnes	147.90	158.27
Scope I Greenhouse gas emissions	Tonnes of CO ₂ e	777.97	141.69
Scope II Greenhouse gas emissions	Tonnes of CO ₂ e	1,682.01	2,457.56
Scope III Greenhouse gas emissions	Tonnes of CO ₂ e	113.47	138.04
Greenhouse gas emission intensity (Scope I+II)	Tonnes of CO ₂ e / million revenue	1.14	1.21
Hazardous waste discharge intensity	Tonnes / million revenue	0.02	0.04
Non-hazardous waste discharge intensity	Tonnes / million revenue	0.23	0.07
Energy consumption	Tonnes of standard coal	435.47	587.86
Energy consumption intensity	Tonnes of standard coal / million revenue	0.20	0.27
Water consumption intensity	Tonnes / million revenue	33.62	41.19

Social Performance	Unit	2022	2021
Total number of employees	Person(s)	430	444
Percentage of female employees	%	14.88	13
Average number of hours of training per employee	Hours	20.48	85.57
Total turnover rate	%	3.80	1.10
Accident rate per 200,000 man-hours worked	/	0.22	0.21
Number of work-related injuries	Times	1	1
Work-related deaths	Person(s)	0	0
Total average number of hours of safety training received by employees	Hours/person	3.37	4.52
Recalled products as a percentage of total products sold	%	0	0

Corporate Governance Performance	Unit	2022	2021
Percentage of female directors	%	14.3	14.3
Percentage of independent directors	%	42.9	42.9
Number of corruption litigation cases	/	0	0
Percentage of directors involved in anti-corruption training	%	100	100
Number of integrity checks conducted	Times	2	2
Completion of the integrity audit project	Times	1	1

Corporate Governance

Operation of the Three Boards

A robust corporate governance system is essential for a company’s long-term stability and sustainable growth. PJI Group strictly complies with relevant laws, regulations and rules in Hong Kong, mainland of China, and the Cayman Islands, as well as the requirements of the Listing Rules of the Stock Exchange of Hong Kong Limited (SEHK) and Articles of Association, to further improve its compliance governance structure and enhance the effectiveness of its governance level.

[Learn more about the Board Diversity Policy](#)

In 2022, the Company updated the *Board Diversity Policy*, emphasizing the need to ensure the diversity and appropriateness of the board membership by setting additional measurable goals, and establishing the goal that at least one female director is appointed by the end of 2024; in addition, PJI Group improved the *Shareholder Communication Policy*, outlining confidential channels and procedures for reporting corporate misconduct.

This year, the Company convened one shareholders' meeting and eleven board meetings, thereby making definitive resolutions on major issues, such as the election of directors and supervisors, appointment of executives, external investments, financing guarantees, related-party transactions, distribution of dividends, and internal control evaluation, etc.



Corporate Governance Structure

Key Performance



Number of independent directors

3 Persons



Percentage of independent directors

42.9%



Number of female directors

1 Person



Percentage of female directors

14.3%



Number of board meetings

11 Times

Investor Relations Management

PJI Group attaches great importance to listening to the opinions of investors and combining them with its own current status. Through in-depth value-based analysis and research, the Company effectively improves investor relationship management, extends communication channels to investors, and, as a result, helped its high-quality development.

In accordance with information disclosure requirements of the *Rules Governing the Listing of Securities on the Hong Kong Stock Exchange*, PJI Group has been actively fulfilling its disclosure obligations. We are committed to improving the quality of information disclosure, ensuring the truthfulness, accuracy, completeness and timeliness of information disclosure, and strive to develop information disclosure with the characteristics of the Company.

The Company actively optimizes its investor communication mechanisms and continues to smooth out communication channels for investors. This year, the Company updated the *Shareholder Communication Policy* and swiftly acquired and communicated investor needs through various means such as telephones, emails, investor roadshows, research and survey, meetings, etc. Furthermore, the Company regularly publishes annual and semi-annual reports, shareholder meetings and board related announcements, Environmental, Social, and Governance (ESG) Report, and other critical announcements on specified information disclosure platforms, providing a comprehensive overview of the Company's value and amplifying investors' trust, recognition and loyalty to PJI Group. No information disclosure violations by PJI Group were reported in 2022.

 **Key Performance**



Receive investors for research or conference exchange

3 Times



Respond to or coordinate feedback on investor emails

25 Mails



Number of roadshows conducted

6 Times



Answer and respond to investor calls

12 Times



Number of announcements made during the reporting period

21 Times

Risk Control Compliance

Risk Management

In 2022, PJI Group continued to optimize and refine the *Risk Management Policy*. The Audit Committee is responsible for the Company's risk management and regularly reports to the Board of Directors; the Internal Audit Department augments the Risk Assessment Committee's efforts to identify and report internal audit risks; the Finance Department offers constructive insights into financial and operational risks to the Risk Assessment Committee, while all relevant departments collaborate on furthering the effective implementation of the Company's risk identification and management protocols.



Risk Identification

Identify potential risks and assess the occurrence and severity of losses that may be caused by the risks.



Risk Avoidance

Do not undertake activities that may be risky.



Risk Reduction

Reduce the severity of the loss by taking appropriate measures.



Risk Retention

It is in the category of self-insurance, accept losses as they occur.



Risk Transfer

Transfer of risk to another party by entering into a contract to minimize and mitigate risk.

Risk Management Procedures and Actions

Business Ethics

Integrity Conduct

PJI Group has continuously endeavored to advance and improve the Company's integrity management system. In 2022, we strictly complied with the *China's Criminal Law*, the *Company Law*, the *Interim Provisions on Prohibition of Commercial Bribery*, the *Anti-Money Laundering Law*, the *General Principles of Civil Law*, the *Anti Unfair Competition Law*, the *Contract Law*, the *Prevention of Bribery Regulations* and other laws and regulations. The Company also updated the *Anti-Commercial Bribery and the Anti-Corruption Management Implementation Rules of PJI Group*, which clarified the penalty standards for circumstances involving conflicts of interest, bribes, and abuses of power. Furthermore, the *Policy for Employees to Raise Concerns about Possible Improprieties* was amended to expand the oversight to any third party engaging with the organization, providing a channel for them to directly report to the chairman of the Audit Committee or the Board of Directors. In 2022, the Company did not have any significant litigation or non-compliance cases related to bribery, extortion, fraud and money laundering.

[Learn more about the *Anti-Commercial Bribery and Anti-Corruption Management Implementation Rules of Pujiang International Group Limited*](#)

Integrity Training

The Company actively imparted integrity training to all personnel and internal directors. For example, Pujiang Cable and Ossen Innovation Materials actively provided online anti-corruption education and training, guiding employees to internalize and practice the integrity values of the Company, thereby fostering a corporate environment characterized by an "aversion to corruption".

Whistleblower Protection

The Company updated and introduced the *Policy for Employees to Raise Concerns about Possible Improprieties* and the *Anti-Corruption Policy*, encouraging employees and third parties to report corrupt, fraudulent, and illegal behaviors that have taken place or may take place in PJI Group and its subsidiaries, via numerous reporting channels such as mail, telephone, personal visits and online reporting. Unidentified reports from informants are both accepted and kept confidential to the maximum extent permitted by law while safeguarding the personal privacy and safety of the whistle-blowers.

Transparent Procurement

At PJI Group, procurement is always subject to the standards of fairness, openness, and objectivity. Additionally, every subsidiary is required to diligently enforce supplier entry management. This allows for the promotion of supplier compliance with the code of integrity and provides for the creation of a supplier integrity ecosystem.

Compliance Audit

This year, in accordance with the *Audit Law of the People's Republic of China*, the *Regulations of the National Audit Office on Internal Audit Work* and related regulations, PJI Group further improved and implemented the *Internal Audit System* and steadily advanced the internal audit body to oversee and evaluate the Company's financial income and expenditure, asset quality and operational performance to improve the operational management structure, avoid operational risks and enhance the value of the Company.



 **Key Performance**

 Number of corruption litigation cases 0 Case	 Number of anti-corruption (integrity) training sessions 2 Times	 Percentage of directors involved in anti-corruption training 100%
 Number of integrity checks conducted 2 Times	 Completion of the integrity audit project 1 Project	



02

Embracing Zero Carbon Future by Green First

Feature: Responding to Climate Change
Environmental Management
Low Carbon Products
Green Production
Green Office



Embracing Zero Carbon Future by Green First

Climate change has become a widespread challenge across the globe. China also made a commitment to reduce their greenhouse gas emissions in 2020 by setting clear strategic goals of reaching “carbon peaking by 2030” and “carbon neutrality by 2060”, to play an active role in global efforts to mitigate and adapt to climate change. As the largest provider of cables for large bridges in China and one of the leading manufacturers of prestressed materials, being acutely aware of their obligations to address this challenge, PJI Group strengthens its overall climate regulation capability and develops effective climate change strategies while supporting the global climate change reduction targets, responses to China’s goals of “dual carbon” and strives for carbon neutrality.

PJI Group’s Climate Governance

The importance of climate change to PJI Group is underlined through the establishment of a Climate and Sustainable Development Committee under the Board of Directors. This Committee is tasked with guiding and supervising climate change and sustainability related matters and risks, while an ESG Working Group at the executive level comprehensively implements the Company’s ESG strategies and actions, including the climate change response. Most notably, the Climate and Sustainable Development Committee are in charge of formulating climate policies and devising an efficient climate risk management system, reporting back to the Board of Directors, who ultimately steer the strategy of PJI Group’s climate change control, and oversee and review the effectiveness of the climate change risk management methods.

To ensure the smooth implementation of activities in relation to climate change, we monitor the carbon emissions of each subsidiary for years in succession, actively advocate the incorporation of climate change control in the day-to-day management of each subsidiary, and select corresponding technical measures to enable low-carbon innovations of products that align with the nation’s green development challenges and actively engage in the process of carbon neutrality. Besides, a clear organizational structure and objectives, as well as the requisite measures, time frames and departments for the task have been established in each of the subsidiaries, alongside the establishment of incentivizing and disciplinary mechanisms, capacity development, training programs, with regular evaluations and assessments taking place.

PJI Group's Climate Policy

PJI Group actively creates and implements a management mechanism for addressing climate change while consistently reinforcing its capacities to respond to climate change through both climate change adaptation and mitigation, participates in and advances the sustainable development goals pursued at the national and regional level. Policies specifically made to adapt to or mitigate the impact of climate change on our business and finances, encouraging commitment to:

- Protecting natural resources and conserving social resources in all operations
- Setting medium- and long-term greenhouse gas emissions reduction goals and energy conservation goals
- Actively building green factories, developing and applying clean technologies, alongside improving the energy mix, and actively utilizing renewable energy
- Improving energy utilization efficiency, promoting energy recycling and reuse, and reducing greenhouse gas emissions during operation;
- Incorporating the concept of environmental protection and health into the development and construction of real estate projects to reduce greenhouse gas emissions from buildings;
- Encouraging employees, stakeholders, and customers to minimize carbon emissions in their routine business activities.

PJI Group's Climate Goals

Our goal 🎯

The Company aims for its
carbon peak in 2025

and for
carbon neutrality in 2050.

Greenhouse gas emissions Scope I + Scope II for the Company are reduced by

50%

by 2030 compared to 2020.

PJI Group Follow the TCFD

PJI Group aligns with the recommendations of the *Task Force on Climate-Related Financial Disclosures* (TCFD), aiming to build long-term climate response capabilities and drive the low-carbon transformation in the sector. We incorporate climate related risks into our enterprise risk management process and conduct climate related risk assessments to identify potential risks (including physical and transition risks) to our business and finances caused by climate change. We plan to develop response actions to the major risks identified to amplify our climate resilience.

In response to the guidance of the four pillars of TCFD, namely, Governance, Strategy, Risk Management, and Metrics and Targets, we make responses from two aspects: practical actions and financial impact analysis. We proactively delineate the financial effect of climate change internally and demonstrate our determination to address climate change externally.

TCFD Recommendations	PJI Group Response
<p>Governance</p> <p>a) Describe the Board's oversight of climate-related risks and opportunities.</p> <p>b) Describe management's responsibilities for assessing and managing climate-related risks and opportunities.</p>	<p>PJI Group has established an organizational structure for ESG and climate change management to clarify the Board's oversight responsibilities for climate-related risks and opportunities. See ESG Governance section for more details</p>
<p>Strategy</p> <p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>b) Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>	<p>PJI Group will promote the assessment of the impact of climate risks (including transition risks and physical risks) on various aspects of enterprise operations, and closely follow the development trends in the industry, align ourselves with excellent peer practices, timely identify risks and seize opportunities.</p>
<p>c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>PJI Group will build its own capabilities while seeking the assistance of expert external consultants. Simultaneously, the Company will study mainstream climate scenario analysis methods, analyze and compare the high- and low- emission climate scenarios and apply them to its own business model.</p>
<p>Risk Management</p> <p>a) Describe the organization's processes for identifying and assessing climate-related risks.</p> <p>b) Describe the organization's processes for managing climate-related risks.</p> <p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>PJI Group will strengthen the identification and assessment of ESG and climate related risks, refine the identification methods and processes, and explore their integration into the Company's current risk management system.</p>

Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	PJI Group disclosed GHG Scope I, II and III data in accordance with mainstream international standards. At the same time, we have set the goal of "carbon peaking by 2025 and carbon neutrality by 2050". In the future, we will explore the implementation path, track the domestic and international climate regulatory requirements and development trends, and adjust the goal appropriately to ensure the effective implementation of scientific emission reduction.
	b) Disclose Scope I, Scope II, and, if appropriate, Scope III greenhouse gas (GHG) emissions, and the related risks.	
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

Risk/opportunity category	Specific risk/opportunity	Risk description	Potential financial impact
Physical risk	Acute physical risk	Disastrous climates such as a rainstorm, typhoons and floods may damage assets such as operating facilities and production equipment, resulting in increased capitalized expenditure.	Operating costs ↑ Existing assets ↓ Operating income ↓
		Extreme temperatures (such as extremely high and low temperatures) may cause harm to employees' occupational health and safety, leading to reduced production efficiency and increased investment in employee safety.	
	Chronic physical risk	Continuous high temperature weather causes higher requirements for protecting employees under high temperatures, as well as the performance and maintenance of cooling equipment.	Operating costs ↑

Policy and regulatory risk	The local government where the operation is located may implement stricter carbon emission reduction policies, which may increase enterprises' carbon emission costs related to production and operation (such as compliance with carbon allowance).	Operating costs ↑
Technical risk	The stricter carbon emission requirements in the industry and upstream and downstream have led to the need for the replacement of existing high-energy consuming equipment/processes, which has led to an increase in investment in low-carbon transformation technology R&D for enterprises.	Operating costs ↑ Existing assets ↓
Transition risk		
Market risk	Customers have increasingly strict requirements for carbon emission management of their suppliers, while the decarbonization of products and services may become an important standard for customers to choose from. Products that are not low-carbon may lead to a decrease in demand.	Operating income ↓
Reputational risk	There are stricter requirements for transparent carbon emissions information, and enterprises need to increase investment in the management of related performance. Poor performance in climate information disclosure may lead to reputation damage, declined stock price, or difficulties in financing.	Operating costs ↑ Financing costs ↑ Operating income ↓
Opportunity	The practice of low-carbon and green industries will lead to more capital inflows, and putting in more efforts of risk management will bring more positive feedback.	Financing costs ↓ Operating costs ↑

PJI Group's Climate Practice

We deeply recognize the importance of climate change for the stable development of enterprises. Therefore, when implementing climate change management, enterprises should not only consider mitigating potential future climate impacts but also actively adapt to the current climate situation. To mitigate climate change, we enhance the efficiency of material use (steel, for example), try to reuse and recycle materials as much as possible, and minimize material waste. We also actively explore the production process with zero emissions by improving energy efficiency, adopting clean energy, and promoting technological innovation. In terms of products, we use the life cycle assessment (LCA) method to calculate the carbon emissions of superconducting cables throughout their entire lifecycle, providing a theoretical basis and data for the application and promotion of superconducting cables, as well as energy conservation and emission reduction for enterprises. In addition, we have been actively investing a substantial amount of energy and financial funds in green and low-carbon research and development, promoting the greening of production processes, and actively participating in cross-industry collaborations on low-carbon initiatives. In terms of climate change adaptation, we continue to strengthen the strength of existing cable materials to ensure their ability to withstand natural disasters such as typhoons. As for climate change adaptation, we also develop cable products with superior resistance to corrosion, high-temperature oxidation, and fire to cope with abnormal climate changes such as increased rainfall and extreme temperatures.



Key Performance

Environmental indicators	Unit	2022	2021
Greenhouse gas emissions (Scope I)	Tonnes of CO ₂ e	777.97	141.69
Greenhouse gas emissions (Scope II)	Tonnes of CO ₂ e	1,682.01	2,457.56
Greenhouse gas emissions (Scope III)	Tonnes of CO ₂ e	113.47	138.04
Greenhouse gas emission intensity	Tonnes of CO ₂ e /million revenue	1.14	1.21

1. Scope I greenhouse gas emissions refer to the greenhouse gas emissions generated by the consumption of diesel and petrol by PJI Group and its subsidiaries' own vehicles and natural gas used in the canteen. The emission calculation factors refer to the *Greenhouse Gas Emission Accounting Methodology and Reporting Guidelines* issued by the National Development and Reform Commission.

2. Scope II greenhouse gas emissions refer to the greenhouse gas emissions generated from the consumption of purchased electricity by PJI Group and its subsidiaries. The emission calculation factors refer to the *Greenhouse Gas Emission Accounting Methodology and Reporting Guidelines* issued by the National Development and Reform Commission, where the reference regional grid average emission factors are issued by the Ministry of Ecology and Environment, PRC.

3. Scope III greenhouse gas emissions, refers to the carbon footprint generated by the flight travel of the employees of PJI Group and its subsidiaries, the calculation formula comes from China Climate Change Information Network (<https://www.ccchina.org.cn/>) - Carbon Footprint Basic Calculation Formula.

Environmental Management

PJI Group adheres and establishes a scientific and effective environmental management system as the foundation, with the improvement of the environmental management organizational structure as the core. The Company adheres to the environmental guideline of "environment protection, pollution prevention, energy saving, compliance with regulations" to continuously improve the level of environmental management of each subsidiary.

Learn more about the
 Pujiang International Group
 Limited Safety, Quality and
 Environment Policy

In 2022, PJI Group strictly abides by environmental protection laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Opinions on Comprehensively Strengthening Ecological Environmental Protection* and the *Opinions on the Pollution Prevention Campaign*, and further optimized the *Safety, Quality and Environment Policy of PJI Group*. The Company promises to provide environmental education and training to employees during operation and try to reduce emissions and seek opportunities for "recycling", striving to create a safe, healthy, environmental and comfortable living and working environment.

Pujiang Cable actively improves the *Environmental Safety Hazard Investigation and Management System*, practices environmental safety monitoring and control procedures from a more detailed perspective, and conducts routine and continuous tracking of environmental performance. This year, the Company continued to be certified by the ISO14001 and maintained internal and external audits of the environmental system to ensure its effective operation.



