



国家能源集团
CHN ENERGY



国家能源集团
2020社会责任报告

CORPORATE
SOCIAL RESPONSIBILITY
REPORT



EMPOWER SOCIAL DEVELOPMENT BOOST ECONOMIC GROWTH



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MESSAGE FROM CHAIRMAN



The year of 2020 was extremely extraordinary. It was the year of achieving decisive victory in building a well-off society in an all-round way and the critical year to achieve the first centenary goal. It was also the ending year of the “13th Five-Year Plan” and the beginning year of the “14th Five-Year Plan” as well as the tough year for China Energy to promote reform, restructuring and integration thoroughly and build a world-class energy corporation. This year, in the face of the century pandemic interwoven with the changing situation, and the severe challenges and major opportunities, China Energy, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly carried out the guidelines of the 19th National Congress of the Communist Party of China and its Second, Third, Fourth and Fifth Plenary Sessions, practiced the statement that “socialism is achieved with hard work”, performed its duties diligently, worked hard and painted the latest and most beautiful picture on the magnificent motherland together with stakeholders.

We take the original aspiration as the most fundamental source of power. In 2020, the central SOEs consolidated and deepened the Party building. Over the past three years after its restructuring, China Energy, as an important state-owned backbone enterprise led by the Party, has always insisted on guiding the first-class enterprise development with the first-class Party building, always put the political development in the first place and insisted on two “consistent principles” to promote the organic integration of the Party’s leadership and the corporate governance. It has promoted the implementation of the Party’s basic theory, basic line, and basic strategy with the clear attitude and resolute action, insisted on that the Party should manage itself well and strengthen the Party self-discipline comprehensively with firm determination and solid style, focused on and strengthened Party building with high self-awareness and strong sense of responsibility, highlighted the four enhancements and six promotions, consolidated and deepened the educational achievements under the theme of “staying true to the founding mission, keeping the mission in mind”, and spared no effort to build the pattern of “big Party building” to further enhance “four consciousness”, strengthen “confidence in system, road, theory and culture”, achieve “two upholds”, and effectively gather the powerful force of more than three hundred thousand staff in the development of entrepreneurship.

We take diligence as the simplest methodology. Those seeming common are most peculiar and the achievements seeming easy are hard. As a state-owned capital investment company, world-class demonstration enterprise as well as a restructuring central SOE with “three pilot projects”, China Energy, since its restructuring, has built the new development pattern, thoroughly implemented the new energy security strategy of “reforms to improve the energy consumption structure, build a more diversified energy supply structure, improve energy technologies, and optimize the energy system, as well as energy cooperation with other countries”, implemented the enterprise development strategy of “one goal, three characteristics, five-pronged development directions and first-class performance in seven domains” to further accelerate the transition to clean energy, large-scale clean energy deployment, intensive energy layout and international industrial operation, further perfect the scientific research system, achieve major breakthroughs in the key and core technologies, steadily boost the HQ institutional reform, improve the “strategy + operation” control system, make the main production and operation indicators increase continuously and achieve the major initial results in high-quality development.

We take family and country as the most sincere values. “Empower Social Development, Boost Economic Growth” is the purpose of China Energy. Since restructuring, each person of China Energy has united as one and made joint efforts with the national people to shoulder the responsibility for a better new life in the new era. Especially in the test of preventing and controlling COVID-19 from spreading, securing the safe production, protecting employees’ health and guaranteeing the energy supply, China Energy was the first to boost work and production resumption, spared no effort to guarantee the energy supply and loyally performed the corporate mission of “ballast for energy supply and pioneer in energy resolution”. In the decisive victory of the all-round well-off society and the decisive battle against poverty, as all nine counties for which we provided designated assistance and counterpart assistance got rid of poverty, China Energy completed the national poverty alleviation task smoothly and left a remarkable mark on the historical scroll of building a well-off society in an all-round way.

The year of 2021 is the 100th anniversary of the founding of the Communist Party of China, the beginning year of the “14th Five-Year Plan” and also the beginning year of the new journey of building a modern socialist country in an all-round way. We will continue to stand up at the forefront amidst the turmoil of winds and thunders and write the wonderful chapters while progressing bravely and earnestly, firmly carry out the decisions and deployments of the CPC Central Committee and carry out the new development concept and thoroughly carry out the new energy security strategy based on the new development stage. We will continue to practice the Company’s purpose of “Empower Social Development, Boost Economic Growth” with courage and determination, actively conform to the historical course and development rules of the energy reform and intensify the research and exploration of “carbon neutrality” path in the energy industry to promote the enterprise transition and upgrade and will unswervingly take the road of clean and low-carbon development, strengthen the confidence and determination to achieve “Two Centenary Goals” and bravely shoulder the mission of the era of building the world-class enterprise to present the excellent achievements to the 100th anniversary of the founding of the Party as a gift!

WANG Xiangxi
Chairman

MESSAGE FROM PRESIDENT



In the long river of time, there are always some unforgettable moments. The year of 2020 was destined to be an unforgettable year that the people would remember to the end of their lives. In the year, COVID-19 swept across the world and the economic development faced major challenges, but the national people worked together to beat the pandemic, stabilize the development and achieve the touching "victory". This year was the third year after the restructuring reform, and we shouldered responsibility, kept development in mind and delivered fruitful results with the spirit of leaving the marks after stepping on the stone. This year, the Company led the subordinate units to continue to release the social responsibility report, vividly interpreted the statement that "socialism is achieved with hard work" and affectionately told the story of "Empower Social Development, Boost Economic Growth".

Create the first-class company and paint the new development prospect. We thoroughly carried out the guidelines of the 19th National Congress of the Communist Party of China and its Second, Third, Fourth and Fifth Plenary Sessions, thoroughly implemented the development strategy of "one goal, three characteristics, five-pronged development directions and first-class performance in seven domains", kept an eye on "two strives", stressed "four guarantees", and focused on "four important aspects and one critical aspect". We steadily boosted the smooth reform of state-owned capital investment company, world-class demonstration enterprise and the restructuring of two groups, smoothly carried out the "HQ institution" reform, continuously strengthened the "strategy + operation" control ability, arranged ten key science and technology projects and reached the international leading or advanced level in 58 scientific and technological achievements. In particular, we stood against the test brought by COVID-19 and achieved the excellent performance in enterprise reform, development and stability. Throughout the year, we have achieved the revenue of RMB 556.9 billion and the total profits of RMB 83.8 billion, and paid the taxes of RMB 89.8 billion, taking new and firm steps in the high-quality development.

Establish the first-class standards to protect the new green homeland. We have always adhered to the concept that "lucid waters and lush mountains are invaluable assets", actively started the strategic research on carbon peak and carbon neutrality, spared no effort to promote the green and low-carbon transition and upgrading, and strove to be the main force and leader of the clean energy, large-scale clean energy deployment, intensive energy layout and international development of industrial operation. The Company increased the number of ten-million-ton mines to 25, achieved 100% ultra-low emissions in the conventional coal-fired power units, increased the proportion of installed capacity of clean and renewable energy to 25.8%, won the first battle in the "two 5,000 MW+" action of new energy, maintained the world's first place in the installed capacity of wind power, included 12 new mines into National Green Mine List, and completed the sixth phase of energy conservation and environmental protection assessment task of State-owned Assets Supervision and Administration Commission (SASAC) one year ahead of schedule.

Gather the first-class talent and join hands for new life. Guided by General Secretary Xi Jinping's important statements on poverty relief and development, we insisted on the basic strategy of targeted poverty alleviation, took the practical actions steadily and sought practical results diligently and accumulatively input RMB 1.16 billion for poverty alleviation. All nine counties for targeted poverty alleviation and counterpart assistance got rid of poverty smoothly and were removed from the list of poor regions and counties. We won the highest rating of "good" in the effect assessment of targeted poverty alleviation of central government departments for three consecutive years. We were rated as Advanced Unit of Poverty Alleviation by Sichuan Province and Qinghai Province for multiple times, and won the "Innovation Award for Poverty Alleviation Organizations of Shaanxi Province and Shanxi Province". We became a model of central SOEs, with advanced experience and typical characters such as Mutual Promotion and Win-win Mode for Yellow River-source Poverty Alleviation and Ecological Restoration, "Love" Brand Action of Public Welfare Foundation, "National Advanced Individual of Poverty Alleviation" and "Five-heart Secretary" Hu Xiaoming.

By putting into more efforts, we can continuously increase our knowledge and continuously improve our cognition; with a more profound cognition, we can have more sense of direction in the practice. The year of 2021 is the 100th anniversary of the founding of the Communist Party of China, the first year to implement the "14th Five-Year Plan" and start the new journey of building a modern socialist country in an all-round way, and also the tough year and critical year for the Company to implement "Three-year Action of State-owned Enterprise Reform". The journey is magnificent, but the original aspiration becomes even firmer as time goes by. We will vigorously carry forward the spirit of a serving-the-people ox, pioneering ox and persisting ox, strive to act as ballast for energy supply and pioneer in energy revolution, struggle to build a world-class energy corporation with global competitiveness, empower social development, and boost economic growth, thus making contributions to building the modern socialist country in an all-round way and achieving the second hundred-year objective, and painting a good picture scroll of China Energy for the 100th anniversary of the Communist Party of China!