Environmental Management System Certifications of Pujiang Cable

Ossen Jiujiang keeps improving a series of internal environmental management systems and plans, including the *Pollution Prevention and Control Responsibility System*, the *Significant Safety, Quality, and Environmental Accident Reporting System*, the *Dangerous Sources Management System*, the *Environmental Risk Assessment Report* and the *Emergency Response Plan for Environmental Incidents*. Also, the Company continues to improve the environmental management system based on ISO 14001: 2015 and GB/T 24001: 2016 requirements, and regularly inspects and reviews to ensure its effective operation.

Ossen Innovation Materials also conscientiously implemented the *Environmental Protection Management System* and the *Dangerous Goods and Dangerous Sources Management System* and other systems and further promoted the Company's environmental management.

Environmental Awareness

PJI Group highly values the cultivation and promotion of environmental awareness among employees, implementing various environmental publicity, education and training initiatives to inculcate environmental protection concepts among all personnel, and advocating for the adoption of a green and sustainable production and lifestyle. Furthermore, the Company actively incorporates energy consumption metrics, including water and electricity consumption, into its employee reward system. This encourages employees to consider energy conservation and water efficiency as essential objectives and practice them in their daily work.



Ossen Jiujiang conducted training and popularization on solid waste management basics, laws and regulations

In 2022, Ossen Jiujiang organized employees to watch videos on solid waste management and provide training courses to popularize the latest national regulations on solid waste management and promote the closed-loop management of waste storage, treatment, and recycling.



Ossen Jiujiang Organized Employees to Watch Science Popularization Videos



Pujiang Cable carried out environmental training on hot topics such as "green, low-carbon, and environmental conservation"

In 2022, Pujiang Cable trained its employees on current hot topics such as "green and low-carbon". In addition, it implemented "green and environmental" initiatives in its daily operations through various ways (e.g. promoting two-sided printing, and suggesting employees drink up bottled water).



Pujiang Cable Promoted Environmental Protection



Ossen Jiujiang considered electricity and water consumption as indicators to raise employees' awareness of energy conservation and environmental protection

In 2022, Ossen Jiujiang proactively infused its reward mechanism with metrics for water and electricity consumption, specifying that a ton of output should aim to maintain a water cost of RMB 8 per ton and an electricity cost of RMB 210 per ton in the production of smooth steel wire. Employees who have achieved a savings of RMB 1 per ton product, would be rewarded RMB 0.2 per ton. This was intended to achieve energy conservation, and environmental protection and cultivate employees' daily awareness.

Low Carbon Products

Under the background of the national "3060" dual carbon target, drawing on its impressive scientific research and innovation capabilities, PJI Group is dedicated to discovering new green and low-carbon solutions across the entire product life cycle. This includes deepening the construction and maintenance of green cables and researching and applying green superconducting materials, significantly empowering the national green infrastructure sector.

In 2022, all subsidiaries of PJI Group actively implemented the Group's low-carbon product innovation path. International Superconductor, in particular, independently developed superconducting materials, and its high-temperature superconducting transmission technology provided strong technical support for low-carbon transformation in regional power grids and specific industries (such as steel), promoting low-carbon development in multiple industries.

Green Cable

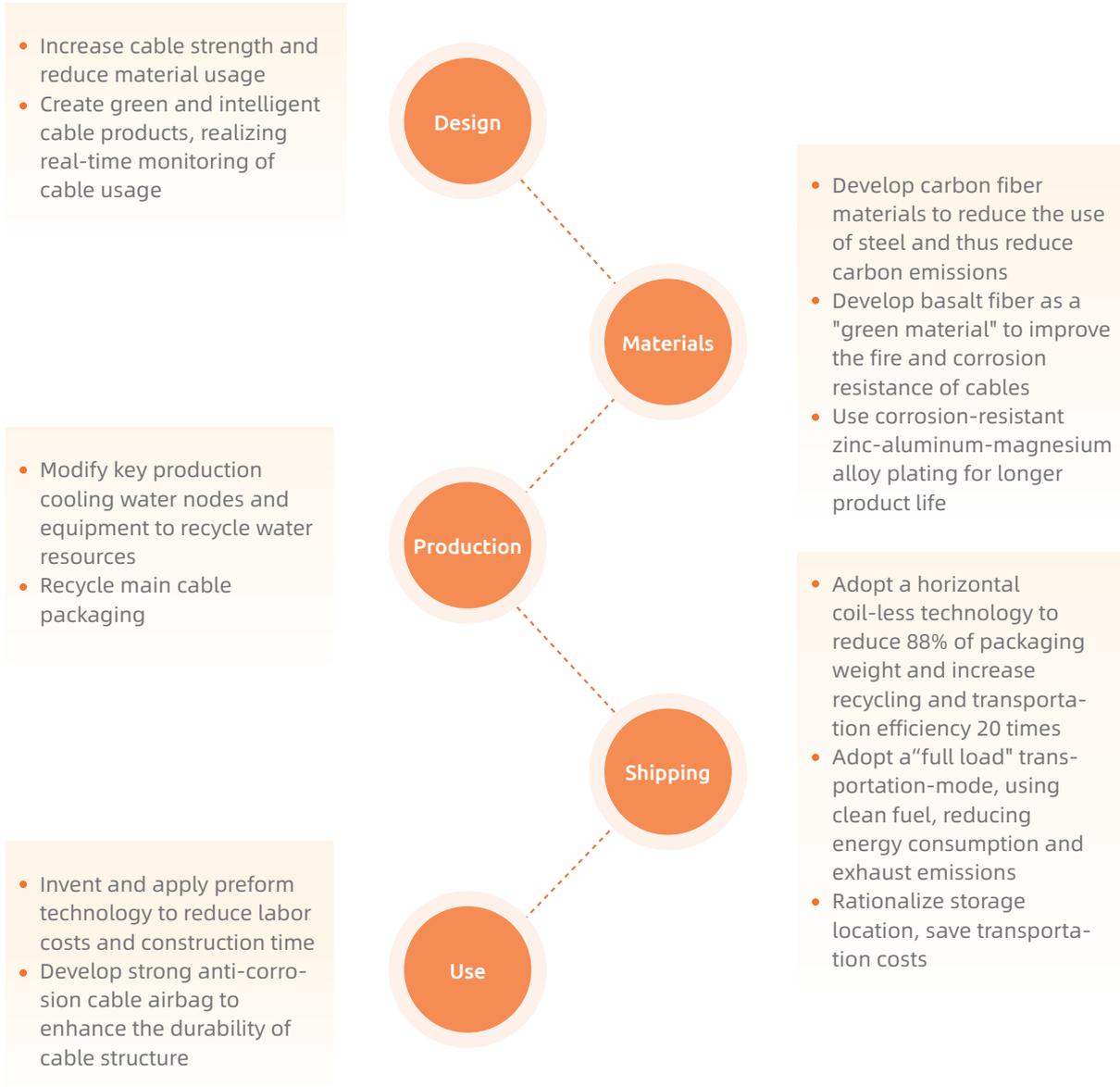
Pujiang Cable has set practical and feasible short-term goals: by 2025, the strength of the bridge cable used will be improved to over 2,000 MPa, and the product strength, service life, and comprehensive energy efficiency will be continuously improved through technological innovation; promote low-carbon practices throughout the product lifecycle from design, materials, production, transportation, to application, and create a green and sustainable cable brand.

Our goal

Pujiang Cable

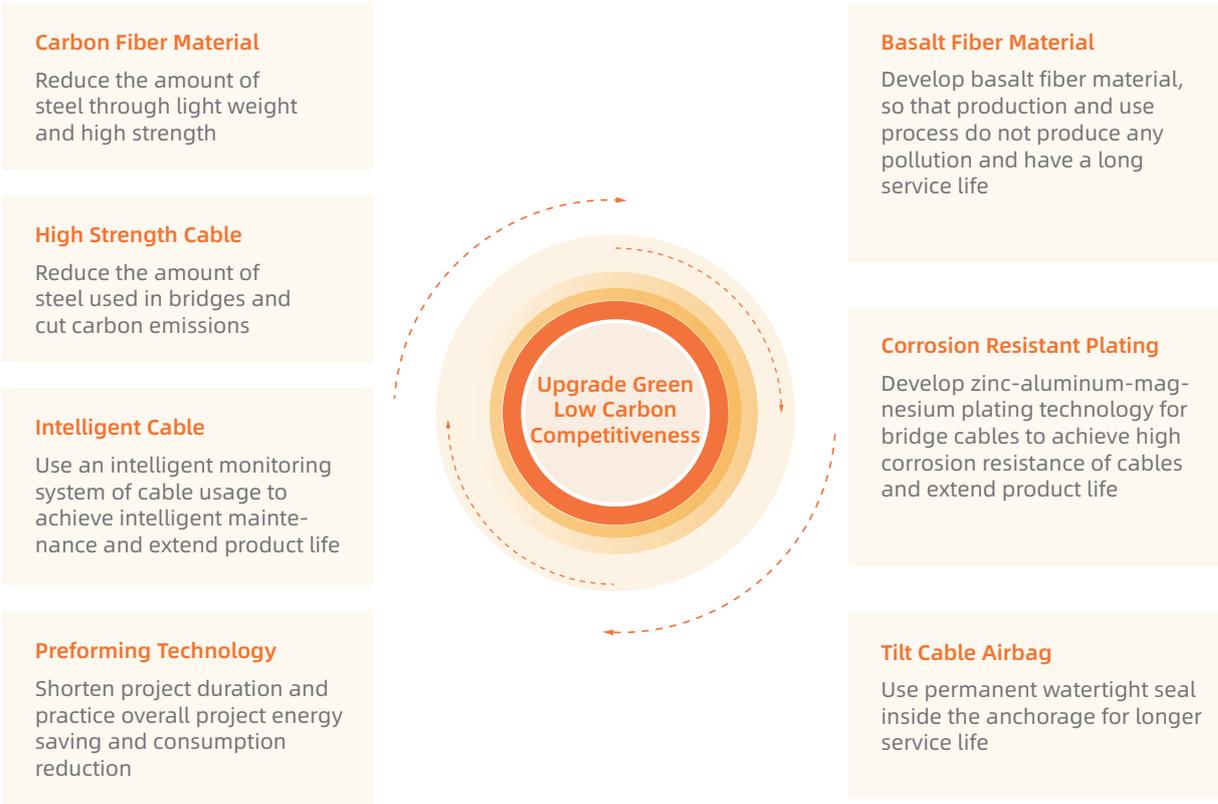
By 2025, the strength of all our bridge cables used will be improved to over

2,000MPa



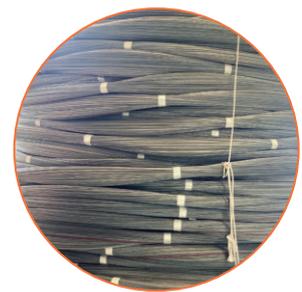
Full Lifecycle Low Carbon Initiatives for Cable Products

The "Seven Significant Technologies" Drive the Low Carbon Development of Green Cable



→ High Strength Cable

We improve the strength of the main cable strand steel wires of a long-span suspension bridge built in China and abroad, from 1,670MPa, 1,770MPa, 1,860MPa, to 1,960MPa high strength steel wire manufactured by domestic wire rods for the first time in Nizhou Section of the Humen No.2 Bridge, and 1,960MPa high strength galvanized steel wire used for the world's first span bridge, Chanakalai Bridge. Afterwards, the 2,060MPa grade steel wire main cable was made to use for the Lingding-yang Bridge in the ongoing construction of the Shenzhen-Zhongshan-Passage and the 2,100MPa main cable strand strength required for the Nanjing Xianxin Road River-Crossing Channel. In addition, the strength of the main cable strand of the South Section of Zhangji-ang Jinggao Yangtze River Bridge is required to reach 2,200MPa, which will become the first span suspension bridge in the world after completion. At the same time, we are also developing 2,260MPa ultra-high strength steel wire.



High Strength Cable

The enhanced strength of steel wires can improve the main cable's capability to span, reducing the amount of steel wire used in the cable system when the crossing distance is fixed. For instance, considering the South Section of Zhangjiang Jinggao Yangtze River Bridge, its main cable strand is 2,200MPa, leading to an approximately 18% decrease in steel consumption as opposed to the 1,860MPa main cable strand. Correspondingly, the anchoring structure suffers a reduction as well, thus cutting down the number of materials utilized, resulting in construction costs reduction and yielding notable economic and social benefits. At the same time, the reduction in steel consumption has woefully contributed to the reduction of carbon emissions, thereby wholly satisfying the requirements of green, low-carbon, and environmental protection. This certainly serves as an essential direction in deepening the reform of ecological document construction in the modern era.



Humen No.2 Bridge Project - application of 1,960MPa high strength cable

In Humen No.2 Bridge, a world-class bridge project, Pujian cable successfully applied the manufacturing technology of the main cable strand of the 1,960MPa galvanized aluminum suspension bridge to the Nizhou Section, reducing the weight of the entire main cable by 3,800 tons, increasing the loading capacity, helping energy conservation and emission reduction, promoting green development, and serving the national strategy of "carbon peaking and carbon neutrality".



Nizhou Section of the Humen No.2 Bridge

→ Carbon Fibre Material

Carbon fiber and its composite materials are the development and material foundation of emerging industries. The R&D of carbon fiber materials can address the “bottleneck”, which is of great significance for promoting the transformation and upgrading of traditional industries and ensuring national strategic security. Meanwhile, the application of carbon fiber materials in bridge cables is expected to replace steel wire as the main load-bearing material for bridge cables. Usually, a large bridge uses steel wires ranging from 5,000 to 30,000 tons, and steel produces a large number of carbon emissions during the smelting process. Therefore, the development of carbon fiber cables and the reduction of steel usage promotes the reduction of carbon emissions, which further reflects the green and low-carbon concept.

To construct high-performance and long-lived Sichuan-Tibet Railway Bridges under complex plateau conditions, we have used carbon fiber composite materials with a tensile strength of more than 2,400MPa and an expected service life of over 50 years. The technology has been included in the key project of the 14th Five-Year Plan of the Ministry of Science and Technology of China. In 2022, based on our previous research, we further promoted the R&D of carbon fiber cables, raising the strength level of carbon fiber cables to 3,000MPa, nearly doubling the strength of the currently highest-strength steel wire cables. We have successively trial-produced 3,000MPa grade 5-253, 7-139, 5-61, 7-61 and other specifications. The 5-253 cable has passed static load tensile tests, 4 million fatigue tests, and post fatigue static load tensile tests, with a strength of 100% efficiency. The 7-139 specification cable has completed static load tests, 4 million fatigue tests, and post fatigue static load tests, with a static load of over 95%, meeting the requirements of bridge cable specifications.

Next, the Company will continue to optimize the cable structure and improve its performance. At the same time, the Company will develop intelligent carbon fiber cables to provide monitoring function of the long-term performance and better safety performance , providing a reference basis for the maintenance and replacement of carbon fiber cables in the future.



Carbon Fiber Cables



Sichuan-Tibet Railway Bridge - application of large tonnage carbon fiber composite cable

The large-tonnage carbon fiber composite cable used for bridges on the Sichuan-Tibet Railway Bridge is a scientific research project jointly developed by Pujang Cable and Beijing University of Science and Technology, Tsinghua University, Harbin Institute of Technology, Chinese Academy of Railway Sciences, China Railway Eryuan, China Railway Major Bridge Reconnaissance & Design Institute, and Long & Major Bridge Research Center. The cable has a strength grade of 3,000MPa, a fatigue stress amplitude of 300MPa, and 2.4 million cycles, far exceeding its design requirements.



Carbon Fiber Cables



Carbon Fiber Cable Fatigue Performance Test, Post-fatigue Static Load Test

—> Basalt Fiber Material

In light of efficient fire prevention, energy conservation and emissions mitigation, as well as low-carbon environmental protection, the refractory cable employs aluminum silicate ceramic fiber material as the basic material, superseding the heavily polluted and detrimental asbestos and glass fiber. To further upgrade the cable fire resistance performance and to extend its overall service life, we carried out the research on “Integrated Fire Resistance, Waterproofing, and Vibration Reduction Cable” project based on the Hongqimen Grand Bridge of the Nanzhong Expressway in 2020 and optimized the material and structure as a whole. The second generation fire-resistant cable product we developed utilizes basalt fiber as an alternative material, overcoming the deficiencies of aluminum silicate ceramic fiber material such as low strength, inadequate density, and incapability to be mechanically wrapped.

Basalt fiber not only exhibits exemplary fire resistance qualities but also provides superior tensile and cutting capabilities for cables. Additionally, it boasts remarkable acid, alkali, and salt resistance, lending it to perform a certain level of corrosion inhibition. Moreover, its production and usage do not cause any contamination and is praised for its nonflammable, flame retardancy, smokeless, and high-temperature resistant properties, in addition to an absence of toxic gas discharge, superior insulation, no melting or dripping, and no heat shrinkage phenomenon, all in accordance with current pro-environmental advancement requirements. The remarkable performance and ecological consciousness of basalt fiber materials, on top of enriching cable fire resistance, also contribute to cost-reduction and power-saving and emission decrease.

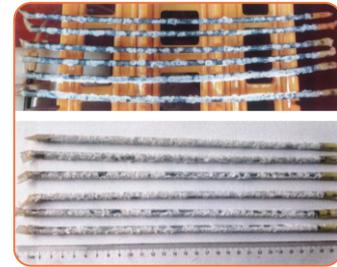


Basalt Fiber Material

→ Corrosion Resistant Plating

With the progression of science and technology, remarkable advances have been achieved in the anticorrosive technology of steel. Hot-dip galvanization and hot-dip galvanization aluminum are widely used methods nowadays.

At the beginning of 2019, we industrially manufactured our bridge cables with zinc aluminum magnesium (ZAM) coated steel cables. The rust resistance of ZAM alloy coating is more than twice that of zinc aluminum alloy coating, increasing rust protection of the bridge cables dramatically. Furthermore, this alloy coating has a self-healing coating (notch protection performance), which implies that when slight cracks or abrasion occur on its coating, the ZAM coating will form a new protective film at those exposed parts to shield the steel cables from additional abrasion. The first invention patent for the zinc aluminum magnesium alloy-coated steel wire main cable strand of Pujiang Cable is currently being accepted, and five utility model patents have been obtained for related tooling equipment.



Corrosion Resistant Coating



Fenglin Grand Bridge Project - ultra high corrosion resistance cable

Following the construction idea of a "transportation powerhouse" in Guizhou Province, guided by the development concept of "innovation, coordination, green, openness and sharing", Pujiang Cable adopted zinc-aluminum-magnesium alloy coated steel wire with super high anti-corrosion performance for the whole bridge cable of Fenglin Grand Bridge in Guizhou, extending the life of the cable's anti-corrosion protection and actively promoting technological innovation in the bridge raw material industry.



Fenglin Grand Bridge

—> Intelligent Cable

The lack of monitoring methods for cable structures in a large number of bridges built domestically and internationally has led to safety accidents in some bridges as a result of cable structure issues. In recent years, despite some bridges being equipped with health monitoring systems, variances in measured cable forces have been observed due to factors like testing instruments, transmission methods, anchoring methods of the cables, as well as the length, slope, position, sag, and sheathing of shock absorbers.

The intelligent cable developed by Pujiang Cable is a combination of fiber optic grating sensors and high-strength steel wire cable structures, which is a cable structure with sensing capabilities. Fiber optic grating sensors are used inside the cable to sense the stress strain, temperature and humidity changes during operation, and fiber optic demodulators are used to interpret the data and transmit it to a computer. In addition, a dehumidification system inside the cable can intelligently perceive changes in the internal environment of the cable, adjust the humidity environment inside the cable in real-time, control cable corrosion, and extend the service life of the cable. In 2021, the "Intelligent Cable" developed by Pujiang Cable was demonstratively applied to the Hedong Bridge in Guangzhou, in which the intelligent sensing system was running well. In 2022, the "Intelligent Strand" underwent pilot testing at the Lingding-yang Bridge in the Shenzhen-Zhongshan-Passage, and the detection accuracy of the intelligent perception system meets the expected requirements and operates well. The successful development of intelligent cables provides substantial support for controlling the environment of bridge cables and enhances the service life of cable bridges. Additionally, it brings significant environmental, social, and economic benefits.



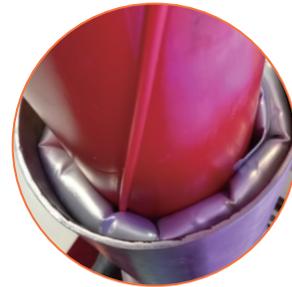
Intelligent Cable

→ Tilt Cable Airbag

For both the domestic and international cable industry, establishing a waterproof seal between the extruded double layer PE cable and the anchor has been a major challenge. Water accumulation within the anchor cavity of stay cables can lead to severe corrosion of the connecting steel wires, thereby greatly reducing the service life of the stay cable and increasing maintenance costs.

To effectively address this issue, Pujiang Cable has developed a high-strength aluminum alloy airbag pressure sealing device. Utilizing a dynamic pressure adaptive sealing technique, the airbag is tightly affixed to both the cable body and the inner wall of the stainless steel cylinder, thus blocking water and steam from infiltrating the cable body and protecting the steel yarn at the cable's end. This solution grants permanent waterproof sealing within the anchor, effectively preventing corrosion of the connecting steel wires due to water accumulation in the stay cable's cavity and simultaneously extending the cable's service life, as well as that of the bridge.

The new cable sealing system of Pujiang Cable has been tested and verified, appraised and promoted, and has been applied on more than 40 bridges in China and abroad. 11 patents have been granted.



Tilt Cable Airbag

→ Preforming Technology

Pujiang Cable first proposed the preforming technology of the main cable strand of the suspension bridge in 2007 to solve the problem of a global engineering challenge - a 90 metre super long, super-large cable saddle at the girder end of the Oakland Bay Bridge in San Francisco, USA and the main cable saddle into the saddle at the top of the tower. This technology preforms the main cable saddle and loose cable saddle segments into rectangles in the factory in a way that safeguards the cable strand steel wire from damage. The main cable strand can be directly inserted into the saddle during on-site installation, thus enhancing installation quality, improving installation efficiency, reducing construction intensity, saving time and effectively protecting the surface coating of the steel wire.



Performing Technology

In 2022, Pujiang Cable also provided technical consulting services for the Jiyuan Yellow River Three Gorges Bridge based on preformed technology. The Jiyuan Yellow River Three Gorges Bridge has a high similarity in overall bridge type and cable type with the Oakland Bay Bridge in the United States. Pujiang Cable, being the only enterprise in the field with equivalent cable production and service experience, has already provided the bridge with cable structure calculation and engineering consultancy multiple times. The Company is currently actively preparing for the upcoming bid project.



Performing Technology

 **Yunnan Longjiang Grand Bridge Project - preforming method for main cable unit cable strands with cross section changes**

Pujiang Cable is a cable supplier for the Longjiang Grand Bridge in Yunnan Province, which is the world's largest bridge spanning the canyon. The bridge adopts the patented technology invented by Pujiang Cable, the "pre-forming method of main cable unit cable strands with cross-sectional changes". That invention shortens its construction period by a full 57 days at the fastest speed of main cable installation in the world's history of bridge building, thus bringing huge social and economic benefits.



央视国际频道2016年4月关于我公司的悬索桥主缆预成型技术在龙江桥的应用情况介绍，并宣传了该桥应用预成型技术后挂索施工节约了2/3工期打破施工工期世界纪录。

Yunnan Longjiang Grand Bridge and Related News Coverage

Green Superconducting Materials

With the swift progression of urbanization and industrialization, high-temperature superconducting technology, a cutting-edge technology of strategic importance, exhibits substantial potential for application in domains ranging from power, medicine, and maglev transportation, to massive scientific equipment.

Superconductive transmission technology offers solid technological support for the construction of new power networks, overturning the status quo of being constrained by humans amidst the traditional transmission periods. Superconducting transmission, as a green new energy technology, is also an important lever for achieving the national dual carbon goal. Superconductive power transfer, relying on its reduced losses and high capacity, provides dual benefits of economy and carbon reduction when transmitting electricity securely. The carbon reduction of every kilometer of AC superconductive cable throughout its lifecycle can reach around 70% of that of conventional cables.

International Superconductor has comprehensive capabilities including independent R&D, manufacturing, installation, and integration of superconducting cable lines. Its superconductive products offer merits such as low loss, high capacity, compendiousness and environment friendliness and can be deployed in urban power grids and steel smelting sectors. We are incessantly striving to modulate the overall performance of superconductive cables, developing short to medium-term objectives of energy efficiency and carbon emission for superconductive products.

Our goal

By 2025, International Superconductor will achieve a sustained

15-30%

improvement in the overall energy efficiency of superconducting cables through technological innovation and quality improvement

and by 2030, it will achieve a

50%

improvement.

By 2025, the Energy Efficiency Project of International Superconductor will reduce the emissions of its steel mills by a cumulative total of

6 Million tonnes

From 2026 to 2030, the cumulative reduction of emissions will be

10 Million tonnes





International Superconductor led the world's first 35 kV kilometer-grade superconducting cable demonstration project

On 22 December 2021, the world's first 35 kV kilometer-grade superconducting cable demonstration project was officially put into operation. International Superconductor took the lead in developing the required superconducting cables and other key components, solving the world's longest and only double intermediate joints, the whole row of pipe laying and other construction problems, leading the world's first superconducting cable to support the backbone of a mega-city grid onto the stage of history, playing a milestone exemplary role in helping the "dual carbon" target.

In 2022, the world's first 35 kV-grade superconducting cable demonstration project provided a safe and stable power supply to 46,000 users in Xuhui District, Shanghai for a full year, with a cumulative transmission capacity of 174 million kilowatt hours. It also ran at an extremely low temperature in winter and a constant high temperature of 41 °C in summer, without a single operational failure and achieving "fully-intelligent maintenance and exceeding expectations in energy saving". At the scientific and technological achievements appraisal meeting organized by the China Electricity Council, the appraisal committee composed of renowned experts from the power grid and superconducting fields unanimously agreed that the overall technological achievements of the project - R&D, design, laying and operation of superconducting cables - have reached the international leading level.

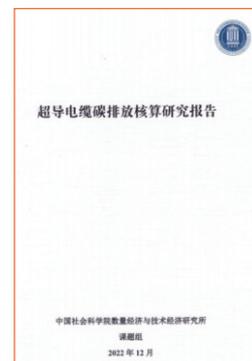


The World's First 35 kV Grade Superconducting Cable Demonstration Project was Put into Operation



International Superconductor built Baosteel Demonstration Project

In 2013, International Superconductor completed the installation and commissioning of the first low-temperature insulated 35 kV 2,000 A high-temperature superconducting cable in China at Baosteel Corporation. At the time, it was the only high-temperature superconducting cable project that was actually applied to industrial production. This project provided significant data support for the operation and maintenance of superconducting cables and thereby promoted the further application of superconducting electroconnections in the steel industry. In 2022, a study by the Chinese Academy of Social Sciences' Institute of Quantitative Economics and Institute of Technology and Economics of the Chinese Academy of Social Sciences measured the whole life cycle carbon emissions of superconducting products, and the results showed that compared with traditional cables, its low carbon emission reduction effect is remarkable.



Research Report on Carbon Emission Accounting for the Full Life Cycle of High Temperature Superconducting Cables

Green production

Energy Consumption Management

Against the backdrop of increasingly strict national requirements for energy consumption performance and comprehensive management of manufacturers, we have made it clear in the *PJI Group's Safety, Quality and Environmental Policy* that we always adhere to conserving social resources during operation, optimizing energy structure, actively utilizing renewable energy, improving energy efficiency, and promoting energy recycling and reuse etc. On a corporate level, we have also formulated the *Regulations on the Management of Power Savings* to proactively improve the Company's energy utilization efficiency. Drawing upon our accumulated production and operational experience, we have deeply explored opportunities for energy conservation, consumption reduction, production increase and efficiency enhancement, and comprehensively improved our own energy management quality and ability.

For each subsidiary, PJI Group has formulated diversified energy consumption management policies from different dimensions, including production energy, office energy, vehicle energy, etc. The specific policy formulation and action measures are as follows:

01

Pujiang Cable has formulated the *Energy Resource Management Measures* and regularly updates the *Energy and Resource Consumption Statistics* to achieve daily registration and control of energy used in production, reduce project operating costs and thereby realize energy saving.

02

Pujiang Cable developed the *Non-Production Motor Vehicle Management System* to improve the efficiency of vehicle use, the control fuel consumption of own vehicles and reduce Scope I greenhouse gas emissions.

03

Ossen Jiujiang has set energy-saving and environmental protection targets and KPI indicators, stopped using coal-fired boilers and switched to natural gas steam boilers for production, converted all air compressors and pumps controlled by frequency conversion technology, and improved the utilization rate of energy, reducing greenhouse gas emissions.

Our goal

By 2025, the Company's comprehensive energy consumption intensity (measured as tonnes of standard coal/million revenue) will decrease by

50% ↓

The Company will use the space of Pujiang Cable, Ossen Innovation Materials and Ossen Jiujiang's existing plants to promote the use of **photovoltaic power generation** to reduce the electricity consumption of the grid

and to **increase the Company's renewable energy use ratio** by 2025.



Key Performance

Environmental indicators		Unit	2022
Direct energy consumption	Diesel	Tonnes	10.68
	Petrol	Tonnes	43.54
	Natural gas	Standard cubic metres	28.30
Indirect energy consumption	Electricity consumption	1,000 Kilowatt-hours	289.50
Direct energy consumption conversion		Tonnes of standard coal	79.67
Indirect energy consumption conversion		Tonnes of standard coal	355.80
Integrated energy conversion		Tonnes of standard coal	435.47
Integrated energy intensity		Tonnes of standard coal / million revenue	0.20

1. Direct energy comes mainly from diesel and petrol consumed by PJI Group's subsidiaries' own vehicles (including forklifts) and natural gas used in canteens. The data is calculated and converted into tonnes of standard coal in accordance with the *General Rules for Calculating Comprehensive Energy Consumption (GB/T2589-2020)*.

2. Indirect energy is mainly derived from the purchased electricity consumed by the operations of PJI Group's subsidiaries. The data is calculated and converted into tonnes of standard coal in accordance with the *General Rules for Calculating Comprehensive Energy Consumption (GB/T2589-2020)*.

Water Resources Management

Water is one of the most important material resources for human survival and development. PJI Group attaches great importance to the impact of water resource consumption on the environment, remains committed to water resource protection, promises to reduce water consumption intensity to ensure sustainable use of water resources, and encourages affiliated companies and partners and other relevant parties to:

→ Comply with all legal and regulatory requirements related to water resources.

→ Design and implement efficient water resource management measures during operation to improve water efficiency and reduce water consumption in business activities.

→ Actively collect water use data to develop, monitor, and regularly review water use policies and objectives.

→ Protect and restore the water storage areas and natural ecosystems of the business location, especially in areas with scarce water resources.

→ Actively collaborate with external partners, associations, non-governmental organizations, and communities to develop and promote sustainable water use practices.

→ Enhance stakeholder engagement and educate employees to encourage responsible water use attitudes.

Our goal

By 2025, the Company will reduce water consumption (tonnes) as well as water consumption intensity (tonnes/million revenue) by

20% ↓

compared to 2020, and scientifically build more water recycling facilities.



Key Performance

The water source of PJI Group is local municipal water and there is no risk of water shortage.



Ossen Innovation Materials was awarded "Anhui Provincial Water-saving Enterprise" and "Anhui Provincial Environmental Protection Integrity Enterprise".

Ossen Innovation Materials has established a sound water conservation management network and a clear job responsibility system, with a competent leader in charge of water conservation work and an office meeting system, a water conservation department, and water conservation management personnel, standardizing original records and making ledgers. Ossen Innovation Materials's industrial water reuse rate reached 95.8%, the indirect cooling water recycling rate was 97.8%, and the water loss rate per unit of water facilities (including self-provided wells) was 1.0%, and was awarded as "Anhui Provincial Water-saving Enterprise" and "Anhui Provincial Environmental Protection Integrity Enterprise" in 2021.



Key Performance

Environmental indicators	Unit	2022
Water consumption	Tonnes	72,338
Water consumption intensity	Tonnes / million revenue	33.62

Pollutant Management

Environmental pollution can disrupt and destroy ecosystems and the normal production and living conditions of humans. Preventing and controlling environmental pollution is crucial for promoting high-quality development of the ecological environment and achieving sustainable economic and social development. PJI Group attaches utmost importance to environmental protection, strictly controls various environmental pollutants generated during operation, mitigates or improves their impact on the environment, and dutifully implements eco-efficiency procedures in all aspects of production and operation.

PJI Group promises to reduce the discharge of wastewater and air pollutants during the operation process, in order to reduce the impact of production and business activities on the environment and people, and encourages affiliated companies and partners and other relevant parties to:

- Comply with all legal and regulatory requirements related to the discharge of wastewater and air pollutants.
- Develop effective wastewater and air pollutant management systems and related reduction targets, properly manage and reduce the negative impact of production and business activities on the environment.
- Implement effective wastewater discharge management, standardize and verify wastewater treatment methods, and reduce wastewater discharge through wastewater recycling.
- Actively adopting the best feasible technologies and facilities that meet various business formats, effectively treating various air emissions, optimizing internal management, supervising and improving various production and operation activities, and reducing air pollutants.
- Establish an emission data collection system to monitor the discharge of wastewater and air pollutants in various operating areas, evaluate their impact on the environment, and establish timely and accurate improvement measures.
- Actively cultivate and enhance the environmental awareness of relevant parties and employees.

Our goal

By 2030, the Company will reduce its SO₂ emissions (kg) by

50% ↓

compared to 2020.

By 2025, the Company's hydrochloric acid consumption will

reach its peak

Ossen Innovation Materials: optimize the overall process, reduce the amount of hydrochloric acid per unit, and reach its peak by 2025; Reform the wire surface treatment process; Adopt new technologies such as shot blasting instead of pickling; Gradually reduce the amount of hydrochloric acid to 0

Ossen Jiujiang:

continuously optimize the equipment and processes; Reduce the amount of hydrochloric acid in the coating process, and reach its peak by 2025; Increase the production capacity year by year and raise the non-hazardous treatment of waste acid to a new level





Ossen Jiujiang invested in the construction of sewage treatment systems and natural gas boilers

Ossen Jiujiang actively responds to the relevant provisions of the Yangtze River Protection Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Air Pollution by building a new sewage treatment station and directly purchasing a new natural gas steam boiler to produce steam for workshop heating. The total investment of the project is over 1.6 million yuan, and it is expected to:

Save **over 50,000** cubic meters of water, annually

reducing COD emissions by **over 1** ton

Increase the thermal efficiency of the boiler from **80%** of coal-fired boilers to

96%

and reduce the energy consumption from **200KG/H** to

79.5 KG/H

Greatly reduce pollutant emissions

Reduce the CO₂ emission rate from **955mg/m³** to

420 mg/m³

Reduce the SO₂ emission rate from **11.85mg/m³** to

0

Reduce the NO_x emission rate from **4.35mg/m³** to

0.5 mg/m³



Natural Gas Boiler in Ossen Jiujiang



Sewage Treatment System in Ossen Jiujiang



Ossen Innovation Materials focused on cleaner production

In 2022, Ossen Innovation Materials established a leading group for auditing the cleaner production and engaged qualified third-party consulting agencies. The audit report had a complete cleaner production audit plan and a sustainable cleaner production plan. A total of 32 cleaner production plans were screened during the audit, including 29 without or with low cost and 3 with medium or high cost. A total of RMB 9,030,000 were invested in the cleaner production project, resulting in economic benefits of RMB 740,000 per year, a decrease of 0.002 t/t in hydrochloric acid consumption, and a reduction of the production of 0.006 t/t in hazardous wastes. Furthermore, the project achieved excellent environmental and economic benefits and passed the expert group review to meet the acceptance requirements.



Key Performance

Environmental indicators	Unit	2022
SO ₂ emissions	kg	1.09
SO ₂ emission intensity	kg/million revenue	0.00051
NO _x emissions	kg	396.34
NO _x emission intensity	kg/million revenue	0.18
Particulate matter	kg	34.07
Emission intensity of particulate matter	kg/million revenue	0.02
External discharge of industrial wastewater	Tonnes	3,540
Industrial wastewater reuse	Tonnes	0
Chemical oxygen demand (COD) treated	Tonnes	147.90

Waste Management

In 2022, PJI Group continued to improve its internal systems such as the *Waste Management System* and the *Waste Classification and Management System*. The Company was committed to reducing waste during operation, seeking opportunities to recycle and utilize various types of waste to reduce the impact of production and business activities on the environment and people, implementing a waste management method based on source reduction, and actively, safely, and efficiently disposing of waste generated in production and business activities, effectively using resources while seeking opportunities to recycle and utilize waste and develop a green circular economy.

The main solid waste generated by PJI Group in the production and operation process includes hazardous waste such as zinc slag, waste scraps, and household waste. Non-hazardous waste such as waste acid liquid, phosphating slag, waste batteries, and waste ink cartridges are treated by recyclers. Hazardous waste is stored separately in the Company's hazardous waste warehouse and duly disposed of outside by qualified hazardous waste treatment companies. Each subsidiary under PJI Group is led by relevant responsible departments to develop systems for the management, disposal, and ledger recording of general solid waste and hazardous waste. All types of waste are effectively managed.

Our goal

By 2030, the Company's non-hazardous waste emissions (tonnes) and the intensity of non-hazardous waste emissions (tonnes / million revenue) will decrease by

20% ↓

compared to 2020

This is possible through the strict implementation of waste separation and recycling of renewable resources. The company will establish a hazardous waste management system to achieve a significant reduction in hazardous waste emissions.

By 2030, the Company will achieve

100%

recycling of production waste¹.

1. Production waste in this context mainly refers to galvanized steel wire of varying lengths generated during cable processing, steel wire and strand waste generated during the production of coated prestressed products, and packaging during the process.

Pujiang Cable

- Statistics on the disposal volume of recyclable wastes and hazardous wastes are made every month, and the *Statistical Record of Waste Disposal* is created to realize waste statistics and separate treatment.