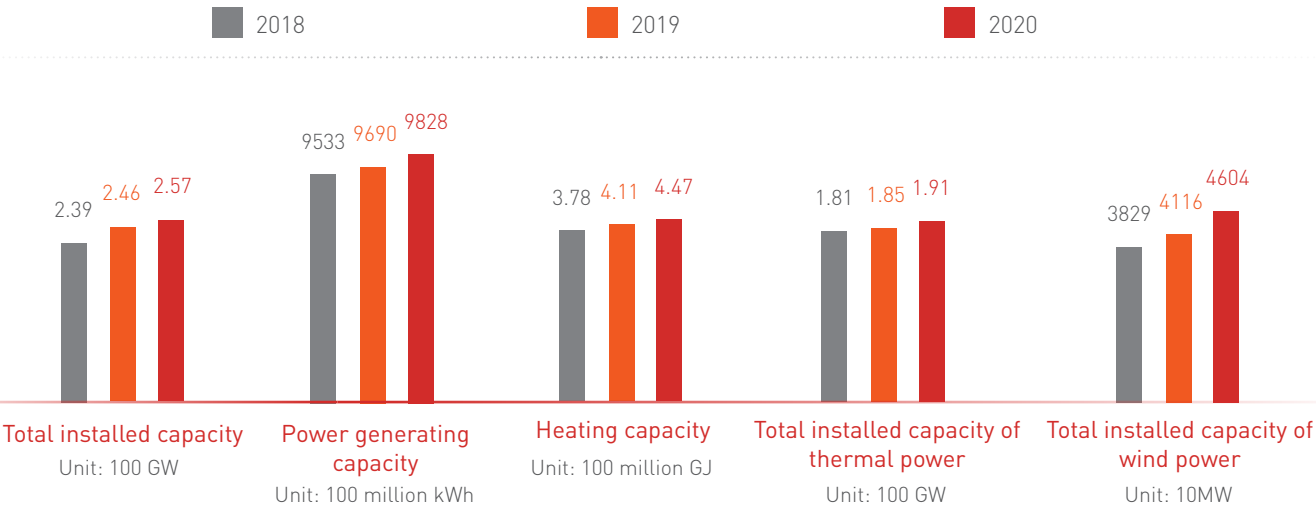
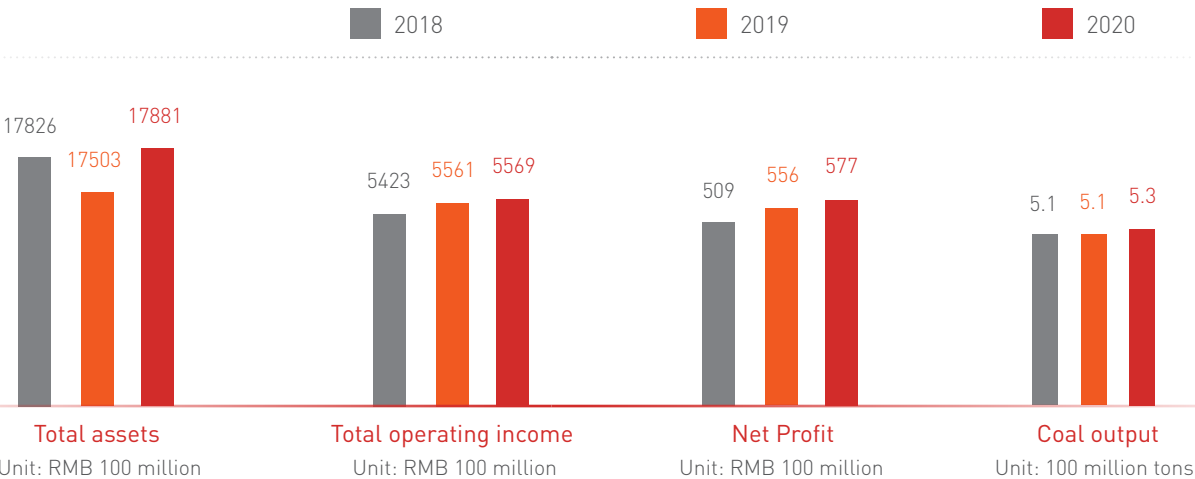
LIU Guoyue
President

ABOUT US

China Energy Investment Corporation Limited ("China Energy") was officially inaugurated and established on November 28, 2017. It is a central backbone energy enterprise incorporated through the merger of China Guodian Corporation and China Shenhua Group Corporation with the approval of the CPC Central Committee and the State Council and is a pilot company for state-owned capital investment reform and a model world-class enterprise. It has the full industry chain business including coal, electric power, transportation and chemical engineering, with the industries spreading over 31 provinces, autonomous regions and municipalities directly under the central government nationwide as well as more than 10 countries and regions, such as the US and Canada. It is the largest coal producing company, thermal power company, wind power company and coal-to-liquids and coal chemicals company in the world. In 2020, it ranked 108th in Fortune Global 500.

In 2020,
it ranked **108th**
in Fortune Global 500

IN THE PAST THREE YEARS, IT HAS WRITTEN A WONDERFUL CHAPTER WITH HARDWORK




DEVELOPMENT STRATEGY

As one of the first batch of ten pilot world-class model enterprises listed by the SASAC of the State Council, China Energy is the “industry pioneer” selected by the SASAC to carry out the strategic deployment of the CPC Central Committee on the cultivation of world-class energy corporations with global competitiveness thoroughly. The Company has guided the road of future development with the strategy of “one goal, three characteristics, five-pronged development directions and first-class performance in seven domains”, which has reflected the Group’s responsibility and mission of practicing the new development concept, building the modern economic system, serving the new energy security strategy of “reforms to improve the energy consumption structure, build a more diversified energy supply structure, improve energy technologies, and optimize the energy system, as well as energy cooperation with other countries” and safeguarding the national energy security, and guided the Group to keep moving toward the goal of becoming an excellent enterprise and model enterprise in the industry.



CORPORATE CULTURE

Guided by General Secretary Xi Jinping’s important instructions of giving greater prominence to cultural development and building a socialist country with advanced culture, China Energy has fully pooled the wisdom of its employees and absorbed the essence of the traditional Chinese culture to plan and build a cultural core value system in line with the Company’s actual development. It marks the more basic, more profound and more lasting self-confidence of China Energy and gathers strong spiritual strength and powerful cultural support for the Group to build a world-class demonstration enterprise with global competitiveness.

 **Our Goal:**
Build a World-class Demonstration Enterprise with Global Competitiveness

Interpretation: The report of the 19th CPC National Congress calls for turning “Chinese enterprises into world-class, globally competitive firms,” which points out the direction for the reform and development of state-owned enterprises (SOE) in the new era. China Energy has been designated by the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council as a pilot company in building world-class enterprises with global competitiveness.

 **Our Mission:**
Ballast for Energy Supply, Pioneer in Energy Revolution

Interpretation: By fulfilling its political, economic and social responsibilities as a central SOE, China Energy is committed to playing a pioneering role in implementing the new energy security strategy put forward by President Xi Jinping (namely, reforms to improve the energy consumption structure, build a more diversified energy supply structure, improve energy technologies, and optimize the energy system, as well as energy cooperation with other countries), serving as a stabilizer and ballast for ensuring China’s energy supply and security, and playing a strategic supporting role as a state-owned enterprise in promoting sustained, healthy economic and social development.

 **Our Philosophy:**
Empower Social Development, Boost Economic Growth

Interpretation: With corporate philosophy embodied in industry attributes, corporate features and business pursuit, China Energy aims to provide safe, economical, clean and high-efficiency energy for people to enjoy a better life and secure energy supply for high-quality economic and social development.

 **Our Core Values:**
Promote Green Development, Pursue Excellence

Interpretation: Green development is the fundamental goal of energy development and excellence is the ultimate goal to build a world-class enterprise.

 **Corporate Spirit:**
Diligence, Dedication, Innovation, Ambition

Interpretation: Diligence and dedication are embodiments of President XI Jinping’s statement that “socialism is achieved with hard work”, and innovation and ambition are the driving forces and direction for the enterprise’s development.

SENIOR EXECUTIVE TEAM

BOARD OF DIRECTORS



Chairman

WANG Xiangxi



Director

LIU Guoyue



Director

WANG Min



External Director

LIU Guosheng



External Director

TIAN Hui



External Director

SHI Dan



External Director

ZHAO Jibin



External Director

YANG Ya



Employee Director

WU Guoping

MANAGEMENT TEAM



Chairman

WANG Xiangxi



President and Director

LIU Guoyue



Director

WANG Min



Executive Vice President

GAO Song



Leader of Discipline Inspection Group

BIAN Baochi



Executive Vice President

WANG Shumin



Chief Accountant

CAI Anhui



Executive Vice President

YANG Peng



Executive Vice President

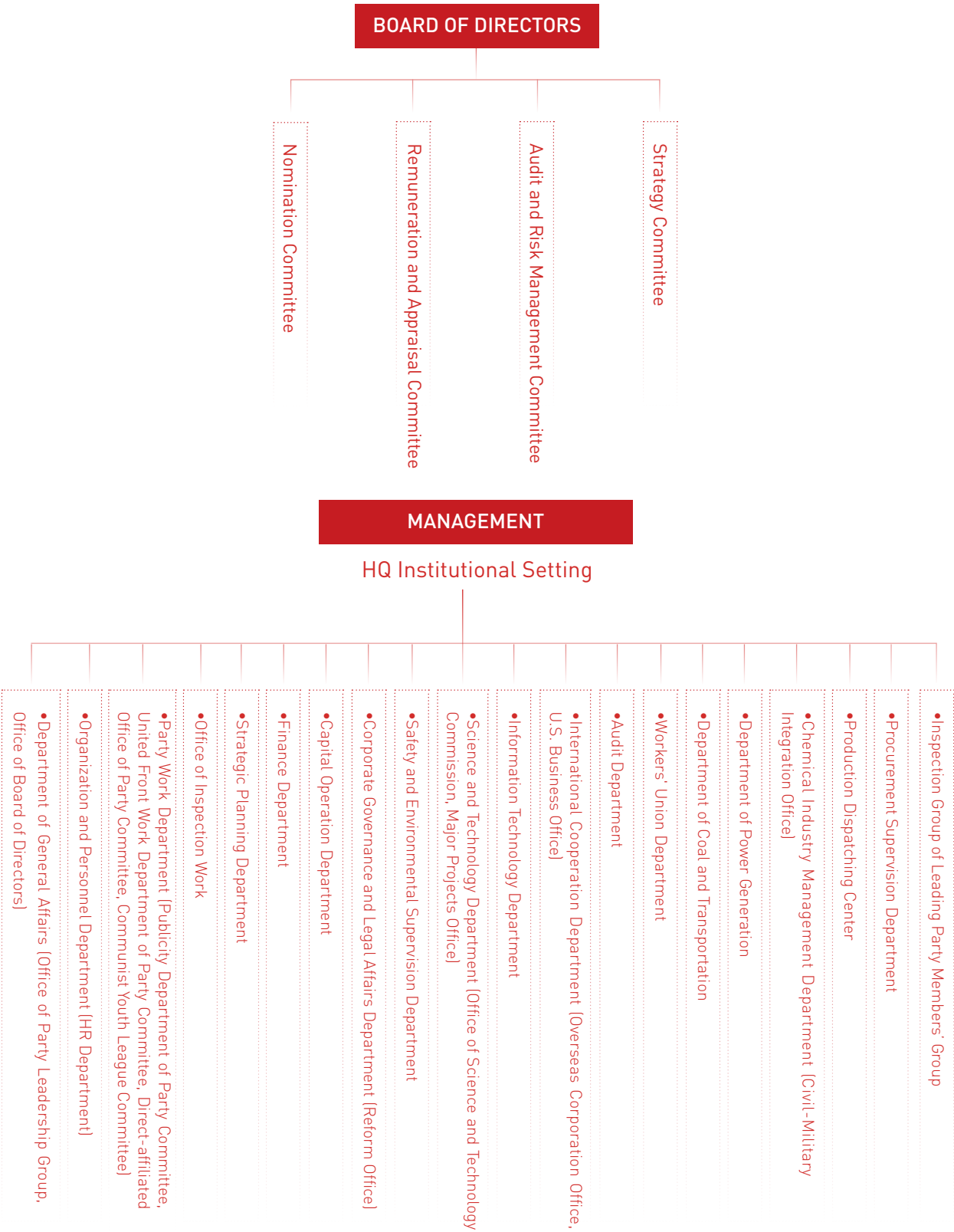
FENG Shuchen

*Former Deputy Secretary of Leading Party Members' Group (left the position in September 2020) **ZHANG Guohou**

*Former Executive Vice President (retired in March 2020) **LI Dong**

*Former Executive Vice President (left the position in September 2020) **MI Shuhua**

ORGANIZATIONAL STRUCTURE



2020

PROGRESS WITH HONORS, LIVE UP TO THE ORIGINAL ASPIRATION

JANUARY

APRIL

MAY

JUNE

JULY

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

- 15 videos of the Group Company were awarded in 2019 China Electric Power News Award (Film and Television) and 2020 Electric Power Oscar
 - It won the "Chinese Charity Award" of the Ministry of Civil Affairs
 - It won the "Excellent Organization Award" of two law popularization events of National Energy Administration
- The social responsibility achievement of the Group won four honors of the Third Beijing Responsibility Exhibition
 - It won the honorary title of "National Advanced Unit of Internal Audit"
 - 16 units of the Group were rated as "National Civilized Units"
 - 10 employees of the Group Company won the honorary title of "National Model Workers"
 - The audit system of the Group Company won multiple honors of China Institute of Internal Audit
- It was rated as "Advanced Unit in Poverty Alleviation Work of Qinghai Province in 2019"
 - One department and two individuals of the Group were commended for fighting COVID-19 by central SOEs
 - It won the second prize in 2020 National Electric Power Industry Enterprise Culture Story Event
- It ranked 29th among Top 500 Chinese Enterprises in 2020
 - One company, 28 ships and 2 captains of the Group were selected into the list of "Safety and Integrity" Selection of China MSA
- It ranked 108th in Fortune Global 500 in 2020
 - 89 wind power farms of the Group were rated as "Superior Wind Power Farms", including 24 AAAAA farms, 28 AAAA farms and 37 AAA farms, and it ranked first among the electric power groups in the total number
 - It was rated as National Excellent Enterprise Issuing the Social Responsibility Report in the Coal
- Five young people of the Group Company won National Young Post models
 - It was included into "2019 List of Level A Enterprises with Assessment on the Operation Performance of Persons in Charge of Central SOEs"
- 88 sets of thermal power generating units of the Group won the title of National Superior Units of Energy Efficiency Benchmarking, and it ranked first among domestic electric power groups
- China Energy ranked among Top 10 of "520" responsible brands index
 - It ranked 9th among 2020 Top 500 Chinese Brands
- 24 mines of the Group were included into National Green Mine List
 - The Group Company was elected as one of the first Director of Hydrogen Council
- The Group Company won the title of "Excellent Issuer of Corporate Bonds of Shanghai Stock Exchange in 2019"
 - Two pieces of works of the Group Company won the third prize in National Confidential, Publicity and Education Selection

THE CENTURY-OLD “RED BOAT” SAILS FOR A MORE BEAUTIFUL CHINA

All great achievements are the result of continuous hard work, and all great undertakings need to be advanced by building on past achievements and striving for new progress in the future.

—— Xi Jinping

“From Shikumen in Shanghai to South Lake in Jiaxing, a small red boat, with the trust of the people and the hope of the nation, crossed rapids and shoals and crossed terrifying waves, to become a huge ship leading China in the long steady journey.” The 100th anniversary of the Party is a historical intersection connecting the past and the future. As the eldest son of the People’s Republic of China, we inherit the red gene, continue the red blood and prosper with the Republic; we adhere to the people-centered principle, strive to practice General Secretary Xi Jinping’s statement that “socialism is achieved with hard work”, brave winds and waves along the way and speak up for China Energy enlighteningly in the magnificent voyage of the new era.

VIGOROUS THEORETICAL LEARNING

We adhered to the leadership of the Party’s political development, thoroughly studied and carried out Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and timely followed up and studied the Party’s innovative theories, and we were the first to formulate and launch the “first topic” system in central SOEs, and continuously enhanced the “four consciousness”, strengthened “confidence in system, road, theory and culture” and achieved “two upholds”. We continuously strengthened the supervision on the study of the Central Group of the Primary-level Party Committees, carried out high-quality study on various topics and systematically studied Xi Jinping: The Governance of China (Volume III), the guidelines of the NPC and CPPCC and the deployment of Three-year Action of State-owned Enterprise Reform to make the theoretical learning become common practice. Energy Party School established the online learning brand of “intelligence integration” to promote the further integration of theoretical learning with production and operation. From October, the Group continuously held the Study Meeting, Enlarged Study Meeting and Reading Class of Central Group of Leading Party Members’ Group for study and discussion, setting off a craze of studying and carrying out the guideline of the Fifth Plenary Session of the 19th Central Committee of the Chinese Communist Party and sparing no effort to promote the progress of the “14th Five-Year Plan” at a high starting point. In 2020, 125,000 Party members participated in the study, and a total of 360,000 staff participated in the study.

- **12** study meetings of the Central Group of Leading Party Members' Group were convened in the year
- The guidelines of important speeches and instructions of General Secretary Xi Jinping were conveyed for **66** times
- The guidelines of important speeches and instructions of General Secretary Xi Jinping were studied for **18** times

- Over **980** study meetings of the Central Group of the Party Committees at all levels were held
- Over **1,100** lectures were organized
- **94** studies on the political research topics of the Company's system were organized and completed



Mobilization and Deployment Meeting for Studying, Promoting and Carrying out the Guidelines of the Fifth Plenary Session of the 19th Central Committee of the Chinese Communist Party



A Party member of ethnic minority of Xinjiang Jilintai Company was reading Discussion on the History of the Chinese Communist Party

SUCCESSFUL ORGANIZATIONAL BUILDING

We continuously strengthened the development of the "primary level, foundation and basic skills" to consolidate the primary-level foundation and build a strong battle fortress. We earnestly implemented the Regulations on the Work of the Primary-level Organizations of State-owned Enterprises, strengthened the "Party building-leading" HQ development, continuously improved the weak primary-level Party organizations and carried out the "Double-Hundred Action" to further promote the primary-level organization power. In the face of the sudden pandemic, the Group's Leading Party Members' Group mobilized the party organizations at all levels and the Party members and officials to be pioneers and set examples in the "one prevention and three protections", and the bright red Party flag flew high on the front line of pandemic prevention and control and work resumption and production capacity achievement. In 2020, Party Branch of Gasification Workshop of Ningxia Coal Olefin No. 1 Branch was rated as "Primary-level Demonstration Party Branch of Central SOE". The Group was rated as Level "A" in the assessment of the Party Building Work Responsibility System of Central SOEs in 2019.

• **30** key tasks and measures of Regulations on the Primary-level Organization Work of State-owned Enterprises were formulated and implemented

• Poverty alleviation by Party building was carried out and **64** Party building positions for poverty alleviation were established

• "Double-hundred Action" was carried out, and **100** demonstration Party branches and **100** Party branch innovation cases were selected

• The establishment of the Party building information platform was promoted to enhance the work quality of the smart Party building

REVIEW THE GREAT CALL, MAKE THE RED FLAG NEVER FADE



"Socialism Is Achieved with Hard Work" Awarding Conference for Meritorious Action at Posts

On July 17, 2020, China Energy held "Socialism Is Achieved with Hard Work" Awarding Conference for Meritorious Action at Posts to review the great call and re-study, re-mobilize and re-deploy the important instructions of General Secretary Xi Jinping. In the past four years, China Energy has thoroughly practiced the statement that "socialism is achieved with hard work", continuously carried out the Meritorious Action at Posts, adhered to the direction of focusing on primary-level development, continuously encouraged the officials to shoulder responsibilities and take actions, vigorously strengthened the work ethics, comprehensively strengthened the Party building and promoted the enterprise to realize the high-quality development with high-quality Party building.

GOOD TALENT CULTIVATION

The Group Company paid high attention to the development of the officials and talent, established the correct selection and employment standards, strove to optimize the structure of the official team, strengthened the education and training of officials and enhanced the Company's development fortress with "three teams".

In 2020, the Company adhered to the principle of placing officials under the Party's supervision and continuously selected and strengthened leading groups at all levels. It formulated the error tolerance and correction system to motivate officials to shoulder responsibilities and take actions, supporting and encouraging those officials. It implemented the Three-year Action Plan of Cultivating Excellent Young Talent and selected 50 excellent young officials to the primary-level leading groups to strengthen their political experience, ideological refinement, practical exercise and professional training and adapt them to the requirements of the new era. It adhered to the guideline of external introduction and internal cultivation and expanded the high-level talent team to provide the solid talent guarantee for building a world-class energy group with global competitiveness.

• Online and offline training of secretaries of Party organizations in the Company's system throughout the year

• The Party affairs training class





Chairman, WANG Xiangxi, taking part in the Theme Party Day Event of Operation Department's Party Branch of Beijing Gas-fired Power Plant



Shendong Coal welcoming the 71st anniversary of the founding of the People's Republic of China



"July 1" formation of the primary-level Party members of Chemical Company



"Study the History of the Party, Pay Tribute to the Heroes" Memorial Event in the strip mine of Shengli Energy

VIGOROUS PARTY MANAGEMENT AND GOVERNANCE

We earnestly implemented the guidelines of the Fourth Plenary Session of the Central Commission for Discipline Inspection, adhered to the general principle of seeking progress while maintaining stability, shouldered "two responsibilities", promoted the mechanism through which officials do not have the courage, capability and intention to be corrupt in an integrated way, and gave full play to the leading and guarantee role of strengthening Party self-discipline comprehensively.