Ossen Jiujiang

- The *Hazardous Waste Management System* was created to build a full process management system of hazardous waste collection, storage, transfer, utilization and disposal.
- The *General Industrial Solid Waste and Domestic Waste Management System* and the *General Solid Waste Ledger* was created.

Ossen Innovation Materials

- The *Hazardous Waste Pollution Prevention and Control Responsibility System* was created to implement waste management responsibilities to departments or individuals to promote effective management of hazardous waste.
- The *Hazardous Waste Management System* was created, and the collection, storage, transfer and transportation of hazardous waste are properly operated in accordance with the regulations on hazardous waste management. In order to prevent environmental pollution and safety accidents the requirements of the discharge permits were issued at the source.

Types and disposal methods of wastes



Non-hazardous waste

- Scrap and other production related → Contact scrap dealers from time to time for recycling and disposal
- Zinc slag → Segregated storage and recycling are done by a qualified institution
- Related to other areas of daily life → Separate and dispose in the bins of PJI Group and its subsidiaries on a daily basis



Hazardous waste

- Waste acid → Store independently in each subsidiary's hazardous waste store and recycling is done by a qualified institution
- Phosphate slag → Temporarily store in the Company's hazardous waste store and recycling is done by a qualified institution
- Other household hazardous waste → Store uniformly and regularly dispose
 (e.g. fluorescent lamps, waste lead batteries, waste nickel-cadmium and mercury oxide batteries, waste toner cartridges, ink cartridges)



Key Performance

Environmental indicators	Unit	2022
Hazardous waste emissions	Tonnes	52.91
Hazardous waste emission intensity	Tonnes / million revenue	0.02
Non-hazardous waste emissions	Tonnes	497.20
Non-hazardous waste emissions intensity	Tonnes / million revenue	0.23

Use of Materials

The vigorous development of a circular economy, the implementation of resource conservation and intensive utilization, and the establishment of a resource recycling industry system and a waste material recycling system are of great importance for advancing the achievement of the dual carbon objective and for reinforcing the construction of ecological wellbeing. PJI Group is dedicated to sustainable development, enhancing the “reutilization rate” of resources throughout the product lifecycle, and forming a green industrial chain of a circular economy.



Pujiang Cable responded to the concept of green products and recycled packaging

In 2022, the slings, stay cables, and structural cables of Pujiang Cable are all packaged with recyclable and degradable materials, effectively reducing the impact of the packaging life cycle on the environment. The oilcloth, lining, pallets, and other packaging materials for cable products will also be appropriately recycled and converted for other projects, further promoting a circular economy.



Key Performance



Total packaging material used
for the product in 2022

598.18 Tonnes

Green Office

In 2022, PJI Group actively practiced the concept of green office, and each subsidiary implemented a series of green office measures to save resources and energy as much as possible, including:

Strengthen electricity management



Reasonably set the air conditioning temperature. The remote control of the air conditioner is set to a temperature of no less than 26°C for cooling in summer and no more than 20°C for heating in winter. We also regularly clean the filters and other devices to improve the energy efficiency of air conditioning. Computers, printers and other equipment are switched on as they are used or set to an automatic energy-saving state to avoid appliances being on standby for long periods of time, and all types of power supplies are switched off consciously after work to eliminate the waste of electricity.



Strengthen water management

Enhance water-saving awareness, strengthen daily maintenance and management of water equipment, and regularly inspect and repair water supply facilities.





Strengthen fuel management

Control the addition of new vehicles, improve the management system for office vehicles to improve vehicle efficiency, and minimize unnecessary official vehicle trips to improve usage efficiency.



Strengthen the management of office supplies

The internal information of the company is mainly shared through tools such as email and ERP software. We also advocate double-sided printing to save paper. To enhance the energy-saving awareness of all employees of the company, we advocate a healthy lifestyle of "green office, low-carbon life", guide and drive all employees to create a good atmosphere of energy conservation, and reduce the Company's operating costs.



03

Building Technology-driven Innovation Ecosystem

Scientific Innovation
Industry Contribution



Scientific Innovation

Innovation Systems

China's real economy, particularly its manufacturing industry, needs to stay committed to the path of technological innovation, pursue "high quality" with "high technology", upgrade "momentary leadership" into "everlasting leadership", and continuously integrate itself into the main field of national innovation, and advance into the main area of independent innovation. PJI Group has established a technology innovation system in which enterprises play a major role along with market orientation and the industry-university-research-application integration, promoting the continuous improvement of technology innovation in each subsidiary from top to bottom.

Pujiang Cable

- Relying on the Shanghai Bridge Engineering Technology Research Center, Pujiang Cable recruited and cultivated talents, boosted the Company's core competitiveness in technology, and invested in expanding the technology R&D center, purchased advanced R&D experimental equipment, expanded the R&D team, forming a modern technology R&D center that integrates technology research, experimental testing, achievement transformation, and product development, thus fortifying the standing in the industry;
- Developed a complete set of technology incentive mechanisms, including the *Technology Incentive Management System* and the *R&D Personnel Performance Assessment Management System*, to establish an efficient technology innovation incentive mechanism and a comprehensive technology R&D management system

Ossen Innovation Materials

- A post-doctoral research station was established to jointly train post-doctoral fellows with the universities and technologies to overcome technical problems related to prestressed materials.

Ossen Jiujiang

- Closely integrated industry, university, research and application, formed an innovative R&D team in collaboration with universities and colleges to complete multiple research projects on prestressed materials;
- Developed the *Intellectual Property Reward and Punishment System*, and set up multiple types of innovation incentive awards such as innovation achievement awards, technology improvement awards, technology invention awards, and design scheme awards.

International Superconductor

- Equipped with a process workshop and laboratory, which has achieved the international first-class level in terms of advanced equipment, technical innovation and quality stability. The R&D team is a research team with excellent world-class technical strength for the industrial application of superconducting cables.



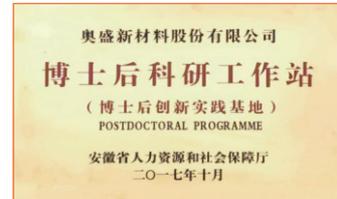
R&D Innovation Platform Recognition

Pujiang Cable was awarded the honorable title of "National Intellectual Property Advantage Enterprise" recommended by the Shanghai Intellectual Property Administration and promulgated by China National Intellectual Property Administration.

Pujiang Cable Technology R&D Centre was accredited as a "Jiaxing Key Laboratory" (Category B).



Ossen Innovation Materials was recognized as the "Anhui Province Postdoctoral Research Station" by the Department of Human Resources and Social Security of Anhui Province.



The International Superconductor Laboratory was included in the first batch of national scientific research laboratories in China by CNAS and was also the first scientific research laboratory in China (CNAS RL0001).

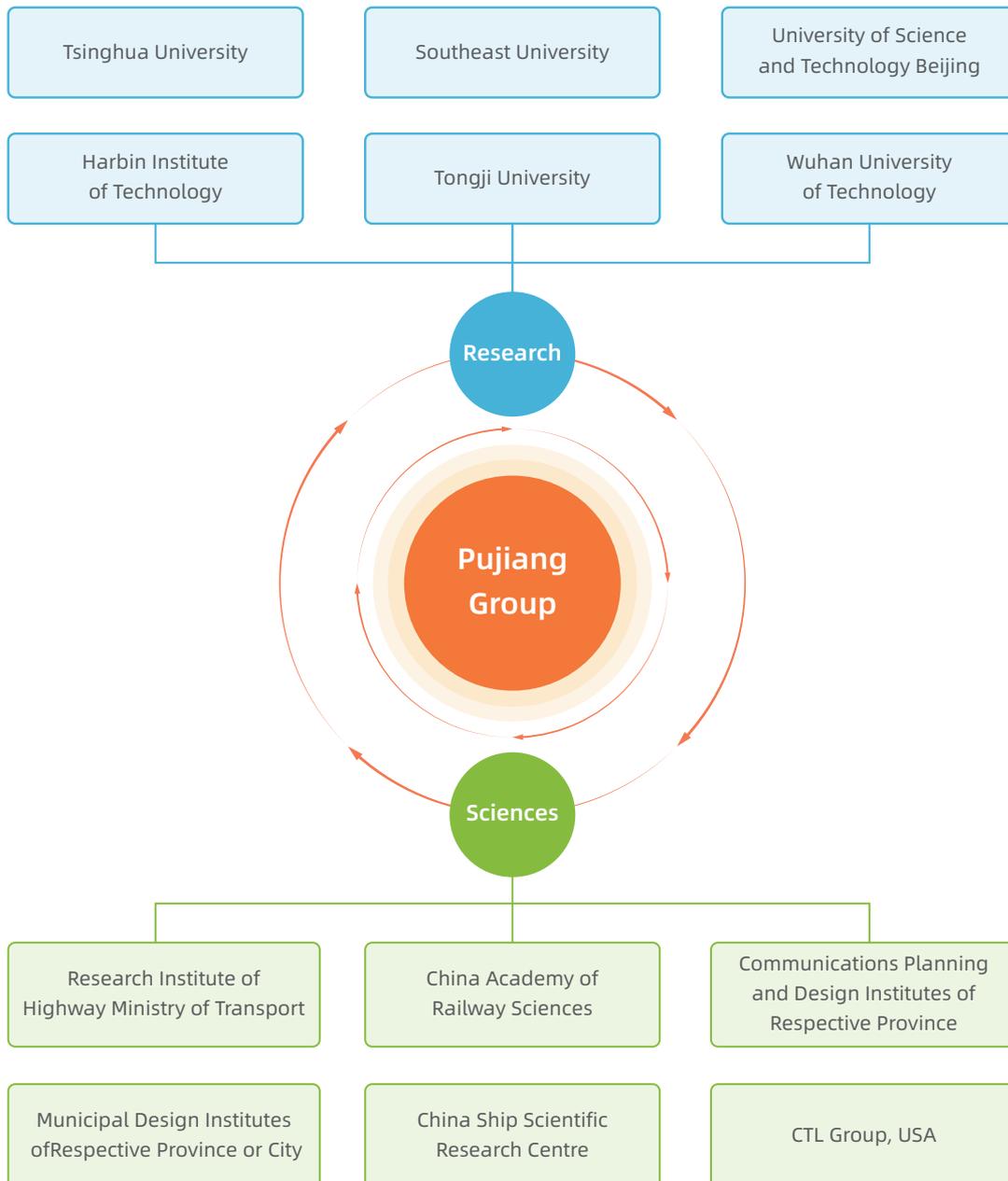


Ceremony for the Establishment of the Shanghai International Super-conductor Technology Innovation Centre



Industry-Academia-Research Cooperation

PJI Group places a significant emphasis on industry-university-research collaborations. To this end, the Company has initiated several scientific and technological cooperation with prominent universities and research institutes, leveraging their complementary advantages and fostering the development of talent pool from universities, achieving common progress on the basis of win-win cooperation.



PJI Group (Pujang Cable) Conducted Industry-university-research Cooperation

Innovative Achievements

Based on our proven innovation system, we have produced and implemented innovation outcomes in all three business lines of the Company, achieving the effective development of system-driven innovation and implementation of innovation results.



Bridge Cables

- The new product verification test and appraisal of "Φ6.0mm-2,060MPa Zn-Al-Mg alloy coated steel wire main cable strand" for Lingding-yang Bridge of Shenzhen- Zhongshan-Passage was completed, which proved that the strength grade of 2060MPa was better than the standard. The upgrading of strength means a reduction in bridge weight, which promoted energy conservation and efficiency, and reduced carbon emissions;
- The research and test work of "Intelligent Cable" was completed and successfully applied on Hedong Bridge.



Prestressed Products

- "High-performance Corrosion-resistant Galvanized Aluminum Rare Earth Alloy Steel Wire for Bridge Cables" was selected as a major science and technology project in Jiujiang City. Key technologies include the drawing technology of ultra-high strength steel wire, the non-stop joint technology of hot-dip galvanizing production line, and the rare earth microalloying technology of plating solution;
- "Research and Development of New Green and Environmentally Friendly Production Technology for Steel Wire for Bridge Cable" adopted the latest international ultrasonic electrolytic alkali washing technology to remove the surface oxidation layer and residual dirt from the targets steel wire. By replacing charcoal with new nitrogen protection wiping technology, we have developed spray purification technology and environmental dust removal technology. Moreover, the vertical double drum spool collection and release line technology was newly developed. It is currently the fastest production line in China, with a production efficiency that can be increased by more than twice, creating a demonstration production line for new green and environmentally friendly technologies for steel wire used in bridge cables overseas;
- "A Zinc Aluminum Rare Earth Alloy Steel Wire Drawing Lubricating Powder Mixing Device" adopts a zinc aluminum rare earth alloy steel wire drawing lubricating powder mixing device, including a horizontal stirrer and a vertical stirrer, which can evenly stir the lubricating powder, prevent the lubricating powder from clumping, and better adhere to the steel wire. The lubricating powder is fed into the mold along with the steel wire to improve the lubrication effect of the steel wire, reduce mold consumption, and improve the toughness, plasticity, and surface quality of the steel wire.



Superconducting Material

- Complete the framework design of the liquid nitrogen circulation scheme for the 5km superconducting cable project in combination with engineering data, water experiment data and other achievements and domestic and foreign literature research;
- Conduct research on the optimization of multi-layer insulation structures, and complete basic research on the heat transfer mechanism of multi-layer insulation materials from the perspectives of winding tension, number of winding layers, and winding angle, providing theoretical guidance for engineering applications;
- Based on the design experience of current leads, the optimal heat leakage analysis of multiple structural forms of current leads has been carried out, and relevant software has been developed to support the design of current leads for cable terminals in subsequent projects;
- Propose a temperature rise method for AC loss testing of superconducting cables, preliminarily complete the research on AC loss testing of single-phase superconducting cables, and form corresponding research reports.



Key Performance



In 2022, PJI Group and its subsidiaries (including International Superconductor) invested RMB

10,630 Million in R&D

Intellectual Property Management

Intellectual Property Management Policy

PJI Group attaches great importance to the protection and management of intellectual property. The Company has developed a series of intellectual property management systems in accordance with relevant national laws, regulations, and standards such as the *Corporate Intellectual Property Management Code*, continuously improving the intellectual property management system, and promoting the comprehensive management of intellectual property from multiple aspects such as creation, application, protection, and management.



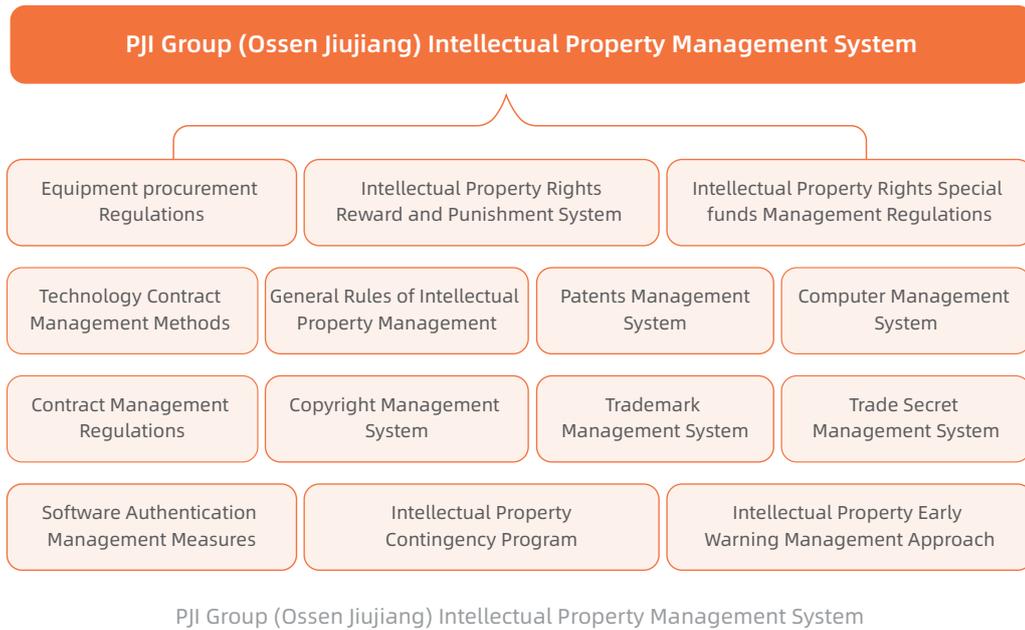
Pujiang Cable comprehensively implemented intellectual property management and protection

In 2022, Pujiang Cable conscientiously executed intellectual property management and protection. To the public, Pujiang Cable set up an intellectual property management department, dedicated to studying and analyzing the requirements of intellectual property laws and regulations related to its products in the markets and countries they operate in, to avoid the infringement of intellectual property rights; Internally, the Company emphasized the responsibility of all employees to protect the Company's intellectual property rights from infringement, encouraged all employees to learn and understand intellectual property information related to the company and industry, and advocates a fair and honest research atmosphere.

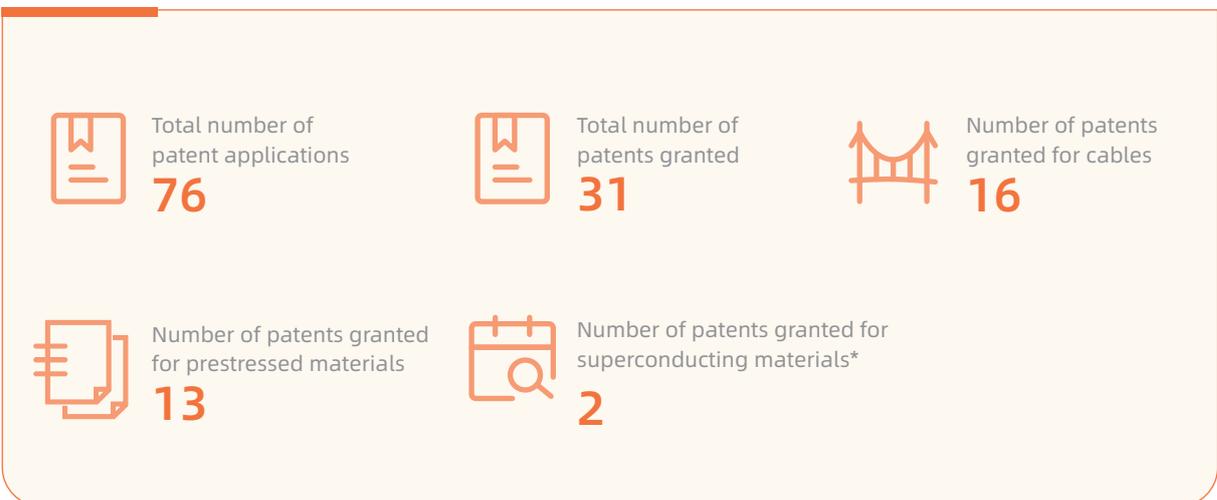


Ossen Jiujiang continuously optimized its intellectual property management system and information platform

In 2022, Ossen Jiujiang further optimized its intellectual property management system and information platform, including elements such as intellectual property emergency plans, trademark management, and technology contract management. It also updated the Company's internal information and data related to technology and products in a timely manner according to external requirements and increased the Company's intellectual property protection.