On one hand, we unswervingly corrected "four bad styles", completed three rounds of inspection of Leading Party Member's Group and specially rectified the "HQ institutionalization" problem to enhance the ability to serve the primary level, and we seriously held accountable those who didn't fulfill their duties and who had misconducts and continuously carried forward the new healthy trends of being realistic and practical and developing entrepreneurship. On the other hand, we strictly supported the disciplines and rules, contained the increase in corruption with zero tolerance, and resolutely investigated and handled the problems of exploiting the enterprise for personal gains, setting and seeking rent and misappropriating the state-owned assets through internal and external collusion as well as the corruption problems around the ordinary employees. Meanwhile, we strictly implemented the daily supervision, continuously perfected the all-round supervision and management system of managing the work, thought, style and discipline; we highlighted political supervision, strengthened follow-up supervision and promoted the implementation of the decisions and deployment of the Party Central Committee in the Group Company; we improved the rectification responsibility mechanism, supervision mechanism and assessment mechanism, enhanced the application of inspection achievements and addressed both symptoms and root causes to prevent the resurgence of "four bad styles".



The Group Company was holding 2020 Discipline Inspection and Supervision Meeting

IMPRESSIVE PUBLICITY WORK

We firmly grasped the initiative in the ideological work and carried out a series of publicity activities around themes such as energy supply guarantee, quality and efficiency improvement, scientific and technological innovation, social responsibility and employee ethics to tell stories of China Energy well and make our voice heard and continuously promote the corporate recognition and reputation. In 2020, in the face of the sudden pandemic, we compiled and printed Socialism Is Achieved with Hard Work – Collection of China Energy's Advanced Collective and Individual Deeds in "One Prevention and Three Protections" COVID-19 Prevention and Control to encourage and guide officials and employees to prevent the pandemic in a scientific way; we took a series of effective measures in supply and heating guarantee for the people in the trying times and were reported by the mainstream media such as CCTV and people.com.cn, which manifested the good image of the central SOE as "stabilizer" and "ballast".

In addition, we strove to be the vivid teller and voluntary communicator of "Belt and Road" Chinese stories to actively display the enterprise image overseas, publicize and introduce the enterprise culture and accelerate building the world-class

enterprise with the world-class soft power. In 2020, through practices such as releasing the first social responsibility report facing South Africa and holding three full-media open day activities covering more than 100 million people in total, we effectively promoted our influence and reputation overseas. In addition, we also released the first report on "Belt and Road" high-quality development cases with People's Daily and provided the vivid energy schemes for building a community with a shared future for mankind.

Centenary is just the prime time for a noble cause. When turning over the red chapter of turmoil, the great Party has guided the people to compose a moving and magnificent anthem of hard work. Nowadays, in the once-in-a-century situation of great changes and the historical intersection period of "Two Centenary Goals", a new magnificent historical picture scroll is unfolding slowly. China Energy will continue to maintain the momentum for revolution and make ceaseless and continuous efforts to build a world-class energy group with global competitiveness and realize the Chinese Dream of national rejuvenation.

THE THREE-YEAR REFORM STARTS TO SING LOUDLY WONDERFUL SCROLLS PAINT EXTRAORDINARY TIMES

We comprehensively deepen the reform in the new era to grasp the opportunities instead of coping with the challenges only, to achieve the long-term goals instead of the short-term goals only, and to shoulder the historical responsibility instead of meeting the requirements of the era only.



Highlight

The building of modern enterprise system with Chinese characteristics, achieving tangible effect in serving the purpose and being more mature

Highlight

The pilot state-owned capital investment company, achieving the tangible effect in promoting layout optimization and industrial structure adjustment

Highlight

The reform of mixed ownership, achieving the tangible effect in transforming mechanism and increasing vitality

Highlight

The reform of three systems, achieving the tangible effect in performing market-oriented operation mechanism and incentive and constraints

Highlight

The special reform program, achieving the tangible effect in building the world-class enterprise

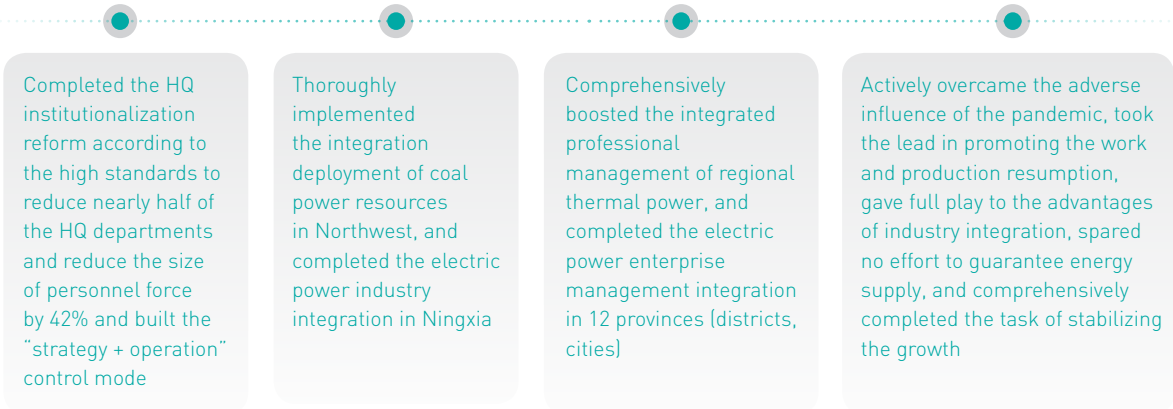
Highlight

The Party leadership and building, achieving the tangible effect in providing solid guarantee

On November 28, 2017, China Energy was officially incorporated. In the past three years, as the first central SOE carrying out the strategic restructuring after the 19th National Congress of the Communist Party of China, which has also been the largest enterprise restructuring since the founding of the People's Republic of China, China Energy has taken promotion of deepening reform as a major political task of grasping the new development stage accurately, carrying out the new development concept thoroughly and blending into the new development paradigm actively, focused on "highlighting and focusing on six aspects, achieving fruitful results in six aspects", fully shown the Company's restructuring and integration effect from foundation strengthening, column and beam erecting to comprehensive boosting, advantage accumulating, and then to the system integration, collaboration and efficiency, and effectively played the role of "stabilizer" and "ballast" for energy supply to lay a solid foundation for building a world-class energy corporation.

INTEGRATED STRATEGIC RESTRUCTURING

China Energy is an important benchmark for coal-power joint ventures and is regarded as an important attempt to promote the optimization state-owned capital layout. As an important outcome of the CPC Central Committee’s comprehensive deepening of the reform of state-owned assets and state-owned enterprises and the promotion of strategic restructuring of central SOEs, the Company has adhered to being guided by the development strategy of “one goal, three characteristics, five-pronged development and first-class performance in seven domains” and moved toward “chemical reaction” from “physical restructuring”, and with stable increase in the main production and operation indicators for consecutive years, it has achieved the “1+1>2” restructuring effect.



SHOW THE CHARM OF THE ERA, FULLY GUARANTEE THE ELECTRIC POWER FOR NPC AND CPPCC

During NPC and CPPCC, China Energy spared no effort to guarantee electric power supply, and it accumulatively generated power of 20.8 billion kWh, with a year-on-year increase of 4.2% and powered on and off 55 set-times according to the dispatching instructions. China Energy made all the power generating enterprises in North China around Beijing achieve zero unplanned outage, achieved safety, environmental protection and stability and smoothly completed the tasks such as electric power guarantee and stability maintenance, production and operation and the pandemic prevention and control to practically perform the social responsibilities of a central SOE.



Show the charm of the era, fully guarantee the electric power supply for NPC and CPPCC

CONSISTENT CORPORATE GOVERNANCE

With the development of modern enterprise system with the Chinese characteristics as an important breakthrough to simulate the vitality of enterprise, the Company thoroughly carried out “two consistent principles” and blended the Party leadership into the corporate governance procedures to promote the standard operation quality of the Group Company’s Board of Directors, and optimized the decision-making mechanism of “decision-makings concerning major matters, appointment and removal of employee on key positions, arrangement of important projects as well as use of large funds” and the rules of debates of Board of Directors, meetings of Leading Party Members’ Group and meetings of Executive Office to realize standardization, institutionalization and IT application of corporate governance. The Company carried out the strategic deployment of comprehensive rule by law, deepened corporate governance according to law, prevented the reform risks and solidly carried out the institution “establishment, reform and abolishment” work to build an institutional framework system covering 7 categories of corporate governance, organization and personnel, strategic development, financial capital, production and operation, support and guarantee, as well as internal control supervision, 29 professions and 391 institutions, and it completed “establishment, reform and abolishment” of 289 institutions which reduced the number of institutions by over 90 compared with that before the rectification, make the institutional systems “thin” obviously and the structure more reasonable, and it continuously promoted the management system and management ability with “the features of the era and the characteristics of the group”.



Guangdong Guohua Yuedian Taishan Power Generation Co., Ltd.

ACTIVE MARKET MECHANISM

The Company thoroughly carried out the deployment and requirements of Three-year Action of State-owned Enterprise Reform, formulated the implementation schemes in details, such as Three-year Action of the Group Company Reform, Benchmarking with the World-class Management and Special Action of Quality and Efficiency Improvement, deepened the pilot reform of the state-owned capital investment company, and strengthened the investment and financing, capital operation and industry cultivation, continuously promoted "Double-hundred Action", "Scientific Reform Demonstration Action", "Pilot Reform of Mixed Ownership", "Pilot Employee Stock Ownership", and "Reform of Three Systems", continuously enhanced "capital investment + industry operation" functions, continuously optimized the industry layout and structure adjustment and further developed the clean energy, large-scale clean energy, intensive energy layout and international industry operation.

Total reduction rate of

92.5%



- Actively promoted the digital and information reform, took new steps in intelligent coal mines, intelligent power plants and intelligent transportation, and put the integrated dispatching and command system "cornerstone" Phase I into efficient operation
- Started the implementation of "1+2+3+N" scientific and technological research and development system reform, relied on itself to improve the system and mechanism for encouraging scientific and technological innovation, and enhanced the research and development to be closer to the demands and the scientific and technological renovation to be closer to the market
- Deepened the financial industry reform, such as capital company and finance company, made the functional positioning clearer, and made the function of serving the entities clearer
- Thoroughly carried out Reform of Three Systems, formulated Measures of Promoting and Demoting Leaders(Trial), and promoted more young people to higher positions
- Increased the authorization and devolution strength to reduce the matters managed and approved by HQ by 29%
- Formulated Guide of China Energy on the Reform Work of Mixed Ownership, actively and steadily promoted the mixed ownership reform work
- Thoroughly promoted the reform of collectively-owned enterprises, and achieved the in-service employee resettlement completion rate of 100%
- Completed the work of separation and transfer of "water, power and heating supply and property management"; 3 real estate enterprises completed the business withdrawal
- For the accumulated lost profits, the key loss-making enterprises reduced the losses by RMB 22.3 billion on a year-on-year basis, with the overall loss reduction rate of 92.5%
- Comprehensive reform cases of Longyuan Environmental Protection and Baoshen Railway became an example of "Double-hundred Action" of state-owned enterprise reform



Deputy Secretary of the Group's Leading Party Member's Group, Director and President, LIU Guoyue, was at the site of Comprehensive Launch Meeting of Intelligent Operation Maintenance "Status Repair" of Heavy-haul Wagons

THE FIRST ANNIVERSARY OF RESTRUCTURING OF BAOSHEN RAILWAY:
MAKE PROGRESS TOGETHER ALL THE WAY

On November 23, 2020, Shenhua Baoshen Railway Group delivered a practical report on the first anniversary of its restructuring. From the restructuring of Baoshen, Ganquan and Bazhun Railway Companies to the restructuring and integration of Shenshuo Railway Branch and Baoshen Railway Group, it achieved breakthrough steadily and orderly and achieved obvious "1+1>2" effect. The Group's transportation and production recorded a new high repeatedly, with the volume up to 272 million tons, exceeding the annual progress of 1.154 million tons, and the large logistics transportation of 5.425 million tons, exceeding the annual progress by 1.706 million tons. Nowadays, "Smart Baoshen" has been forging ahead, and has taken the lead in the development of the railway transportation cause with "Baoshen Speed" of a train per 8-10 minutes.



ESTABLISH THE FIRST-CLASS STANDARDS, SING THE
SONG OF VICTORY ALL THE WAY

Pursuing "three leaders, three leading aspects, three models", the Company has spared no effort to promote the building of the world-class energy corporation. Based on issuing and implementing the scheme for establishing the world-class demonstration enterprise, the Company has further improved the organization and promotion system, policy and document system, goal and achievement system and assessment and incentive system for building a world-class energy corporation, formed the establishment work system of displaying, verifying and demonstrating the first-class standards and achieved a good result in the trail evaluation organized by SASAC on the world-class enterprise. Meanwhile, the Company has vigorously enhanced the quality brand and integrity awareness, comprehensively strengthened the development of "four systems": brand, quality, social responsibility and integrity, optimized the top design and consolidated the management foundation to effectively promote the enterprise brand development path, been the example among the Chinese enterprises in performing the social responsibility and been praised by National Energy Administration for the annual integrity work summary.

The great reform practice is always a historical process of continuous hard work. By the end of 2020, the Company formulated 74 specific measures in 34 aspects around the core tasks of three pilot reforms of strategic restructuring, state-owned capital investment company and building of the world-class energy corporation, started Three--Year Action of Reform comprehensively in the entire system and was selected in one of the first batch of typical enterprises specially publicized by Three-year Action of State-owned Enterprise Reform of Publicity Department of the CPC and the SASAC.

At the beginning of the "14th Five-Year Plan", as a super-large energy enterprise that has existed only over 1,000 days since its establishment, China Energy will continue to make important contributions to form the more mature and more established modern enterprise system with Chinese characteristics and the state-owned assets supervision system focusing on capital management, promoting the layout optimization and structure adjustment of state-owned economy and improving the vitality and efficiency of state-owned enterprises with the hard work quality of "enduring great hardship in pioneer work", the dedication quality of "putting the collective interests in heart, serving the country sincerely" and the historical responsibility of "carrying forward the fine traditions and being persistent", and give a better play to the role of "pillar" of the national economy and the role of "stabilizer" of the national energy security.

CREATE THE FIRST-CLASS COMPANY

THE SKY IS VAST AND WIDE

“THOSE WHO HAVE GREAT VIRTUE SHALL PLAN FOR THE WORLD;
THOSE WHO GO FATHER SHALL BENEFIT THE WORLD.”

Energy is the foundation and driving force for the progress of human civilization and is vital to the national economy, people's livelihood and national security. As an important energy enterprise practicing the new energy security strategy of "reforms to improve the energy consumption structure, building a more diversified energy supply structure, improving energy technologies, and optimizing the energy system, as well as enhancing energy cooperation with other countries" and promoting the building of clean, low-carbon, safe and efficient modern energy system, China Energy has adhered to the development strategy of "one goal, three characteristics, five-pronged development and first-class performance in seven domains", kept in mind the responsibility and mission of a central SOE, continuously made the enterprise management system and management ability more modern to be a good ballast for energy supply and pioneer in energy revolution and to empower social development, boost economic growth.



GO FARTHER WITH MANAGEMENT EMPOWERMENT



Institution Improvement

China Energy has insisted on consolidating the foundation and cultivating its internal strength and continued to promote the optimization and upgrading of the institutional systems to build a sound framework for high-quality development. In 2020, we strengthened the control of institutional development process, systematically built the Group's overall institutional system frame and efficiently completed the institution "establishment, reform and abolishment". Throughout the year, we formulated and revised 289 institutions and basically completed the modern management institutional system covering 7 categories and 29 major professions and comprising 389 institutions to increase integration, collaboration and standardization and basically achieve the strategic implementation and core advantage institutionalization.

Corporate Governance According to Law

Throughout the year, the Group HQ directly supervised and handled

68 major legal cases

RMB 1.63 billion was avoided and saved

We shined the operation road with the sunshine of rule of law and accelerated the pace toward "China Energy under the rule of law" with improved governance, operation compliance, standard management, and law-abiding compliance. We built the intensive and efficient legal compliance institutional systems of closed-loop management, developed the "contract model library", supervised the legal dispute risks in key fields, strengthened the legal guarantee of major decisions, major projects and major transactions and focused on the tiered listing supervision mechanism for major cases. Throughout the year, the Group HQ directly supervised and handled 68 major legal cases and avoided and saved RMB 1.63 billion.

In addition, we carried out the law dissemination work in a targeted manner and built a good atmosphere of "knowing, observing, understanding and using the laws". We firmly grasped the legal and compliant cultural development and carried out a series of activities on December 4 Constitution Publicity Day and the "Study the Cases, Promote the Management" Tour Lecture Hall for Rule of Law; we enhanced the supervision and assessment on the work of rule of law, and guided, supervised and urged the implementation of mechanism for rule of law. In 2020, we excellently completed the summary acceptance of the development of central SOEs under rule of law and "July 5" law dissemination by the SASAC and took the legal development to a new level.

STORY 2020

The Group Company Held the Special Lecture on Special Resource Rectification

On July 23, the Group Company held Inner Mongolia Special Legal Video Lecture on Special Resource Rectification to train employees on different subjects such as coal resource allocation, fire area and goaf area governance, loss of state-owned assets, coal mine enterprise taxes and dues, coal resource coverage and mining right dispute, and to popularize various legal provisions on the mineral resources through a lot of real cases in the mineral industry, so as to provide guidance and reference for the coal enterprises to do a good job in special resource rectification and improve the resource management. More than 200 people from the Group Company's Special Rectification Work Team, HQ Departments, China Shenhua and 17 coal subsidiaries and branches participated in the lecture.



Scan the QR code to view the articles of Constitution Publicity Week

Risk Prevention and Control

China Energy is prepared for danger in times of safety and attaches great importance to risk prevention and control work to take preventive measures and nip the hidden risks in the bud. The Company carried out the internal control risk management institutional system design and information system development project, built the three-in-one institutional system framework of internal control, risk and compliance supervision, revised and formulated 15 institutions such as Comprehensive Risk Management Regulation, completed the rectification of 14 audit problems found by Audit Office and audited the measures carried out for implementing the major national policies such as poverty alleviation to maintain the stable situation of development effectively.



784 audits were completed



The expenditures and economic losses of RMB 742 million were saved

Quality and Efficiency Improvement

In 2020, in the face of severe and complex internal and external risks and challenges, we took the quality and efficiency as the target and methodology and vigorously promoted synergy by collaborating, increased efficiency by developing the potential, consolidated effect by reducing the cost and avoided loss-making to achieve the steady and healthy development effectively. By promoting the supply and marketing linkage continuously, we spared no effort to give play to the advantages of integrated operation and insisted on guaranteeing the volume and stabilizing the price to withstand the historic test successfully under the pandemic. In addition, we strictly controlled "three expenses" and "the spending on official overseas visits, official vehicles and official hospitality", and did a good job in the key work such as tax and expense reduction, two reductions and double controls and debt liquidation of private enterprises, comprehensively implemented the policy and strengthened the work of disposal of zombie assets and revitalizing subsidiaries facing difficulties and the losses were reduced by 10.8% on a year-on-year basis. As 5 enterprises returning to zombie status and difficulties completed the rectification tasks, we smoothly completed the target tasks of "two benefits and three rates" by the SASAC.

LAST LONG BY FOCUSING ON DEVELOPMENT



Coal Supply

In the face of the ongoing pandemic, China Energy successfully withstood the historic test. By increasing the volume and making up for the shortfalls, guaranteeing the price and forsaking part of the profits and improving the quality and efficiency, it outperformed the production task, stabilized the coal market and achieved "zero supply interruption" of coal, "zero emergency" of allocation and transport and "zero incident" of heating. Throughout the year, it surrendered the profits of RMB 12.8 billion to the society and profits reached RMB 41.1 billion, and as all its coal subsidiaries made profits. It played the role of "stabilizer" of energy supply.

87

COAL MINES

41

SAFE AND EFFICIENT MINES

100 %

MECHANIZATION RATE OF MINING

27

COAL MINES WITH THE PRODUCTION CAPACITY OF MORE THAN TEN MILLION TONS

SET ANOTHER MONUMENT! CHINA'S FIRST 200 MILLION-TON-LEVEL COAL PRODUCTION BASE PRODUCED MORE THAN 3 BILLION TONS OF COAL!