Key Performance



*The number of patents for superconducting materials is derived from International Superconductor.

Intellectual Property Protection Training

In 2022, PJI Group proactively implemented training initiatives on intellectual property, such as online courses on drafting patent applications, which facilitated employees' education on IP laws and increased their awareness of patent protection.



Employees from Ossen Innovation Materials participated in online training on patent application drafting

On May 11, 2022, an employee of the Manufacturing Department of Ossen Innovation Materials participated in the online course "Application Drafting with High Quality from the Perspective of Practical Review" organized by the Municipal Science and Technology Bureau. This training enlightened the employee to the importance of quality management in patent application while carefully studying the relevant knowledge of writing high-quality patent applications; at the same time, the Company actively implemented patent application quality management, effectively addressing various problems during the patent application process, and laying a solid foundation for the subsequent development of patent work.



Employees of Ossen Innovation Materials enrolled in the online course on "Application Drafting with High Quality from the Perspective of Practical Review"

Key Performances



In 2022, PJI Group and its subsidiaries (including International Superconductor) conducted patent application training sessions

4 Times

Industry Contribution

PJI Group leverages its professional expertise to empower the growth of the industry, actively disseminates technology and resources to its peers, contributes to the establishment of national, industry, and group standards, participates in various industry associations and forums, fully demonstrates its influence and helps promote the whole industry forward.

Key Performance



* The number of superconducting materials involved in the development of industry standards is derived from International Superconductor.

The Company actively participates in industry associations and technical standards organizations, receiving commendable recognition for its efforts. In 2022, Ossen Innovation Materials has renewed its certification and received the Korean KS label issued by the Korean Standards Association, which was an indicator of the Company’s capability to constantly generate products above the Korean industrial standard level. At the same time, the company has renewed its certification and obtained the Japanese JIS product quality certification issued by the Japanese Standards Association Group (JSA), which was one of the most important and authoritative certifications among Japanese national standards.



JIS Product Quality Certification in Japan



Korean KS certification

04

Satisfying Customers with Excellence in Quality

Quality Management
Customer Service



Quality Management

Product quality is fundamental to the survival and long-term development of an enterprise. PJI Group strictly abides by the laws and regulations of the People's Republic of China, such as the *Product Quality Law of the People's Republic of China*. PJI Group deeply implements scientific quality supervision and management mechanisms, and constantly pursues excellence in quality while advancing projects. The subsidiaries of PJI Group follow the international and national quality management system standards to formulate the *Quality Manual*, introduce advanced product quality management system, and pass various quality-related certifications such as ISO 9001 quality management system. The company currently has no product recall-related procedures.

Subsidiaries	Certification system	Certification
Pujian Cable	<ul style="list-style-type: none"> GB/T 19001-2016 ISO 9001:2015 Quality Management System 	
Ossen Jiujiang	<ul style="list-style-type: none"> GB/T19001-2016 ISO 9001:2015 Quality Management System 	
Ossen Innovation Materials	<ul style="list-style-type: none"> GB/T19001-2016 ISO 9001:2015 Quality Management System Japan Industrial Standards (JIS) Certification Korean Standards Association (KS) Certification 	

International Superconductor

- ISO 9001 Quality Management System
- Pressure Vessel Production License
- Pressure Pipeline Production License



In 2022, PJI Group continued to promote a whole-process operational excellence management model throughout the entire process and efficiently coordinated all management methods that help improve product (service) quality, process quality, business quality, and development quality. The Company worked together to enhance the Company's overall performance and core competitiveness and strived to create more reliable and safe building products for customers.



PJI Group's Whole-process Operational Excellence Management



【Pujiang Cable】“Customization and Three Parallels” performance excellence model

In 2022, Pujiang Cable continued to widely apply the excellent performance model of "Customization and Three Parallels" to the quality management of major projects, and urged the establishment of comprehensive quality awareness of "all personnel, all processes, and all aspects"; it also assigned quality responsibility to the specific position, individuals, and matters, highlighting that quality is not achieved through testing, but through production.

Customization

Our cables are unique and one-of-a-kind. Each project uses a different cable, which must be customized in bulk every time.

“Three Parallels”

All-Employees-Management

Emphasizing full participation, this management approach includes the chairman, general manager, as well as middle and senior management and front-line employees, etc.

All-Positions-Management

The owner, general contractor, construction unit, design unit, supervision unit, the tripartite inspection unit, raw material suppliers, transportation units and all other related parties communicate and coordinate around the core work of quality management in all aspects.

Whole-Process-Management

Includes marketing activities phase, technical preparation phase, production preparation phase, production phase, sales and merchandising services, and corrective actions.

Pujiang Cable's Performance Excellence Model



Case study: The "Customization and Three Parallels" management model ensured the quality of new steel wire

In 2022, the Pujiang Cable developed as a brand new " $\Phi 6.0\text{mm}$ -2,060MPa Zn-Al-Mg alloy coated steel wire main cable strand" for Lingding-yang Bridge of Shenzhen- Zhongshan-Passage. The "Customization and Three Parallels" mode have been applied to the quality management of new steel wire projects.

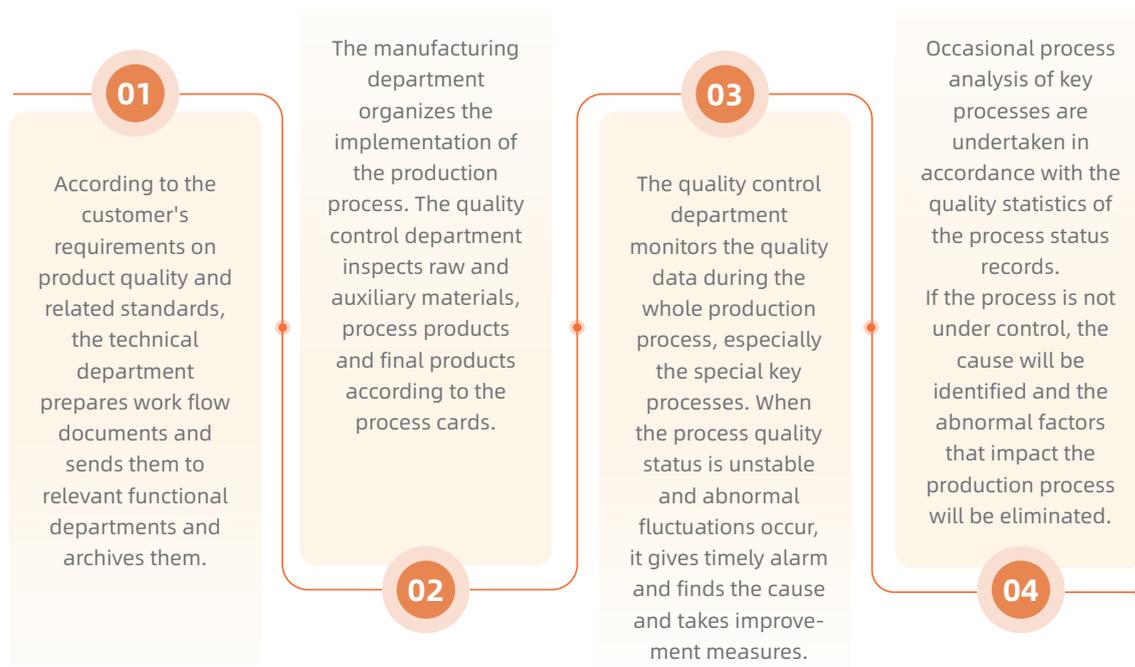
In the process of R&D and trial production, the Company carried out comprehensive communication and coordination with relevant enterprises such as the owner, general contractor, constructors, derringers, supervisors, inspectors, raw material supplier, transporters, etc., and implemented comprehensive quality management. The correct implementation of the "all staff, all process, and all aspects" parallel mode has promoted the smooth development and appraisal, and also provided stable quality assurance for products.



Lingding-yang Bridge of Shenzhen- Zhongshan-Passage was under Construction



【Ossen Innovation Materials and Ossen Jiujiang】 The quality management model of "customization and full monitoring"



Ossen Jiujiang Quality Management Model



【International Superconductor】 Optimize quality management procedures and gather potential for high quality development of products

In 2022, in accordance with the ISO 9001 Quality Management System, Shanghai International Superconductor further improved management procedures such as the *Quality Manual of Shanghai International Superconductor Technology Co., Ltd*, the *Procedures for Management of Quality Integrity*, the *Quality Information Management Control Procedure*, the *Procedures for Management and Control of Quality Information*, the *Control Procedures for Management of Product and Service Requirements*, and the *Quality Responsibility Tracking and Incentive Procedures*. It also newly developed the *Inspection and Test Control Procedure*, the *Product Warehousing, Storage, and Distribution Control Procedure*, the *Nonconforming Product Control Procedure*, and other procedural documents. Those documents aimed to accelerate the improvement of quality management mode, consolidate and track quality management responsibilities, and continue to lead high-quality development.

Key Performance



Quality Monitoring

PJI Group recognizes that a comprehensive product testing system is essential for achieving superior product quality. While enhancing project quality management, the Company carries out multi-faceted and standardized product quality tests. All business lines of PJI Group boast professional testing equipment and personnel, thus guaranteeing the efficiency, timeliness and completeness of product quality tests.

Pujiang Cable's laboratory is equipped with seven sets of large test equipment, which are calibrated annually by the East China National Measurement and Testing Centre of the Shanghai Institute of Measurement and Testing Technology and other units. The laboratory can carry out the basic self-inspection of raw materials, testing of finished test ropes and testing of new product development to ensure the stable and reliable performance of the products. At the same time, the laboratory has established a laboratory management system and is equipped with professionally qualified testing personnel.

This year, Ossen Jiujiang purchased a new batch of professional testing equipment, including: 100T microcomputer controlled electro-hydraulic servo universal testing machine for steel strand, 10T microcomputer controlled electronic universal testing machine, wire torsion testing machine, wire winding testing machine, etc.

<p>100T microcomputer controlled electro-hydraulic servo universal testing machine for steel strand</p>	<ul style="list-style-type: none"> • Equipped with a dedicated software system for automatic testing, which is simple and easy to operate • Using human-computer interaction to analyze and calculate the mechanical performance indicators of the tested material • Automatically calculate maximum force, tensile strength, specified non-proportional elongation stress, elongation, reduction of area, elastic modulus, etc • Manually correct analysis results to improve the accuracy • Low test noise meets the requirements of relevant national standards 	
<p>10T microcomputer controlled electronic universal testing machine</p>	<ul style="list-style-type: none"> • Equipped with a follow-up bracket device, it can ensure that the wire is tightly wrapped (to avoid looseness) • Equipped with protective panels to improve operational safety 	

Quality Culture

An excellent quality culture is the cornerstone of a company's sustainable operation. In 2022, PJI Group adheres to further building quality culture, providing quality culture education and training to employees, and actively instilling the Company's quality philosophy, quality values, quality ethics, and quality code of conduct. In a way that promotes employees' visual and experiential understanding, this initiative strengthens overall quality awareness and cultivates the spirit of craftsmanship among employees.



Ossen Innovation Materials launched its annual “Quality Month”

In order to heighten the Company’s quality management, boost the quality consciousness of all personnel, and upgrade the essential management of quality management personnel, Ossen Innovation Materials Manufacturing Department and Quality Management Department jointly organized the “Quality Month” in 2022, including:

- Organizing all personnel to attend quality theory and practical capabilities training
- Organizing team leaders and quality control personnel to learn applicable national quality standards
- Inspecting whether the quality control parameters accord with the process parameters by engineers and technicians
- Proposing to include product quality evaluation in the general manager’s office meeting



Ossen Innovation Materials Conducted Quality Theoretical Knowledge and Operational Skills Training



Ossen Jiujiang's multi-pronged approach to rooting a culture of quality

Quality briefing analysis and exchange meeting

This year, Ossen Jiujiang held regular quality briefing analysis and exchange meetings. Attendees included leaders, personnel from the relevant departments, and production line team leaders or above. These weekly sessions aimed to report, analyze, and exchange information relating to the quality of products from the previous week. Aspects such as the overall status of product quality, preventive and corrective measures for defective products or product quality issues, implementation, supervision, and verification were discussed and evaluated. The quality exchange meeting highlighted the importance of quality culture and has helped to enhance the awareness of such culture amongst all employees.

New product and process quality training session

In December 2022, Ossen Jiujiang conducted a quality training session for all personnel. The training not only offered employees the opportunity to learn the theoretical knowledge surrounding new production lines and equipment operating procedures, but also mobilized their enthusiasm to truly practice this culture.



Ossen Jiujiang Conducted Quality Training Meeting

Job skills training for quality inspection personnel

In December 2022, the Quality Management Department of Ossen Jiujiang conducted a comprehensive job skills training program for all inspectors. The purpose of the training was to familiarize personnel with the practical operation and operating procedures of two newly introduced testing equipment, the 100T microcomputer controlled electro-hydraulic servo universal testing machine for steel strand and the 10T microcomputer-controlled electronic universal testing machine. The training proved to be highly effective, as inspectors were able to demonstrate mastery of the equipment and effectively utilize it for their quality awareness initiatives to ensure that the Company conducted the testing to the highest standards.



Ossen Jiujiang Implemented Job Skill Training for Quality Inspection Personnel



International Superconductor actively built quality culture

International Superconductor is devoted to the quality policy of "promoting the application of superconductivity technology and fostering industrial scientific and technological progress" through quality culture activities. As part of this effort, the Company organized a range of quality trainings to increase the standard knowledge and awareness of ISO 9001 among employees. Also, the Company held quality seminars on quality issues identified during annual internal and external audits and random inspections, analyzes the causes of common problems, and promptly develops corrective and preventive measures.



International Superconductor Conducted Quality Culture Training

Smart Manufacturing

Smart manufacturing is the key to enhance the core competitiveness of enterprises. PJI Group is fully cognizant of this importance, and is fully committed to optimizing the strategic deployment of intelligent manufacturing, deeply promoting the research and development of intelligent technologies and upgrading of intelligent equipment, and enhancing the level of intelligent manufacturing management with the help of digital means to help realize the development of digital intelligence of the company.

In 2022, Pujiang Cable continued to take "intelligent products, intelligent equipment, process digitalization" as the strategic deployment target of smart manufacturing, and took the annual research plan about intelligent cable and intelligent equipment transformation as the key work direction, and the smart manufacturing achievements have been successfully achieved.

Intelligent Products

- Intelligent research and development of the main products of cable-staying and suspension cables are carried out, so that the products have an intelligent sensing system, such as fiber optic grating sensors and dehumidification systems implanted in cables.
- "Intelligent cable strand of suspension bridge main cable" was pilot tested in Lingding-yang Bridge of Shenzhen-Zhongshan-Passage in 2022, and the detection accuracy of the intelligent sensing system meets the expected requirements and operates well.

Intelligent Equipment

- The Company carries out intelligent upgrades of cable manufacturing equipment and has introduced automatic controlling and sensing devices to realize automatic identification, evaluation and feedback of the state.
- We have already completed the intelligent upgrade of the main cable release device and the dynamic water tightness test equipment of the cable.
- In 2022, the manufacturing traction equipment of the cable strand of the suspension bridge main cable was upgraded intellectually, which improved the manufacturing progress and automation of products.

Process Digitization

- With digitalization as the core driving force, the data in each manufacturing process is collected.
- Through the accumulation and analysis of data, we can provide guidance for manufacturing and traceable data for products.
- The final objective is to create a digital factory.

Pujiang Cable's Smart Manufacturing Strategy Deployment



Pujiang Cable developed a series of intelligent sensing systems for the Jinzhou Bridge project

In February 2022, Pujiang Cable collaborated with Guizhou Highway Engineering Group Co., Ltd. to successfully develop a series of intelligent sensing systems for the Jinzhou Bridge project. That included a disaster prevention and high-temperature protection system, smart cables, high-strength carbon fiber cables, and cable dehumidification systems, fully demonstrating Pujiang Cable's professionalism and leadership in the field of intelligent manufacturing.

Jinzhou Bridge in Qianxinan Prefecture is a pivotal control project along the entire route. The main cable of the suspension bridge, being a fundamental component of the bridge's superstructure, must possess the highest strength, flame retardance, disaster resistance, high temperature tolerance, and corrosion resistance due to its irreplaceability. Pujiang Cable has specially developed a fire-safe, disaster-resistant, and temperature-resistant technology applied to bridge cables to ensure the fire safety of cable bearing bridge structures and minimize life and property losses.

Concurrently, due to the main cable dehumidification system from normal operation to reach the design requirements of the relative humidity (generally 55%) of a longer period of time, the possibility of rust and corrosion of the main cable during the period is greater. The intelligent upgrade of the internal monitoring system of Pujiang Cable has achieved an internal environment with "awareness, perceptibility and manageability" of the cable, providing comprehensive and real-time monitoring of the cable.

Key Performance



In September 2022, Pujiang Cable was awarded the

Special Prize

of Science and Technology Award of Highway and Transportation Society of Hubei Province for "Key Technology of Intelligent Construction of Super Span Suspension Bridge with Complex Geology" by Highway and Transportation Society of Hubei Province.



Ossen Jiujiang's surface treatment production line achieved full automatic production

In 2022, Ossen Jiujiang built a new surface treatment production line, fully utilizing digital intelligent equipment for fully automated production without the operation of personnel.



Operators on-site Operation



Ossen Jiujiang Fully Enclosed Tunnel Type Coil Surface Treatment Line

Customer Service

Protection of Customer Rights

PJI Group always puts customer rights first. The Company adheres to relevant laws and regulations such as the *Product Quality Law of the People's Republic of China*, the *Protection of Consumer Rights and Interests of the People's Republic of China*, the *Advertising Law of the People's Republic of China*, and the *Personal Information Protection Law*. Meanwhile, the Company is committed to improving customer service quality and satisfaction, optimizing customer complaint handling mechanisms, protecting customer privacy and security, and effectively promoting the full range of customer needs on the ground. The products and services offered by the Company are free of advertising and labeling and have no special policies regarding them.

Customer Complaints Handling

The Company places significant emphasis on customer feedback and complaints, conscientiously implements internal systems such as the *Product Quality and Safety Management System*, the *Project Returns and Exchanges Rules*, and the *Sales Management Rules*, and continuously improves the customer complaint handling process. Upon receipt of a complaint from a customer, the Company promptly engages in product traceability cooperation and develops corresponding corrective measures or returns or exchanges according to the contract terms - making sure to never repeat such incidents in the future and earning back customer trust with a sincere attitude.

Puijiang Cable strictly mandates that all relevant departments should respond and deal with customer complaints on the same day, and if necessary, a departmental meeting will be held to discuss the handling plan of customer complaints.

Ossen Jiujiang has composed standardized handling procedures and solutions for customer quality related complaints. Upon receipt of quality-related complaints or objections, the Company quickly assigns a specialist to the location to verify before negotiating the resolution. If the discoveries from the product sampling testing verify a quality issue, the Company's handling team will negotiate with customers and manages the corresponding compensation responsibilities in accordance with the *Product Quality Law*. After this, the Company will also hold quality analysis meetings to break down the causes of the quality nonconformities, developing and implementing effective measures of correction.