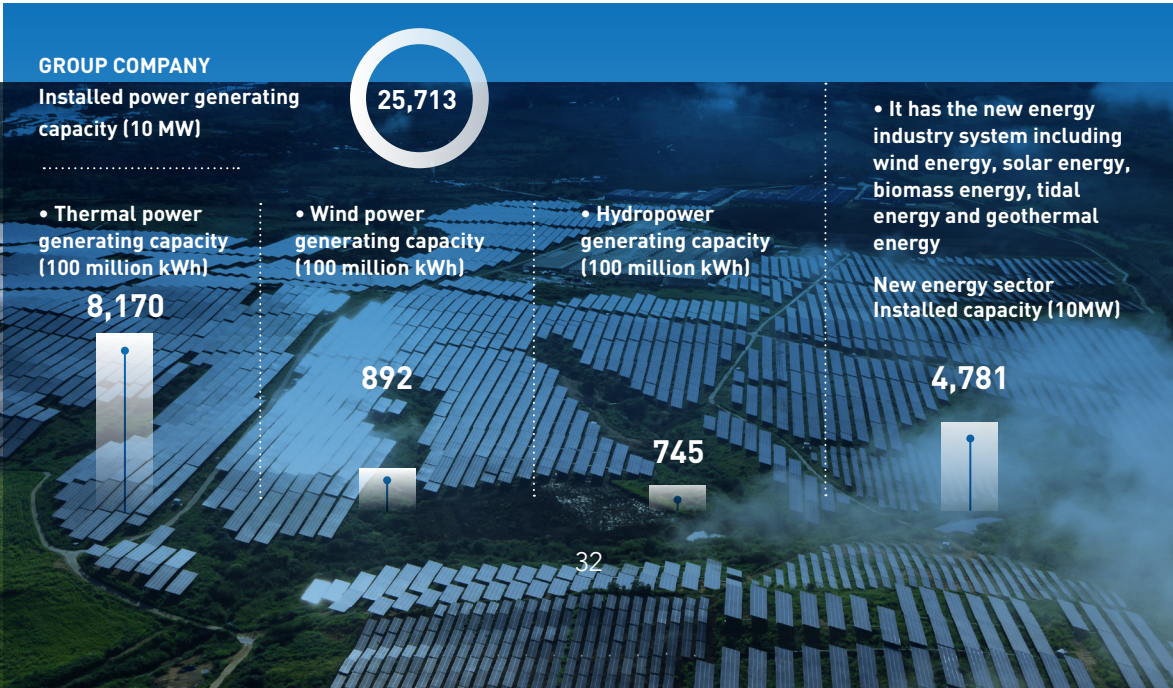
Shendong Mining Area is an integrated high-quality large coal field in the world, is one of the thirteen large-scale coal bases mainly planned and constructed by China and is also the first 100 million-ton-level and 200 million-ton-level coal production base completed by China. In the development and development process, Shendong Coal Group benchmarked with the most advanced practices in the world, thoroughly implemented the research on key technologies and core technologies, solved "two problems" including high yield and security, mining and environmental protection and formed the efficient, green and intelligent mine core technology. As of July 27, 2020, it had accumulatively produced the clean coal of more than 3 billion tons, created more than one hundred records of Chinese enterprises and ranked the first at home and ranked among the top in the world in the main corporate technological and economic indicators.



China's first 200 million-ton-level coal production base produces more than 3 billion tons of coal

Electricity Guarantee

We guarantee electricity for thousands of homes and bring brightness and warmth to people. In 2020, with the installed power-generating capacity of 257.13 GW, the Group Company accumulatively completed the generating capacity of 982.8 billion kWh, and it comprehensively completed the annual tasks in thermal power, hydropower and new energy generating capacity and achieved all their best results in the history.



Industrial Collaboration

China Energy has kept optimizing the diversified industrial patterns, promoted the coordinated process of production, transportation and sales and the integrated development of coal, power, railway, port and shipping, oil and integrated different business sectors and pooled their strengths together to gather the strong potential energy of high-quality development and continuously create greater value.

● **Transportation:** it has actively promoted the development of country with strong transportation network, continuously optimized the collecting and distributing system, and has been successfully selected as pilot unit of development of country with strong transportation network by the Ministry of Transport.



Huanghua – Daijawa Railway Haixing Super-large Bridge of 16.22 km

● **Technology and environmental protection:**the Company has actively responded to the call of ecological civilization conservation, adhered to the development direction of efficient and clean energy utilization industry and cultivated and completed the high-tech environmental protection enterprise cluster, and it has been leading the world in ten major key technologies such as ultra low emission, thermal power DCS and low-speed wind turbine. In 2020, two international standards including IEC 61400-5 Part 5 of Wind Power Generation System: Wind Turbine Blades of Wind Generating Sets and IEC PAS 63312 Technical Specifications for Boiler Flame Test System that the Company took the lead in formulation were formally released.

• Empower with technology, touch the green and turn it into gold – Throughout the year, Guohua Investment developed 20 new energy projects, increased the installed capacity of new energy by 1.6 GW and outperformed the new energy project goal.

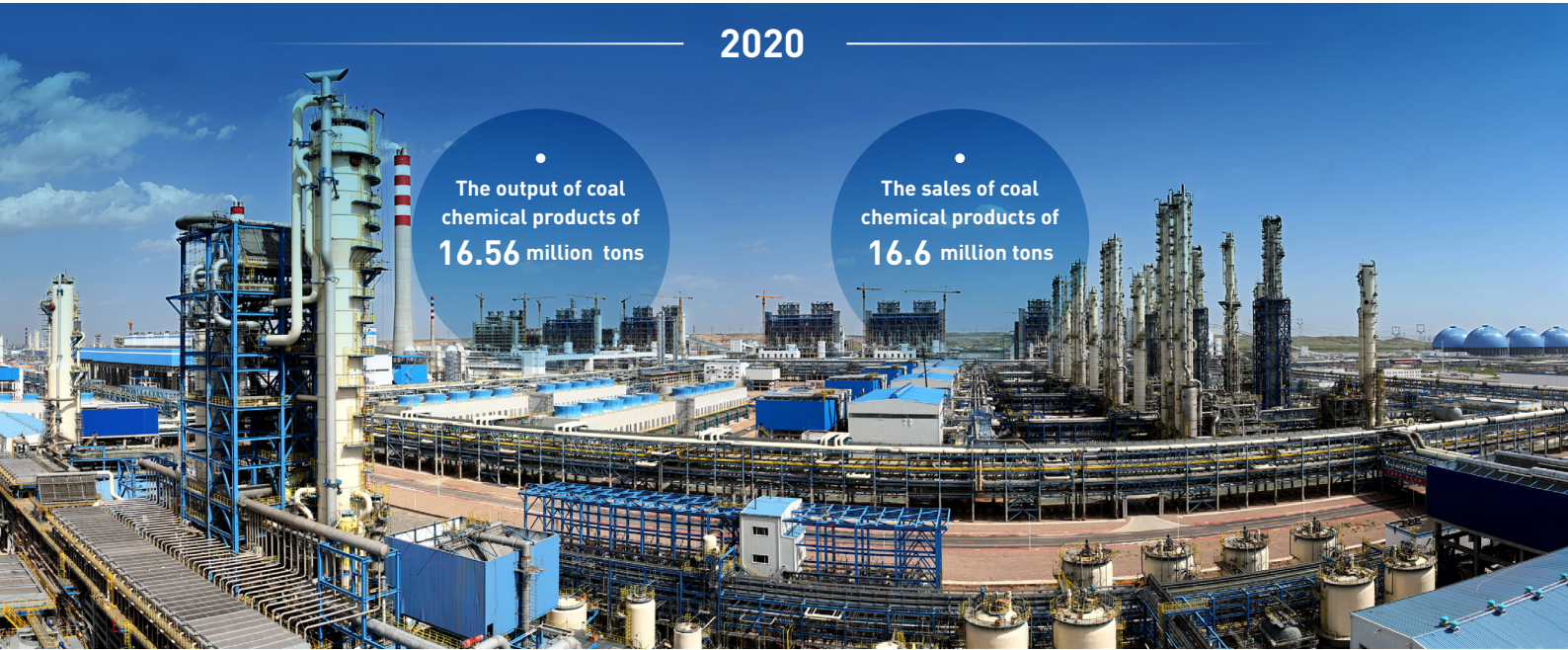


● **Overseas business:** it has spared no effort to promote the international development of industries and actively participated in the “Belt and Road” development, and its industries have spread to 12 countries and regions, such as the US and Canada. In 2020, the overseas projects overcame the pandemic and were constructed and put into production according to the high standards. No. 7 Project in Java, Indonesia, of 2 units of GW was selected as the first “Belt and Road” high-quality development case by People’s Daily; throughout the year, the Company signed 7 new external strategic cooperation agreements, including 502 MW Offshore Wind Power Project in Dongtai, Jiangsu, which was signed with EDF, marking the formal implementation of China’s first offshore wind power project of Sino-foreign joint venture.



Project of China Energy Guohua Electric Power in Java, Indonesia

● **Coal chemicals industry:** it closely followed the energy technology development trend, focused on clean and low-carbon, safe and efficient modern energy development direction. The Company has the autonomous technology of coal chemicals industry, and has completed and operated the coal-to-liquids production capacity of 5.31 million tons and the coal-to-olefin production capacity of 3.93 million tons and been in the global leading position in the industry scale and technology level. In 2020, the output of the Company’s coal chemical product (excluding main immediate products) was 16.56 million tons, and its sales was 16.6 million tons.



● **Finance:** we have built a comprehensive and diversified financial platform, had multiple financial enterprises of capital holding, commercial banking, financial company, property insurance, life insurance, insurance brokerage financing lease and industry fund and tried its best to build the digital transition system to provide the more efficient financial service for company development. In 2020, the finance company achieved the revenue of RMB 3.547 billion and the total profits of RMB 2.13 billion throughout the year to set a new high.

CREATE TECHNICAL INNOVATION CHAIN



“If you ask why the water in the pond is so clear, it is because there is living water from the source.” Innovation is the living water from the source for the development and progress of an enterprise. Based on its industry, China Energy looks to the future, drives the high-quality development with scientific and technological innovation and expands the development boundary by striving to make technological breakthrough.

Management of Scientific and Technological Innovation

In 2020,
the Company
accumulatively invested
RMB **9.15** billion in
science and technology

Focusing on the promotion of scientific and technological innovation ability and quality and benefit, China Energy highlighted and standardized the key links of scientific and technological management, formulated Regulations of China Energy on Management of Science and Technology Work (Trail) and formulated 11 special management institutions such as Measures of China Energy on Management of Science and Technology Project (Trail) and Measures of China Energy on Management of Research and Development Platforms (Trail), and it conveyed and interpreted them through scientific and technological innovation training class guarantee institution to provide guidance for efficient implementation and provide the guarantee for the self-owned intellectual property rights and the corresponding rights of the customers, partners and third parties not to be infringed on.