Key Performance



Total number of complaints

0



Number of complaints about product quality, safety or service quality

0



Customer Privacy Protection

Customer privacy protection is a fundamental right of consumers and a cornerstone for businesses to gain consumer trust. PJI Group strictly complies with relevant laws and regulations and customer privacy confidentiality agreements and continuously improves the company's customer privacy protection mechanism. The Company's *Employee Handbook* stipulates that all employees should take care to keep the Company's trade secrets as well as internal information, and should not disclose or improperly or illegally use trade secrets learned through their work or in other ways.

As to data and information security, Pujiang Cable continues to improve several security protocols, including the *Enterprise Information System Management System*, the *Information Security Management System*, and the *Information Security Development Technology White Paper*, among others. Those systems standardize and restrict the access, use, transmission, and processing of the Company's data and information, and maintain information security. Ossen Innovation Materials actively improves and implemented the *Ossen Innovation Materials Data and Information Security Management System*, which standardizes the management of data physical security, data media management, data backup requirements, data recovery requirements, data cleaning rules, data transfer, computer virus management and other contents, comprehensively consolidating and strengthening data and information security.

Customer Satisfaction Enhancement

Customer satisfaction is an important benchmark for PJI Group to improve product and service quality. In 2022, various subsidiaries of PJI Group employed a combination of customer visits, customer satisfaction surveys, and other means to gain a deeper understanding of customer requirements before efficiently executing optimizations to bolster customer satisfaction.

In 2022, Ossen Innovation Materials actively conducted a customer satisfaction survey. The Company's Quality Management Department randomly distributed the *Customer Satisfaction Survey Form* to customers through email, scoring them from eight aspects: price, packaging, performance, surface status, timely supply, and transportation. The survey results showed that customer satisfaction was 100%. To ensure and preserve this satisfaction, the Manufacturing Department of Ossen New Materials continuously ameliorates product fabrication, packaging, and transportation. Through customer communication, it came to light that small burrs on the cut end of steel strand products sometimes puncture the packaging fabric, leading to damage to the external packaging. After in-depth research, the packaging team installed a 5-centimeter-long rubber tube on the ends of all finished products, which was commended and praised by customers.



Key Performance

Pujiang Cable Customer
Satisfaction Rate

100%

Ossen Innovation Materials
Customer Satisfaction Rate

100%

International Superconductor
Customer Satisfaction Rate

100%

05

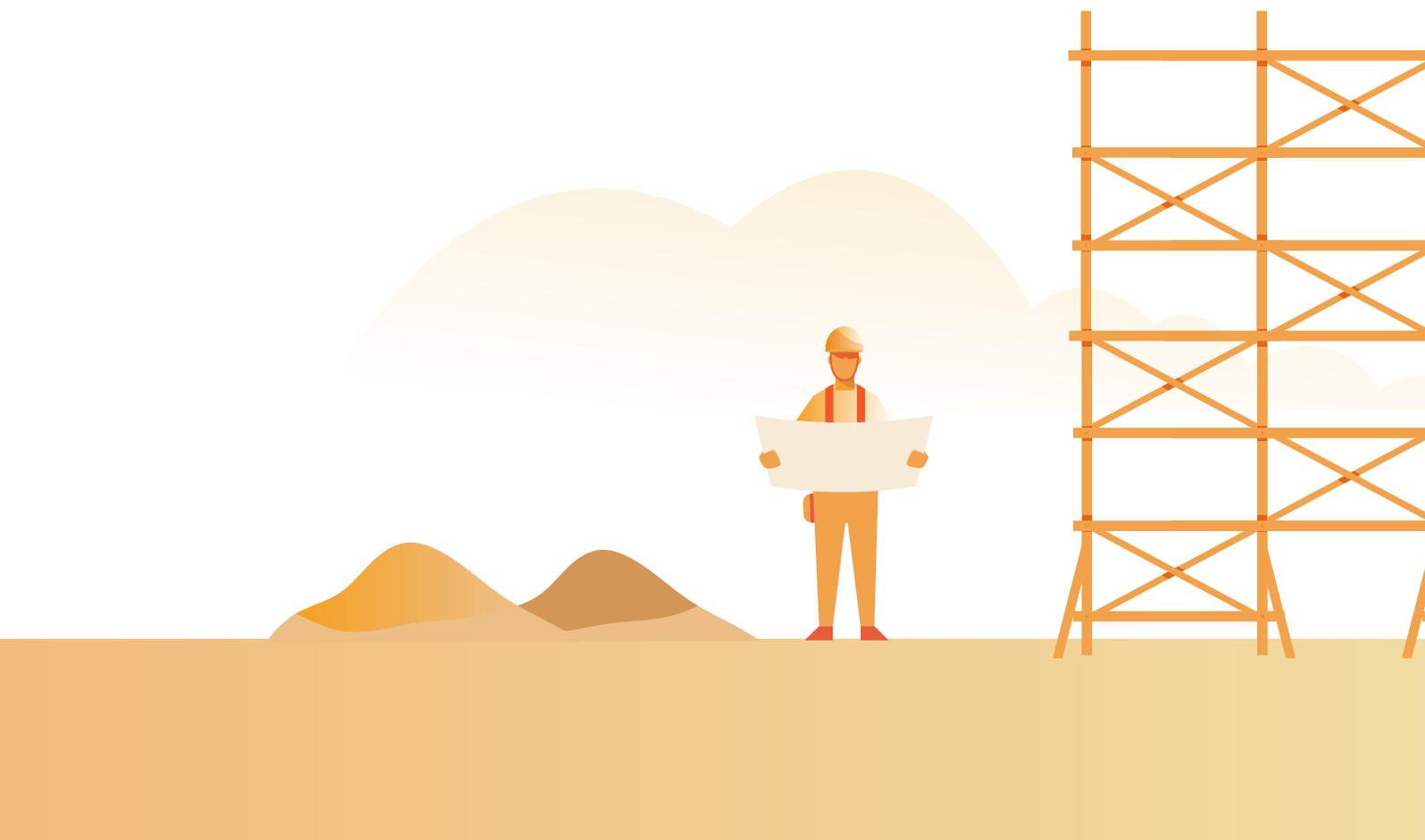
Staying Safe and Sharing the Dividends of Growth

Occupational Health and Safety

Employee Rights

Employee Development

Employee Care



Occupational Health and Safety

PJI Group consistently places the occupational health and safety of its personnel at the highest priority. The Company faithfully observes laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Occupational Disease Prevention and Control Law of the People's Republic of China*, and strictly requires all subsidiaries to continuously strengthen the building of safety management systems, continuously improve the safety production responsibility system, conduct in-depth safety production supervision and inspection, comprehensively make production safety risks controllable, and effectively ensure the safety and health of all employees.

Learn more about the [Pujiang International Group Limited Safety, Quality and Environment Policy](#)

Subsidiaries	Certification system	Certification
Pujiang Cable	<ul style="list-style-type: none"> • GB/T 45001-2020 • ISO 45001:2018 Occupational Health and Safety Management Systems 	
Ossen Jiujiang	<ul style="list-style-type: none"> • Work Safety Standardization Certificate - Work Safety Standardization Level 3 Enterprise 	
International Superconductor	<ul style="list-style-type: none"> • Work Safety Standardization Certificate - Work Safety Standardization Level 3 Enterprise 	

Security Management Practices

In 2022, each subsidiary of PJI Group continued to optimize its safety risk management system and organizational structure, and promptly rectify and resolve any issues identified through stronger hazard investigation. In the meantime, the Company has procured new air purification equipment, arranged occupational health check-ups and occupational disease hazard factor assessments for employees in relevant positions, identified and controlled various production and operation risk factors, and effectively reduced and avoided the occurrence of occupational diseases.



Pujiang Cable revised the *Safety Risks Lists* to fully implement responsibilities of work safety

In 2022, Pujiang Cable updated and revised the *Safety Risks Lists*, conducted a comprehensive scan of hazards that may exist in all office premises and production phases, evaluated related risks and potential repercussions, and improved corresponding safety measures as well as assigned specific safety incident responsibilities.



Hazard identification in different situation

- Natural conditions (lightning, high temperature, etc.)
- Surrounding environment (noise, etc.)
- General layout (fire, etc.)
- Production workshop (injuries caused by mechanical operation, etc.)
- Power supply and distribution (electric shock, etc.)
- Warehouse storage (fire, etc.)
- Computer operation in office (incorrect operation, etc.)
- Office building safety management (fire, etc.)



Risk assessment

- Trigger
- Cause
- Consequence
- Hazard level
- Preventive measures
- Person who should be accountable

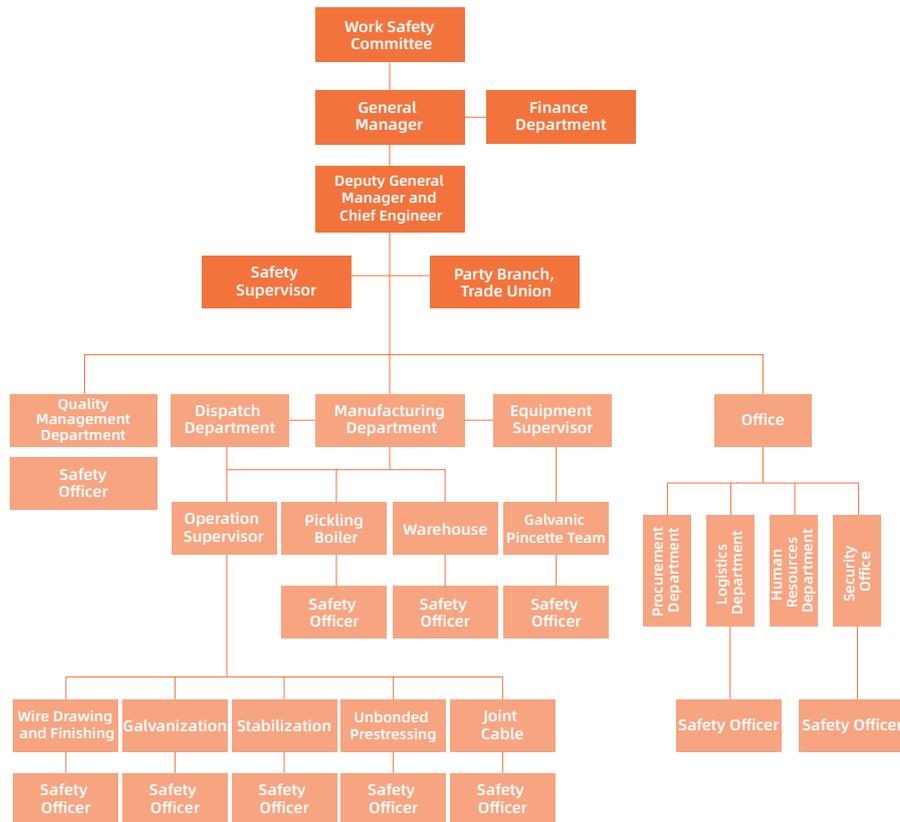
Pujiang Cable has improved the *Environmental and Occupational Health and Safety Operational Control Procedures*, set higher requirements for various departments and involved stakeholders concerning environmental management and work safety, and reinforced management of environmental and occupational health and safety within an integrated system. Moreover, the Company paid close attention to employee health and safety in special positions, requiring each person in special positions to participate in occupational health training prior to commencement, and distributing protective equipment on a monthly basis. Health check-ups and monitoring of occupational hazards are conducted annually. No health accidents have been reported amongst personnel in special positions since the foundation of the plant.



Ossen Jiujiang conducted a series of safety inspections to effectively ensure the lives and health of employees

In 2022, Ossen Jiujiang established a robust safety management organizational structure, forming a safety management mechanism under the overall guidance of the Company's Work Safety Committee, with safety officers assigned to each department and team to coordinate and cooperate, and assign responsibilities to individuals. This year, Ossen Jiujiang conducted a total of 12 safety inspections, one port safety inspection, and one hidden hazard investigation. Each relevant department was supervised to undertake rectification and the effect of rectification was comprehensively assessed. At the same time, the Company reported the inspection results to the Jiangxi Province Safety Production Hazard Investigation and Management System, achieving procedural, science-based, information-based, standardized, and normalized closed-loop management for hazard self-inspection and self-modification and registration, and resolutely achieving preventive measures.

To reduce the impact of smoke and dust generated during equipment operation on employee health and safety, Ossen Jiujiang has newly purchased and installed the enclosed acid pickling and dust removal towers and the enclosed galvanized smoke and dust removal towers, effectively reducing the harm of smoke and dust emissions to employee health and safety, and striving to create a safe and healthy working environment.



Organization Chart of Ossen Jiujiang Safety Management



Ossen Jiujiang conducted a series of safety inspections to effectively ensure the lives and health of employees



Ossen Jiujiang Procured the Galvanized Fully Enclosed Cloth Bag Dust Collector Tower



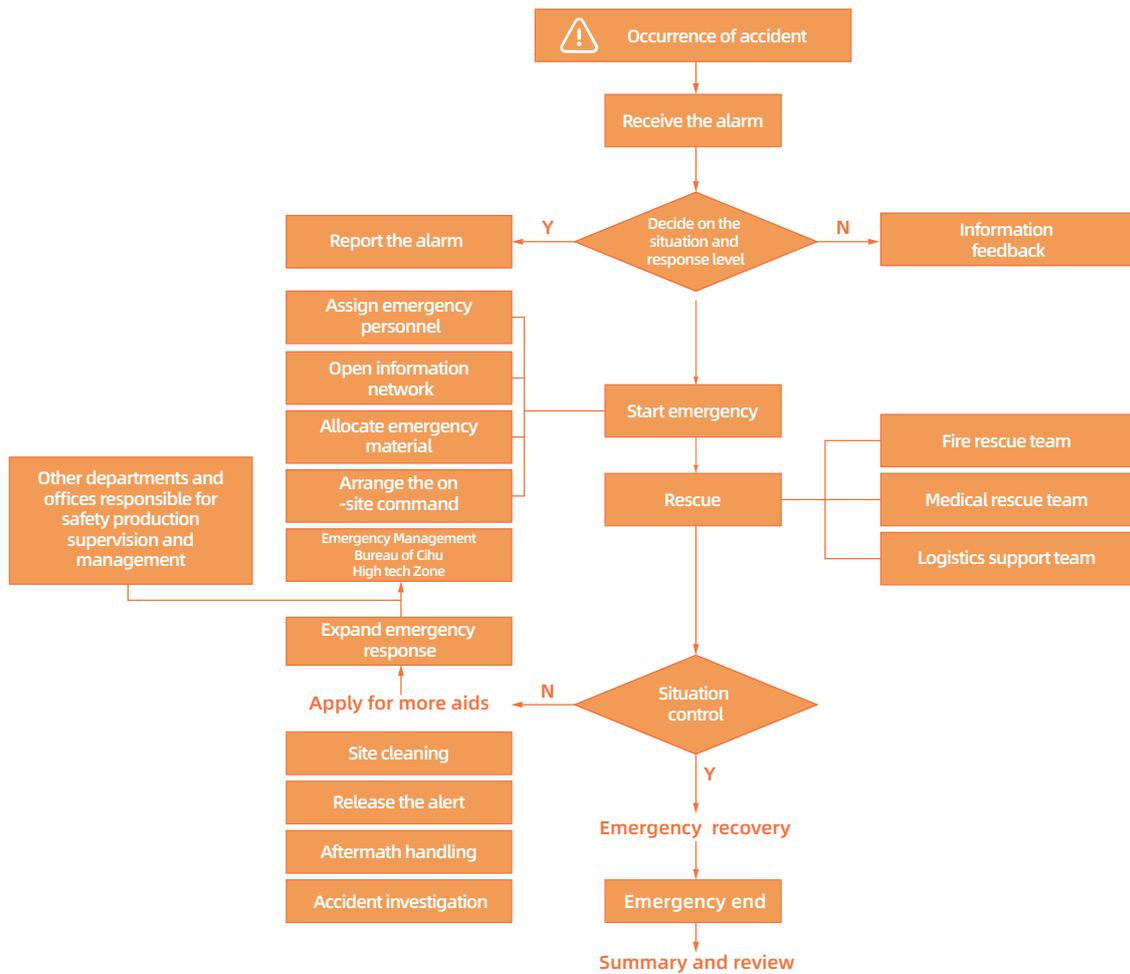
Ossen Jiujiang Procured the Coil Surface Treatment Fully Enclosed Acid Mist Purification Tower



Ossen Innovation Materials formulated the *Emergency Plan for Production Safety Accidents* and improved the safety management system

In 2022, Ossen Innovation Materials formulated the *Emergency Plan for Production Safety Accidents*, which clearly divides emergency response into three levels: workshop level, company level, and community level. The document covers the entire process of emergency response, disposal, emergency support, and the disposal methods of different emergency plans. At the same time, it has established a clearly defined emergency rescue organization and further improved the Company's safety management system.

Ossen Innovation Materials conducts monthly safety inspections, reports the inspection results to the Ma'anshan City Safety Hazard Investigation and Management Information System, and requires relevant departments to implement remediation within the specified time period, efficiently and thoroughly achieving safety rectification. In addition, Ossen Innovation Materials regularly tests the Company's occupational disease hazards to improve the timeliness of hazard identification. Based on the monitoring results and suggestions, it further improves rectification measures in areas such as gas prevention, noise prevention, and dust prevention, in a bid to minimize factors that affect employee health and safety.

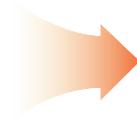


Emergency Response Chart of Ossen Innovation Materials



Ossen Innovation Materials formulated the *Emergency Plan for Production Safety Accidents* and improved the safety management system

Ossen Innovation Materials Safety Management System



- *Emergency Plan for Production Safety Accidents*
- *Management System of Safety Inspection and Controlling Hidden Safety Hazards*
- *Emergency Rescue Plan for Safety Accidents*
- *Management System of Safety Accidents*
- *Safety Operation Procedures*
- *Management System of Occupational Health*
- *Safety Management System for Site Prone to Flammability and Explosion*
- *Management System of Dangerous Goods and Dangerous Sources*
- *Management System of Labor Protection Supplies (Equipment) and Health Products*



Ossen Innovation Materials Installed Rat Guard on the Door of the Electrical Control Room



Ossen Innovation Materials Pruned Tree Branches to Ensure Safe Operation of Power Supply Lines



International Superconductor inspected and rectified safety hazards to ensure the smooth safe production

International Superconductor attaches great importance to the investigation of safety hazards. In 2022, it specially appointed a full-time safety administrator to conduct daily inspections of production, testing and other areas, and asked for rectification immediately for any problems found; issues that cannot be immediately rectified were reported to the weekly meeting for discussion. The annual hidden hazard rectification rate reaches 100%, effectively ensuring the smooth progress of safety production.

In addition, International Superconductor held the "119 Fire Fighting and Protection Drill" competition. Its aim was to familiarize employees with emergency operations such as how to use gas masks and how to wear seat belts correctly and quickly in the fire simulation, so as to effectively improve employees' fire awareness and related skills.