FIGURES 2020



Innovation Achievements

We achieved abundant results in scientific and technological innovation. Throughout the year, we applied for 2,550 patents, including 1,305 patents for invention and obtained the authorization of 2,395 patents, including 504 patents for invention. Two international standards including IEC 61400-5 Part 5 of Wind Power Generation System: Wind Turbine Blades of Wind Generating Sets and IEC PAS 63312 Technical Specifications for Boiler Flame Test System that the Company took the lead in formulation were formally released. 82 scientific and technological achievements won the national, industrial or provincial and ministerial science and technology prizes, and the Project of “Innovation Development and Industrialization of 4million tons/year Coal Indirect Liquefaction Packaged Technology” passed the review of the first prize of National Prize for Progress in Science and Technology; 15 scientific and technological achievements won the provincial and ministerial or industrial first prizes, and 58 scientific and technological achievements reached the international leading or international advanced level, which effectively supported the high-quality development of the Group Company’s industries.

- Throughout the year, it applied for **2,550** patents
- Including **1,305** patents for invention
- It obtained the authorization of **2,395** patents



Internal view of Centralized Control Room of No. 5 Unit of Guohua Jinjie Power Plant Phase III Expansion Project, which is the world's first steam turbine generator unit arranged at high altitude



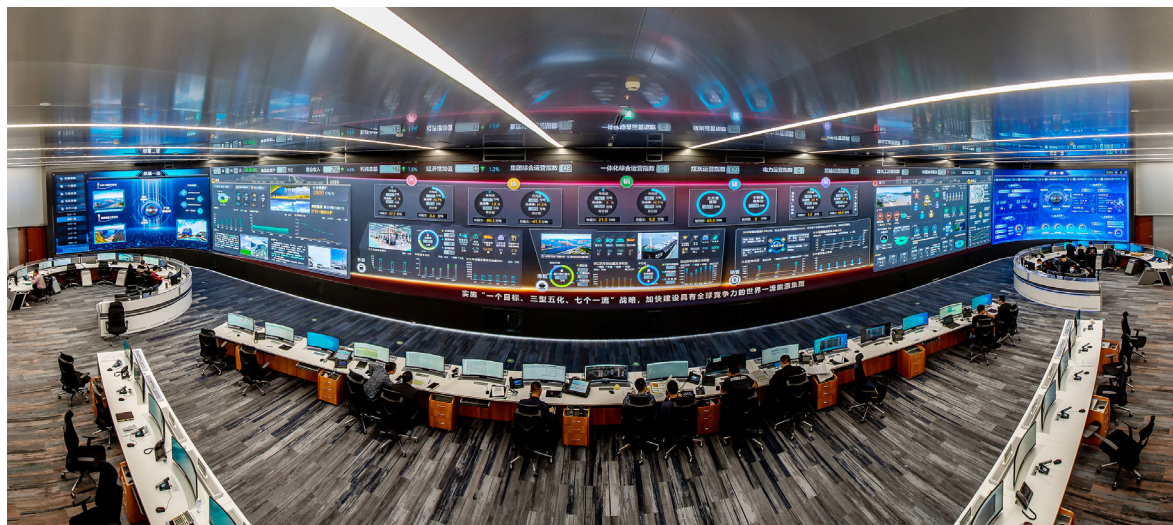
King of Bullet Train Locomotive "Shen No. 24" achieved the major breakthrough in China's railway heavy-duty technology innovation and creates the world's best in four aspects



China Energy was holding the launch meeting of new ERP project development

Innovative Talent

We have continuously cultivated the innovative growth engine and built the talent concentration highland. The model workers and craftsman talent have guided and driven the employees to promote the innovation ability continuously to promote the cultivation of the teams of technology and skill talent urgently required by the enterprise and inherit the superb techniques and skills through mentor, so as to provide the talent guarantee and skill support to build a world-class energy group with global competitiveness. In 2020, the Company inaugurated the first batch of 82 innovation studios.



Intelligent Transition

China Energy has actively promoted the deep integration of energy production and advanced information technology, vigorously explored the innovation and application of new generation of information technology, such as 5G and cloud computing, promoted the intelligent mine, intelligent power station, intelligent transportation and intelligent chemical development in an all-round way and striven to command the height of "smart + energy" production technology.

Meanwhile, we have taken the IT application as an important means to build and promote the modern corporate governance system, continuously accelerated the deep integration of enterprise management mechanism and information management and carried out the process reengineering, mechanism reform and value reshaping to promote the inter-connectivity and intelligent collaboration and continuously make operation more intelligent.

STORY 2020

High-standard new generation of railway dispatching information system strongly empowers high-quality development

Railway dispatching information system is a key project of China Energy in 2020, which was established by four companies including China Shenhua, Shuohuang Railway, Baoshen Railway and Xinsuo Railway with the joint investment of RMB 548 million, including all kinds of centralized control equipment of two data centers and four dispatching and command centers and 157 stations and covering ten functional models such as planning, traveling, freight, locomotive, vehicle, development and statistical analysis. It has achieved the whole process control of the cargo, vehicle, locomotive, train and station transportation and production activities and achieved the centralized long-distance automatic remote control of the travelling equipment such as turnouts and annunciators of all the stations along the line. This system has been an important measure to promote the implementation of the Group's strategy of "one goal, three characteristics, five-pronged development directions and first-class performance in seven domains" in the transportation industry and has been an important measure for the Group to implement the "high-quality development, intelligent development" of the transportation industry and build the first-class heavy haul railways at home and abroad.



ESTABLISH THE FIRST-CLASS COMPANY

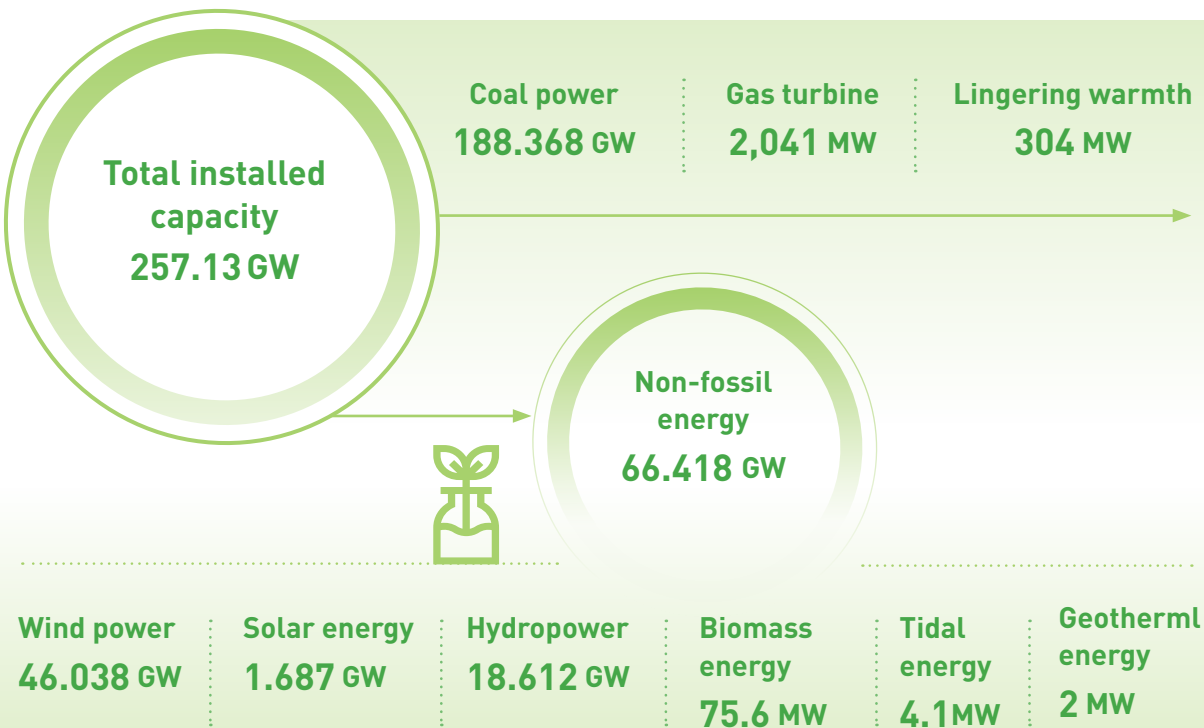
THE GROUND IS THICK AND REFINED

“NOURISH ALL THINGS WITH THE RULES OF NATURE”

Green development is the value pursuit of energy development and excellence is the value goal of building a world-class enterprise. China Energy has focused on clean and low-carbon, safe and efficient modern energy development and actively sought the low-carbon transition and development of clean energy, large-scale clean energy, intensive energy layout and internationalized industry operation. It has practically strengthened and optimized the clean and renewable energy, enhanced the coal resource continuity to the greater extent, done a good job in ecological restoration and pollution prevention and control and thoroughly promoted the emission and carbon reduction to strive to be the leader and pioneer in the “carbon peak” and “carbon neutrality” course and help to build a beautiful China with green mountains, green waters and fresh air.



CLEAN ENERGY FOR THE FUTURE



Clean Utilization of Fossil Energy

Build Green Power Plants

China Energy has realized the clean and efficient utilization of coal by constructing “green power plants”, and the Group Company has the conventional coal power installed capacity of 188.368 GW, in which the units of 600 MW and above account for 63.3%, and 37 units with the installed capacity of 1 GW, in which the supercritical and ultra-supercritical units account for 61.2%, and part of them have achieved “nearly zero emission”, which is higher than the emission standards in the developed countries and regions.

CHINA ENERGY TAIZHOU POWER GENERATION PLANT: ELABORATELY BUILD THE FIRST-CLASS BENCHMARKING GREEN PLANT

China Energy Taizhou Power Plant has the total installed capacity of 4 GW, which is the largest in Jiangsu Province. Creating the records of the highest power generating efficiency, the lowest coal consumption index and the best environmental protection index, it is one of the models of efficient and clean renovation of coal and low pollutant emission and has become a world-class “model” of the advanced, clean and efficient thermal power technology.