International Superconductor Conducted Training on Fire Exercise

Key Performance

Number of work-related injuries

1

Lost working hours due to work injury

0

Work-related deaths per year in the past three years

0

Accident rate per 200,000 man-hours worked

0.22

Number of near accidents

0

Safety Culture Awareness

A robust safety culture is an imperative foundation for organizations to avert disasters and ensure high-quality development. All subordinate companies of PJI Group conscientiously implement the endeavors to promote a safety culture, proactively conduct security-oriented education and training, and comprehensively fortify employees' understanding and awareness of safety.



Pujiang Cable carried out the "Safety Production Month", and took multiple measures to raise employees' safety awareness

In June 2022, Pujiang Cable established a special leadership group for "Safety Production Month". The theme of this project was "Compliance with the Safety Production Law, and Becoming the First Responsible Person." A variety of safety production activities were organized, including creating safety slogans, hanging reminder banners, and other safety production propaganda; employees were encouraged to watch educational videos and participate in training; it held a safety production work analysis meeting and a one-position-dual-responsibility performance symposium; additionally, it also carried out hidden hazard investigation and centralized rectification activities; emergency drills were organized to further solidify their employees' awareness of safety responsibility.

In addition, Pujiang Cable conducted three safety accident emergency drills every year for employees, such as fires, injuries caused by machines, and other safety accidents, continuously consolidating and improving employees' emergency response capabilities.



Pujiang Cable Launched the "Safety Production Month"



Ossen Innovation Materials organized safety training and fire drills to comprehensively enhance employees' safety awareness

In November 2022, Ossen Innovation Materials organized all new employees to participate in and complete three levels of safety education and training before joining the company, i.e. company education, section education and team education. This implementation enhanced employees' comprehension of the Company's various safety production rules and regulations, as well as operating procedures, thereby bolstering the safety-related cognizance of the workforce. In addition, the Company conducted annual safety training sessions and fire safety emergency drills, continuously expanding employees' safety related knowledge and skills, promoting employees' competency in fire safety and emergency response skills, to make certain that the fire-alertness stays at the top.



Ossen Innovation Materials Conducted Three Levels of Pre-job Safety Training for New Employees



Ossen Innovation Materials Conducted a Safety Training Session



Ossen Innovation Materials Organized Employees to Conduct Fire Emergency Drills



Ossen Jiujiang normalized safety training and comprehensively strengthened employees' preparation for worst-case scenarios

In 2022, Ossen Jiujiang carried out a year-long schedule of safety training programs in an effort to cultivate a strong safety mindset among its employees and bolster the awareness of the red line for safety.

January

Ossen Jiujiang organized five personnel, including the general manager, who are key leaders and safety supervisors, to undertake reinforcement training, all of whom passed the evaluation.

June

Ossen Jiujiang conducted safety education and awareness-raising via promotional materials such as images, columns, videos and more. Meanwhile, employees from all departments participated in a safety knowledge contest and viewed cautionary educational films including "Life is the Top Priority", "Fifteen Measures for Safe Production", and "Inventory of Typical Major Accident Cases in 2022".



March

Ossen Jiujiang conducted onboarding safety education and three-level safety education training for new employees.

October

Ossen Jiujiang held fire training and conducted specialized practice drills for fire extinguishers in the new factory.



November

Ossen Jiujiang conducted onboarding safety education and three-level safety education training for new employees; in addition, some employees were provided with security and environmental protection law instruction, regulation overviews and accident case analysis.

December

Ossen Jiujiang provided annual safety training to the new hires.



Key Performance



Number of fire drills

6 Times



The average number of hours of safety training received by employees

3.37 Hours per person



The total number of hours of safety training received by employees

1,202 Hours

Employee Rights

PJI Group always adheres to the "people-oriented" management philosophy. The Company strictly observes laws and regulations such as the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, and the *Prohibition of Child Labor Regulations*. PJI Group formulates and improves various human resource management systems and strives to create an equal, harmonious, inclusive, and positive work environment for employees.

Protecting the Basic Rights of Employees

PJI Group underscores the combination of employees' basic rights protection and the Company's compliant operation. In 2022, the Company ceaselessly stepped up its related frameworks, for instance, the holiday, salary, and welfare systems, and included the workers' necessary entitlements such as working hours, wages, and working environment into the labor contract, efficiently safeguarding that personnel is granted their essential rights and interests in strict conformity to the law and on an equal basis. In terms of vacation, the Company allows employees to work eight hours in the workday, and some positions and types of work are paid based on additional time and quota systems due to the nature of the work; as for salary, the Company guarantees equal pay for equal work, and the salary, related social security, provident fund, etc. are also paid in full and on time; concerning welfare, in addition to five insurances and one fund for employees, the Company also provides allowances in various aspects such as food, clothing, housing, and transportation, fully safeguarding the basic rights and interests of every employee in Pujiang.



Holiday System

- **8-hour work day**
Some positions and types of work may implement additional timing and quota systems.
- **Employees are entitled to various holidays**
Such as paid annual leave, wedding leave, bereavement leave, maternity leave and paternity leave



Wage System

- Employees are paid in full to their salary cards before the stipulated monthly payday
- Social security and provident fund services related to salary are handled for employees



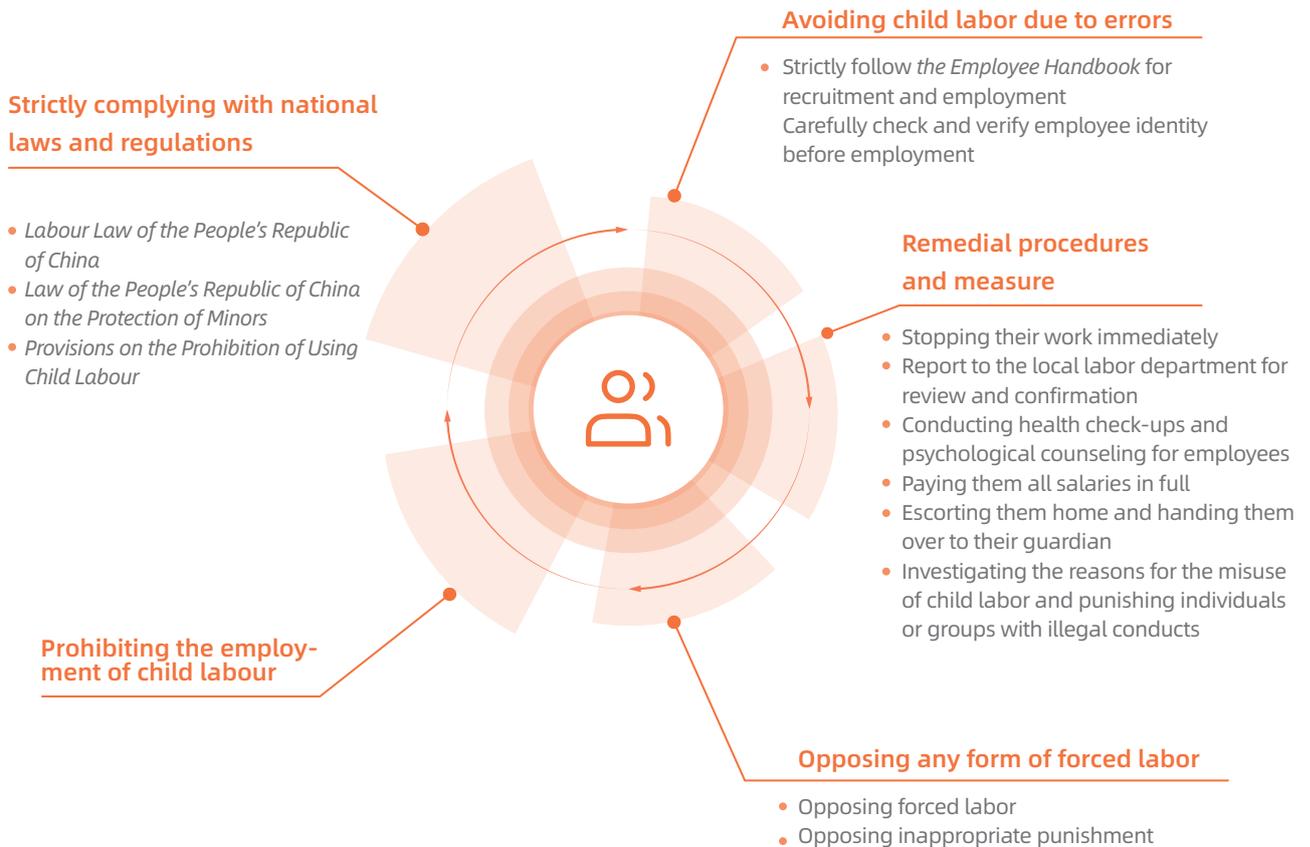
Welfare system

- Five insurances and one fund
- Allowance for meals
- Allowance for transportation and family visit
- Dormitories
- Labor protection equipment
- Annual bonus
- Medical check-ups for employees in special position
- Recreational activities

Eliminating Child Labour and Prohibit Forced Labour

In 2022, PJI Group strictly abided by *the Labour Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, the Provisions on the Prohibition of Using Child Labour* and other relevant laws and regulations, and strictly prohibited the employment of child labour and forced labor in any form. The Company continuously improved the recruitment and employment processes stipulated in *the Employee Handbook*, stringently verified the authenticity and validity of the identity of employees, and eliminated any form of child labor.

The Company has established remedial procedures and measures for the employment of child labor. Once the employment of child labor is found, the Company will immediately stop his work and report to the local labor department. At the same time, the Company will conduct health check-ups and psychological counseling for him, to ensure that his physical and mental health are not harmed. After the labor department reviews and confirms the authenticity of the case, the Company will pay them all salaries in full, escort them home and hand them over to their guardian in accordance with relevant laws and regulations; meanwhile, The company will strictly investigate the reasons for the misuse of child labor. For individuals or groups who neglect their duties or introduce child labor into the factory, the Company will punish them seriously in accordance with relevant laws and regulations.



Initiatives and Measures of PJI Group to Eliminate the Use of Child Labor and Prohibit Forced Labor

Fairness in Employment

PJI Group is committed to creating an equal and diverse career growth platform for employees. In 2022, the Company continued to improve and implement the *Employees Diversity Policy*, which eliminated any form of discrimination, and resolutely not treat applicants or employees differently due to ethnic, racial, gender, age, religious belief, disability, registered residence, region, marriage, pregnancy and other factors. When selecting and employing personnel, the Company takes the candidate's character, attitude, education, experience, skills and development potential as the benchmark for hiring, and fully assesses the suitability of the candidate for the recruited position from multiple dimensions. In addition, the Company actively promotes local employment and supports regional development.

[Learn more about the Employees Diversity Policy](#)

Protecting the Rights of Female Employees

The Company attaches great importance to protecting the rights and interests of female employees, and strictly follows relevant laws and regulations such as the *Labour Law*, *the Regulations Concerning the Labour Protection of Female Staff and Workers*, and the *Provisions on the Scope of Prohibited Labour for Female Employees*. The Company continuously improves the *Management System for Labour Protection for Female Employees*, provides special attention to women during special periods, and arranged the labour positions and workload of female employees scientifically and reasonably. In 2022, Pujiang Cable formulated the *Special Agreement on the Protection of the Rights and Interests of Female Employees*, which provided special protection for female employees during special periods such as menstruation, pregnancy, childbirth, lactation, and menopause. Other measures included regularly performing female health check-ups, and delivering presents on Women's Day. Ossen Innovation Materials regularly conducted special physical examinations for women such as "cancer screening", organized female employees to exercise during their break time, with an aim to facilitate physical and emotional relaxation, and effectively protect the rights and mental health of female employees.



Ossen Innovation Materials Visited Employees on Women's Day on March 8th



Ossen Innovation Materials Encouraged Female Employees to Engage in Fitness and Exercise During Break Time

Listening to Employees

PJI Group actively listens to the voices of employees and comprehensively opens up communication channels for employees. As of 2022, various subsidiaries of PJI Group have established collective negotiation systems such as the *System to Accept Practicable Advice and Proposals from Employees* and the *Recognition System for Outstanding Advice from Employees*. The Company provides various unblocked channels of communication, convenes employee representative meetings, and discusses major decisions related to the Company's business development and issues related to employees' vital interests, such as system modifications and special collective agreements on wages, so as to extensively listens to feedback from employee representatives. In addition, the Company encourages employees to offer suggestions and interact with them through regular production meetings, party member meetings, reasonable proposal declarations, and employee discussions, as a part of solving problems for employees and effective democratic management.



Ossen Innovation Materials Held the Employee Representative Meetings



Pujiang Cable actively held talks with employees and conducted employee satisfaction surveys

In September 2022, Pujiang Cable held talks with employees where employees and management had face-to-face communication on the problems existing in various departments, in order to break through the hierarchy and answer employees' concerns, creating a broad and sincere atmosphere.

This year, Pujiang Cable also actively conducted employee satisfaction questionnaire surveys among 238 participants, generating 94.5% employee satisfaction. In order to further improve employee satisfaction, Pujiang Cable has made efforts based on the survey results from four aspects: corporate management situation, corporate cultural atmosphere, corporate development, and personal development. Those actions optimized relevant management systems, strengthened the implementation of management measures, and built a harmonious and efficient work atmosphere for employees.



Pujiang Cable Held Talks with Employees



Ossen Jiujiang improved the *Staff Complaints Management System* and effectively safeguarded the legitimate rights and interests of employees

In 2022, Ossen Jiujiang continued to improve its *Staff Complaints Management System*, which clearly states that employees may lodge their objections about performance evaluations, job transfers, recruitment and training, salary and benefits, contracts, etc., by submitting complaints to the Complaint Committee and the Administrative Office, or, alternatively, by engaging in direct conversations with head officers at the concerned department. The Company adhered resolutely to the principle of confidentiality, with the assurance that the legitimate rights of employees remained uncompromised during the process.

Key Performance

Number of Employees



Technical secondary school and below: 288	66.98%
College degree: 75	17.44%
Bachelor's degree: 53	12.33%
Master's degree: 12	2.79%
Doctor's degree: 2	0.46%



>50 years old: 139	32.32%
40-50 years old: 107	24.88%
30-40 years old: 92	21.40%
< 30 years old: 92	21.40%



Shanghai Region: 139	32.33%
Zhejiang Region: 114	26.51%
Jiangxi Region: 88	20.47%
Anhui Region: 77	17.90%
Others: 12	2.79%



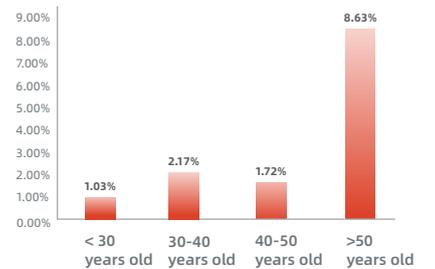
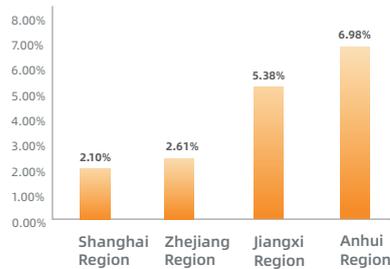
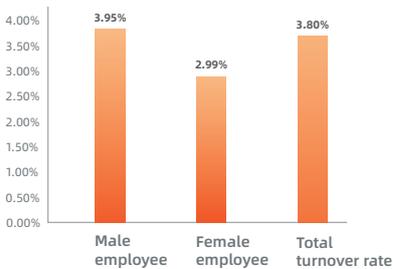
Male: 366	85.12%
Female: 64	14.88%



Production: 230	53.49%
Management: 153	35.58%
Others: 47	10.93%

Turnover Rate

- Employee turnover rate by gender
- Employee turnover rate by region
- Employee turnover rate by age



Employee Development

PJI Group offers its employees a comprehensive platform for career growth, including employee training, advancement opportunities, financial incentives, and multi-faceted encouragement to unlock their potential. This enables our employees to realize their full potential while driving the shared development of the organization.

Employee Training

To ensure the efficient implementation of employee training, PJI Group further improves the *Management Measures for Staff Education and Training* and sets up training teams to guide and supervise the implementation of employee training systems by various subsidiaries. The Company takes into consideration feedback on the evaluation and feedback of training effectiveness, and collects responses from personnel through the *Employee Training Opinion Questionnaire*. Based on this, the Company continuously improves and optimizes the quality of employee training, opening up more career development opportunities for employees.



Pujiang Cable formulated an annual training plan to motivate employees to learn

In 2022, Pujiang Cable launched an annual employee training programme to promote, which formed a hierarchical training for employees from four aspects: training objectives, principles and methods, evaluation methods and training types. To facilitate the training objectives, the Company classified employees into five levels: general workers, marketing personnel, technicians, management and operation personnel, with each level having its specific objectives and relevant content. In terms of training methods, the Company has incorporated various types of training activities such as onboarding training, job skills training, business philosophy training and trainer training, thus augmenting employees' self-learning capabilities and fuelling a favourable learning atmosphere. Likewise, several evaluation methods including questionnaires, knowledge competitions, experience summaries and spot checks are used to comprehensively and objectively evaluate the learning and training achievements of employees. This year, through training, 16 employees were awarded the certificate for Level 3 lathe operator, 34 received the certificate for Level 5 lathe operator and two technicians of the technical department were certificated as Deputy Senior Engineers, resulting in a significant success rate of training.



Pujiang Cable Engaged Employees in Skill Training



Pujiang Cable Conducted a Knowledge Competition for Employees



Pujiang Cable formulated an annual training plan to motivate employees to learn



Pujiang Cable Training Plan 2022


Key Performance

Employee Development Performance		Unit	2022
Development training	Total number of trained employees	Persons	348
	Percentage of trained employees	%	80.93
	Total training hours	Hours	7,128
By gender The average training hours per person	Male	Hours/person	19.96
	Female	Hours/person	24.48
By function The average training hours per person	Production	Hours/person	20.28
	Management	Hours/person	17.94
	Others	Hours/person	71.50
By gender Percentage of trained employees	Male	%	84.15
	Female	%	62.50
By function Percentage of trained employees	Production	%	84.78
	Management	%	94.77
	Others	%	17.02


Employee Promotion

PJI Group always adheres to the promotion concept of "encouraging advancement and making maximum use of talents' potentials". Hence, the Company continuously expanded the channels of career promotion for employees, and provide equal promotion rights and opportunities to all employees have equal promotion rights and opportunities. The Human Resources Department of the Company supervises and reviews the promotion assessment process and results of each department. Employees who have made special contributions to the Company, such as breakthrough technological innovation and solving major potential hazards, can be promoted up one to three levels. This way, each employee's talent is fully utilized in PJI Group.



Ossen Jiujiang continuously optimized the system for employee promotion and unblocks pathways for employee development

In 2022, in line with the principles of “fairness, rationality, progress and development”, Ossen Jiujiang continued to provide two promotion paths for employees: a promotion within departments and a promotion across departments. Additionally, aside from conventional promotion, the Company actively established channels for talented employees to move up by skipping several levels, which is expected to spur the enthusiasm of the workforce, thus leading to high-quality development in the Company.

Recently, Ossen Jiujiang’s evaluation team comprehensively assessed an electrician from the manufacturing department, taking into account their work ability, personal qualities and lifestyle as he had been active and conscientious business skills with high competence since his joining. As a result, this individual was promoted to the role of a statistician, exemplifying the organization’s employment philosophy of merit-based talent selection.

Basic Principle



- Emphasis on ethics and performance
- Promotions with progressive method and level-skipping method
- Promotions within departments and promotions across departments
- Promotion and demotion
- Give preference to internal personnel for job vacancies

Career Development Management Model



- Establishing employee career development records
- Communication between new employees and department managers
- Assessing employees’ strong points and abilities
- Organizing surveys on employee’s needs for training
- Develop development strategies that align with individual development stages and job requirements

Career Development Channel



- Promotions within departments
- Promotions across departments

Promotion Procedures



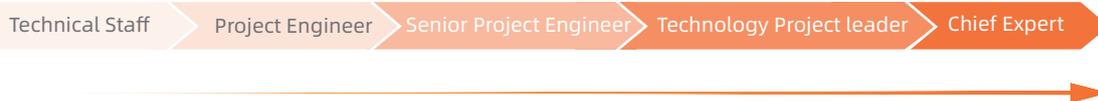
- Determine the position for promotion
- Recommendation by others and recommendation by the employee himself
- Assessment for promotion
- Decisions on candidates

Ossen Jiujiang Employee Promotion Management Measures 2022



International Superconductor optimized the "development channel for technicians" and expanded the growth path for technical talents

In 2022, International Superconductor further optimized its "development channel for technicians" to cultivate its core technical talent team. It refined its dual-channel development scheme, namely, "management channel" and "technical development channel", and strived to offer suitable promotion pathways for technical talents in order to ensure that they could realize their values in their positions while devoting themselves to research and development, and sharing success with the Company.



International Superconductor's Development Channel for Technicians

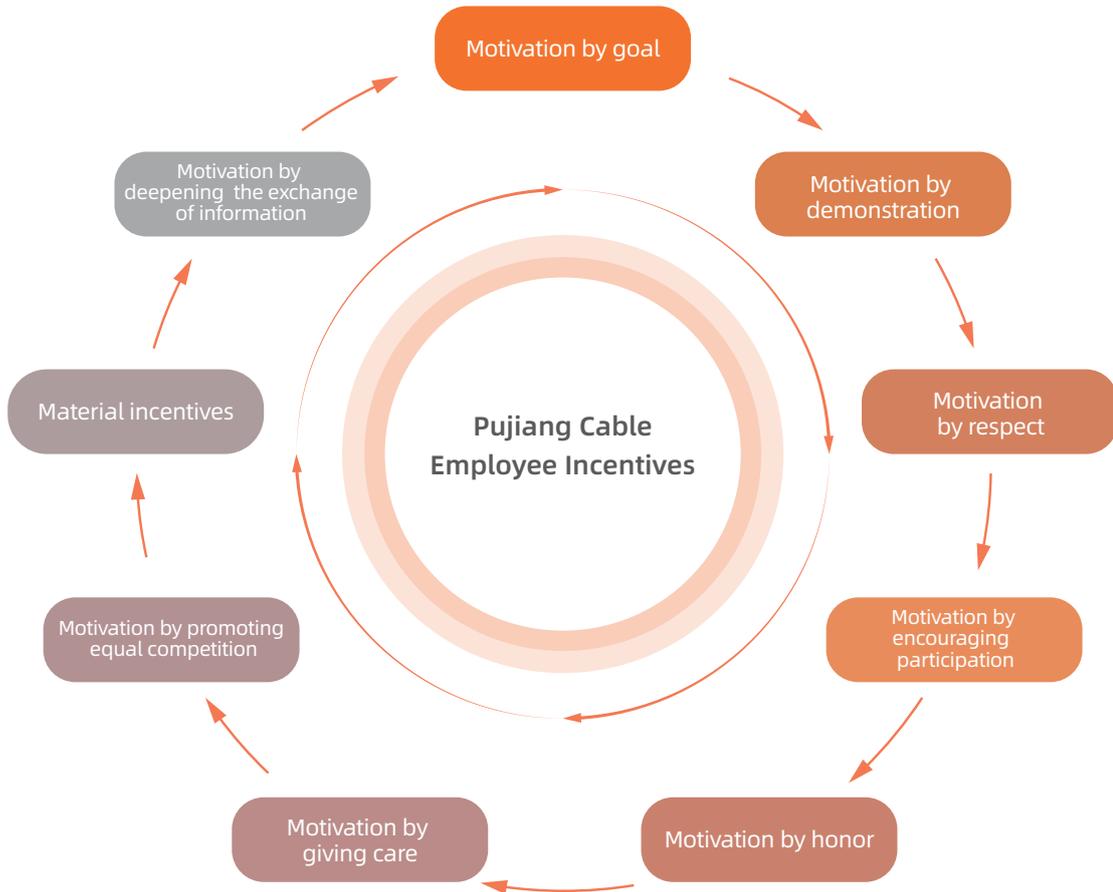
Employee Salary Incentives

In 2022, PJI Group continuously improved and practiced the salary incentive policy to better motivate employees. The Company continuously optimized the salary incentive policy and promotes the employee stock ownership plan. In June and October 2019, the Company granted 32 million shares and 10 million option shares to employees through an option plan, of which 50% of the option shares were allowed to be exercised starting from 2022, involving a total of 21 employees. That move effectively enabled employees to share the benefits of development with the Company.



Pujiang Cable updated its diversified employee incentive system to meet the diverse needs of employees

In 2022, in response to employees' enthusiasm and ability, Pujiang Cable took steps to further optimize its employee incentive system, and broaden incentive measures to meet the multi-level needs of employees in terms of material, safety, social and personal development. The basic salary system of Pujiang Cable varied for management positions and nonmanagement positions. The salaries of management positions were determined according to their rankings, ensuring that pay was commensurate with performance. Non-management positions were rewarded with bonuses and pay rises over and above their basic salaries, based on the length of service, productivity, and other factors, so as to adhere to the principle of "From each according to his ability, to each according to his work". Alongside this, Pujiang continued to develop and promote its employee stock ownership plan, distributing the Company's bonuses to employees.



Employee Care

PJI Group highly values work-life balance among its employees, and endeavors to create a friendly and compassionate working environment. In 2022, apart from celebrating employees' birthdays and providing holiday benefits, the Company also organized employee tours to allow them to alleviate work pressure and enhance their sense of happiness. During the lockdown period in Shanghai, the Company proactively purchased daily necessities such as vegetables, rice noodles, meat, food and drinks, in three separate batches, to meet the needs of its employees. International Superconductor proactively cared for the lives of new employees, helping them apply for talent apartments, public rental housing, and hukou registration. This year, Shanghai International Superconductor's Innovation Center successfully applied for rental subsidies for five young employees from the municipal government, thereby addressing their practical difficulties in daily life.



Ossen Innovation Materials visited employees in need to ease their burden of lives

In January 2022, Ossen Innovation Materials visited employees in need on the eve of the Spring Festival, giving them daily necessities such as rice and oil, as well as a monetary relief grant of RMB 500, in order to provide comfort to them.



Ossen Innovation Materials Visited Employees in Need





Pujiang Cable distributed cool beverages to employees who worked at the grassroots level

In July 2022, Pujiang Cable distributed over 70 boxes of cool drinks to employees who worked at the grassroots level under the union umbrella, to express their care and appreciation for their employees.



Pujiang Cable Distributed Cool Drinks to Employees who Worked at the Grassroots Level

06

Sharing the Same Values and Social Responsibility

Supply Chain Management
People's Well-being



Supply Chain Management

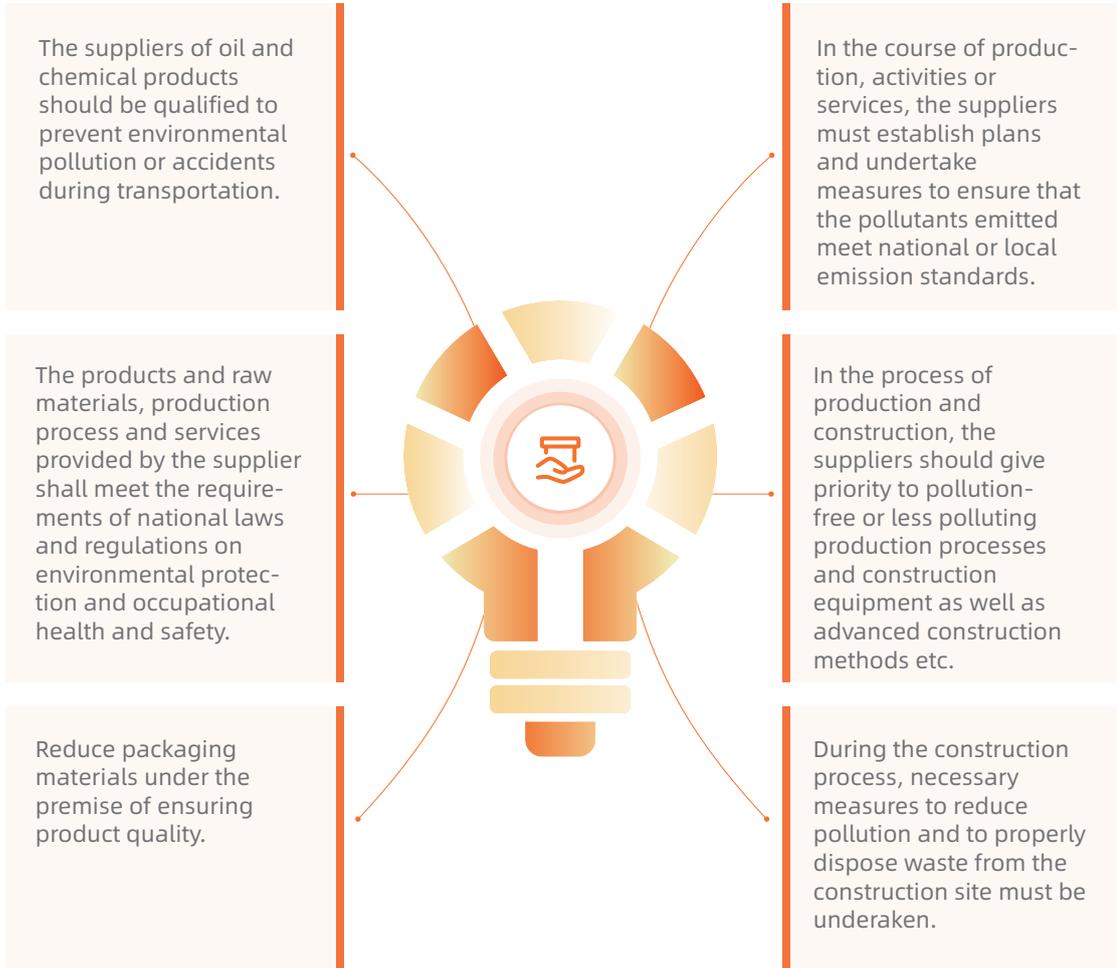
PJI Group is well aware of the importance of supply chain management. While ensuring high-quality supply chains, the Company informs its sustainable development concept to all suppliers and strives to practice sustainable, responsible, and clean supply chain development, thus establishing a mutually beneficial and win-win sustainability partnership. In 2022, PJI Group continued to upgrade the *Pujang International Group Limited Supplier Policy* and the *Pujang International Group Limited Supplier's ESG Code of Conduct*; Pujang Cable continuously optimized the supplier selection and review process, and proactively signed environmental and safety responsibility agreements with suppliers; Ossen Jiujiang earnestly implemented the *Supplier's CSR Code of Conduct* and strictly regulates the performance of suppliers in areas such as labor, health and safety, environment, and ethical standards.

Learn more about the *Pujang International Group Limited Supplier Policy* and the *Pujang International Group Limited Supplier's ESG Code of Conduct*



Pujang Cable strictly controlled supplier entry standards and shared social responsibility with suppliers

In 2022, Pujang Cable continued to strictly screen and audit suppliers in the areas of quality, safety and environmental certification. Furthermore, it actively investigated and evaluated suppliers' environmental management and signed the *Environmental and Safety Management Notice* and the *Environmental Safety Protection Agreement* with them. In addition, the Company holds supplier evaluation meetings every March to comprehensively review each qualified supplier, which results in the generation of the new *Qualified Supplier List* to help suppliers repeatedly improve their own operations and enhance their performance capabilities.



Key Performance

Number of Suppliers for PJI Group in 2022		
Suppliers in Northern China 7 Companies	Suppliers in Eastern China 145 Companies	Suppliers in South China 7 Companies
Suppliers in Central China 5 Companies	Suppliers in Southwestern China 5 Companies	Suppliers certified to the ISO 14001 system 38 Companies

People's Well-being

PJI Group deeply integrates social responsibility into corporate development and actively engages in public welfare undertakings in various fields such as rural revitalization, affordable education, health initiatives, environmental protection, and community development. In 2022, Dr. Tang Liang, Chairman of PJI Group, donated RMB 2 million to the Shanghai Overseas Chinese Foundation's special fund - "Pujiang Standing With You·Common Health", through the Ossen Charity Foundation, continuously creating positive value for society.



PJI Group fully engaged in the battle for pandemic control to fully ensure the necessary materials for frontline

In 2022, PJI Group set up a pandemic prevention command center during the pandemic period. Dr. Tang Liang, the chairman, led the anti-pandemic actions in frontline areas and encouraged all party members, cadres, and employees to actively participate in community pandemic prevention and contribute their efforts. Meanwhile, the Medical Device Business Department of PJI Group continued its production under the required quality and quantity. In spite of the logistics constraints, through a "relay throughout interrupted routes", medical devices were promptly delivered to major hospitals, which fully satisfied the needs for frontline treatment for materials. In 2022, PJI Group donated RMB 1.3 million to Shanghai's anti-pandemic efforts.



 **Key Performance**



Total number of volunteer hours in 2022

3,600 Hours



Number of volunteers involved in 2022

178 Persons



Total investment in public welfare and charity in 2022

RMB 3.46 Million



Outlook

As we enter the year 2023, PJI Group will comprehensively summarize past experiences and accomplishments in order to meet the new situations, missions, and requirements we face. By deeply implementing the spirit of the 20th CPC National Congress, the Company strives to ensure sustainable development and green transformation and actively explores the demands and expectations of stakeholders in a bid to build the Company into a high-tech, green and sustainable comprehensive manufacturer that builds quality bridges for the people.

Advocating for Green Transformation

PJI Group fully integrates the concept of sustainable development into the entire life cycle of products and enterprise operation management. The Company comprehensively promotes green transformation across several areas, such as environmental management, low-carbon products, green production, green office, and response to climate change, so as to facilitate the achievement of the national strategic goals of carbon peaking and carbon neutrality.

Focusing on Technological Innovation

PJI Group will persistently reinforce and expand its technological achievements in innovation, deeply implement the development and application of green low-carbon products, and drive low-carbon development of green cable by upgrading and innovating seven major technologies, including high strength cables, carbon fiber materials, basalt fiber materials, corrosion resistant technologies, intelligent cables, preforming technologies, and tilt cable airbag. Additionally, we will continue to push the boundaries of the R&D of key technologies in the field of superconducting power transmission, to promote its widespread application as a green and new technology in

daily life, and to lead companies and the public to transform towards green and low-carbon production and lifestyle, thus contributing to the creation of a green, healthy, and harmonious living environment.

Optimizing Corporate Governance

PJI Group will continue to optimize our corporate internal organizational structure, improve corporate governance and operational efficiency, strengthen internal risk identification and control, and firmly build a corporate culture of ethical integrity. All of these endeavours will help ensure PJI Group grows with higher standards, quality and efficiency.

Engaging in Social Welfare

PJI Group will partner with the Ossen Charity Foundation to take proactive steps in participating in social welfare initiatives, with a particular focus on rural revitalization, affordable education, health and safety, environmental conservation, community development, and other related fields, to make new contributions towards promoting green and beautiful development in our society through tangible actions.

Helping Partners for Win-Win Situation

PJI Group will continue to optimize our sustainable supply chain system, deepen responsible supply chain management, energetically foster an open, equitable, and transparent partnership, and endeavor to progress sustainable and high-quality growth of the industry.

Index of indicators

Hong Kong Stock Exchange Indicators Index

Environment Scope			
Level	Indicator Number	Indicator Content	Corresponding Chapters
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Management Green Production
	A1.1	The types of emissions and respective emissions data.	Green Production
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Feature: Responding to Climate Change
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Production
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Production

	A1.5	Description of emissions target(s) set and steps taken to achieve them.	Feature: Responding to Climate Change
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Production
	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management Green Production
A2: Use of Resources	A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	Green Production
	A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Green Production
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Production
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Green Production
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Green Production

A3: Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Management Green Production
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management Green Production
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Feature: Responding to Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Feature: Responding to Climate Change

Social Scope			
Level	Indicator Number	Indicator Content	Corresponding Chapters
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employee Rights
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employee Rights
	B1.2	Employee turnover rate by gender, age group and geographical region.	Employee Rights
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety
	B2.2	Lost days due to work injury.	Occupational Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety

B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Development
	B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Employee Development
	B3.2	The average training hours completed per employee by gender and employee category.	Employee Development
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employee Rights
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employee Rights
	B4.2	Description of steps taken to eliminate such practices when discovered.	Employee Rights
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
	B5.1	Number of suppliers by geographical region.	Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management

	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Customer Service
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Management
	B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Service
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Scientific Innovation
	B6.4	Description of quality assurance process and recall procedures.	Quality Management
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Customer Service

B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Risk Control and Compliance
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Risk Control and Compliance
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Risk Control and Compliance
	B7.3	Description of anti-corruption training provided to directors and staff.	Risk Control and Compliance
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	People's Well-being
	B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	People's Well-being
	B8.2	Resources contributed (e.g., money or time) to the focus area.	People's Well-being

Feedback

In order to continuously improve PJI Group's ESG management, we would like to receive your feedback, which will serve as an important basis for PJI Group to improve our ESG work.

We sincerely thank you for your valuable suggestions on the themes and topics of this report and the Annual Report 2023 despite your busy schedule.

Your Information

Name

Company

Telephone

Mailbox

Your Comments

1. What do you think of the PJI Group ESG Report 2022 in general:

- Excellent
 Good
 Fair
 Poor
 Very poor

2. How do you rate the volume of information that the PJI Group ESG Report 2022 discloses:

- Excellent
 Good
 Fair
 Poor
 Very poor

3. How do you rate the quality of information disclosed in the PJI Group ESG Report 2022:

- Excellent
 Good
 Fair
 Poor
 Very poor

4. Which kind of presentation form should be enriched for the PJI Group ESG Report 2022:

- Management idea elaboration
 Graphical data
 Example of cases
 Topics
 Images

5. Topics you would like to see added to the PJI Group ESG Report 2023:

- In terms of economic growth, specifically...

- In terms of environmental protection, specifically...

- In terms of social progress, specifically...

- In terms of other categories, specifically...

Contact us

Pujiang International Group Limited

Shanghai: Floor 16, 518 Shangcheng Road

Hong Kong: Suite 5512, 55/F, The Center, 99 Queen's Road Central, Hong Kong

Website: www.pji-group.com

Email: ir@pji-group.com