A good ecological environment can bring about the best well-being for people. Taizhou Power Plant has continuously developed the heating potential of large units and continuously expanded the proportion of environment-friendly heat price of heating to realize the reduction of social energy consumption and the reduction of the pollutant emission; meanwhile, it has promoted the tiered utilization of energy to provide the reliable steam source and heating guarantee for the development of surrounding enterprises and promote the development of local economy. In addition, the Power Plant has linked the real-time

data of emission of sulfur dioxide, nitric oxide and dust with Department of Ecology and Environment of Jiangsu Province, so as to ensure that the environmental protection status is completely transparent, and accept the social supervision all the time. By completely implementing the ecological operation and promoting the development of “the green power plant”, and planting more trees and flowers, it has achieved the green trees in four seasons and flowers in each month, so the image of a garden power plant has been increasingly alive.



Solidly Promote “Coal-to-liquids” business

Coal-to-liquids technology is a strategic choice to solve the shortage of oil and gas resources in China and guarantee the energy security. By increasing the strength of tackling the key problems in science and technology, China Energy completed the 4 million tons/year Indirect Coal liquefaction Demonstration Project with the world’s largest single unit in Ningxia and completed the world’s only megatonnage Direct Coal Liquefaction Demonstration Project in Inner Mongolia to realize the clean and efficient renovation of coal resources on the spot. Throughout the year, it accumulatively produced coal chemical products (excluding main intermediate products) of 16.56 million tons and sold 16.6 million tons, which respectively completed 104.8% and 105.1% of the plans.

CHINA ENERGY NINGXIA COAL COAL-TO-LIQUIDS COMPANY: COAL-TO-LIQUIDS PRODUCT QUALITY IMPROVEMENT PROJECT ACHIEVE COMPLETE SUCCESS

In September 2020, China Energy Ningxia Coal Coal-to-liquids Company successfully produced the qualified C12 and Fu C14 n-alkanes products, which were 2 important high-end products after light white oil was successfully produced in the middle of September. By then, all the products of Product Quality Improvement Project of Coal-to-liquids Company had met standards, and it was of great significance for the enterprise to further seize the downstream high-end market of chemical products, enhance the ability of the Coal-to-liquids Project to resist the international price turmoil and improve operation efficiency.



The world’s largest-scale single unit of 4 million tons/year of China Energy Ningxia Coal Company’s Indirect Coal Liquefaction Demonstration Project



In 2020, National-level “green plant” – Xinjiang Chemical Company continued to be the benchmarking enterprise of energy efficiency “leader” of 2019 in key energy consumption products in the petroleum and chemical industries

Focus on Developing Clean Energy

The Group has adhered to the centralized and distributed collaboration, orderly developed the advantageous resources of the “three North” scenery bases and actively developed the distributed renewable energy in the central and eastern and coastal areas, and it has ranked the first place in the world in the wind power installed capacity. In addition, it has been the first to enter the offshore, low-wind-speed and high-altitude wind power development fields and complete the tidal test power station and geothermal-power-generation demonstration station, and has operated multiple distributed energy projects such as intelligent micro-grid, agricultural and photovoltaic hybrid generation and wind farm energy storage.

New Energy “5,000 MW+” Action

China Energy formulated and issued 2020 New Energy “5,000 MW+” Action Plan, and with the joint efforts of the Group, it put new energy of 5,214 MW into production and commenced 5,350 MW throughout the year to complete the annual task smoothly. The Group Company’s renewal energy accounted for 26.2%, increasing by 1.4% on a year-on-year basis, and the Group Company achieved the comprehensive victory in the first battle of new energy development.

● Shanxi New Energy Company Lvliang Mafang Phase II 48 MW Wind Power Project was integrated to the grid



In 2020, Guodian’s 15 new energy projects under development, with the total power capacity of 738 MW, were integrated to the grid, exceeding the annual production plan of 16.4%

● Ningxia New Energy Company Haizijing 50 MW Photovoltaic Project was integrated to the grid and achieved the full capacity production



In 2020, Longyuan Electric Power over fulfilled the goal of “New Energy 5,000 MW+ Action Plan”

Scan the QR code for more



The total on-grid power of Jiangxi Company Fengcheng Photovoltaic Power Generation Station reaches 6,182 MW

IMPLEMENTATION AND INAUGURATION OF 500 MW OFFSHORE WIND POWER PROJECT IN DONGTAI, JIANGSU

On October 20, 2020, 500 MW Offshore Wind Power Project in Dongtai, Jiangsu of Guohua Investment constructed with the joint capital of China Energy and EDF was formally inaugurated, and this project was signed in the presence of the heads of China and France on the 55th anniversary of the establishment of diplomatic relations between China and France when President Xi Jinping visited France in March 2019. It is one of the first batch of offshore wind power projects invested by EDF in China and is also the first Sino-foreign joint venture offshore wind power project in China now, so it is of great symbolic significance. After the project is fully put into operation, it is expected that the annual generating capacity will be 1.4 billion kWh, which can meet the annual power demands of nearly two million residents, and it is equivalent to saving the standard coal of 441.9 thousand tons, reducing the emission of carbon dioxide by 937.5 thousand tons and sulfur dioxide by 1704 tons.



5,000 MW Hydropower Project

In 2020, the Company planned **67.1** billion kWh of hydropower project, completed **74.3** billion kWh and outperformed **7.2** billion kWh, with the year-on-year growth of **6.5** billion kWh, up by **9.6%.**

In 2020, it outperformed **7.2** billion kWh compared with the plan, with the year-on-year growth of **6.5** billion kWh, up by **9.6%**

● Diversion Tunnel Engineering of Chuosijia Hydropower Station (392 MW) was commenced, and Chuosijia Hydropower Project entered the “fast lane” of building



● Successful application of 5G+ intelligent unmanned rolling machine group of Dadu River Company in the dam filling building process of the world’s highest dam Shuangjiangkou Hydropower Station marked that the 5G+ intelligent unmanned rolling entered the comprehensive application stage in this project

Guodian Dadu River Dagangshan Hydropower Development Co., Ltd.

● Hydroelectric Generating Unit Oil Mist Governance Project of Dadu River Pubugou Hydropower Station smoothly passed the acceptance, and the acceptance experts from the equipment manufacturer, design unit and scientific research universities and colleges unanimously agreed that this project achieved good effect and might be promoted in the hydropower industry.



Pubugou Hydropower Station

Deepen Renovation of Energy-saving Technology

China Energy has thoroughly implemented the requirements proposed by the Fifth Plenary Session of the 19th Central Committee of the Chinese Communist Party for the ecological civilization development, insisted on practicing “two mountains” theory, shouldered the task of environmental protection, continuously promoted the renovation of the units’ energy-saving and emission reduction technology and resolutely waged a determined battle to prevent and control pollution. In 2020, the Group Company continuously promoted the energy-saving governance of thermal power and heating retrofit and achieved the obvious actual effect in fighting a determined battle to prevent and control pollution.

Thermal Power Retrofit and Upgrade

At the crossroads of the energy reform, China Energy has continuously promoted the sense of responsibility and sense of urgency for the energy-saving and consumption reduction work. In 2020, the Group Company continued to strengthen the energy-saving governance of thermal power, thoroughly promoted the comprehensive upgrade and renovation of 125 key units in energy conservation, adopted various energy-saving technologies according to the conditions of the plants, mainly carried out the turbine flow path and heating retrofit, carried out high back pressure retrofit in key areas and carried out targeted auxiliary engine optimization and renovation, cold end optimization and thorough utilization of waste heat.

JIANGSU COMPANY CHANGZHOU POWER PLANT: SMOOTH COMPLETION OF TURBINE FLOW PATH RETROFIT

With the spring scenery in your heart, you can hear birds’ twitters and smell fragrance of flowers everywhere. In May 2020, the performance test on Turbine Flow Path Retrofit of No. 1 Unit of Jiangsu Company Changzhou Power Plant was smoothly completed. According to the experiment report, the average heat consumption of THA working conditions was 7,519.65 kJ/kWh, which was 14.35 kJ/kWh lower than the design value, and it reached the advanced level of 600 MW super-critical unit.

During this retrofit, the surplus steam of the unit was utilized to release the unit’s heating capacity to the maximum extent, and the single heating capacity was increased to 420 t/h from 160 t/h before the retrofit to realize thermoelectric decoupling. It meets the double demands of unit peak regulation and heating and solves the industrial problem of low-load heating. It continuously provides green energy in the warm sun in spring.



Green and Clean Heating

Based on the environmental protection situation and the policy changes, China Energy has continuously improved Three-year Plan for Ecological Environmental Protection and Three-year Action Plan for Critical Pollution Prevention and Control, focused on management efficiency improvement and technical upgrade and vigorously implemented the renovation project of ecological environmental protection to realize green power generation and environment-friendly heating and make heating of each kWh more environment-friendly and make each heat cleaner. In 2020, the Group Company mainly implemented the heating retrofit project of 15 power plants including Datong, Qinhuangdao, Sanhe and Xingyang Power Plants.

GUODIAN HANDAN THERMAL POWER COMPANY: WITH PEOPLE’S LIVELIHOOD IN THE “BLOOD”, BRING WARMTH IN COLD WINTER WITH CLEAN HEATING

The clean heating work is related to the people’s life quality and is also a major livelihood event to guarantee the “six priorities” tasks. In 2020, the heating work took on the additional important significance – to guarantee the residents’ quarantine at home and defeat the Covid-19 together.

Handan Thermal Power Company has actively practiced green power generation and environment-friendly heating. It guaranteed more than 60% of the area in Handan City and invested RMB 25 million to implement the units’ low pressure cylinder and zero output retrofit and the capacity increase renovation of 6 heaters for heating network to increase the heating capacity to 25 million m2, save the standard coal by 17 thousand tons, reduced the carbon dioxide emission by 44 thousand tons and reduce the sulfur dioxide emission by 143.6 tons so as to realize low-carbon and green heating and deliver high-quality green transition at the beginning of the “14th Five-Year Plan”. “It’s so cold outside, but the room is very warm. It is so heartwarming!” A resident in Handan City had a satisfactory smile on the face while looking at the thermometer at home.



Scene of disassembly overhaul of coal mills in Zhejiang Company Ninghai Power Plant

DEFUSE HIDDEN RISKS TO ENSURE SAFETY



Solid Safety Management

In 2020, China Energy comprehensively carried out Three-Year Action for Special Rectification of Safety Production and implemented 6 special schemes such as coal mine, electric power and hazardous chemicals to improve “two lists” dynamically. It revised the HQ Safety Production Responsibility System, improved the Safe Supervision and Business Security System and implemented Safety Guarantee System for Major Chemical Hazard Resources. Throughout the year, there was no major or above safe production accident in the Group Company.

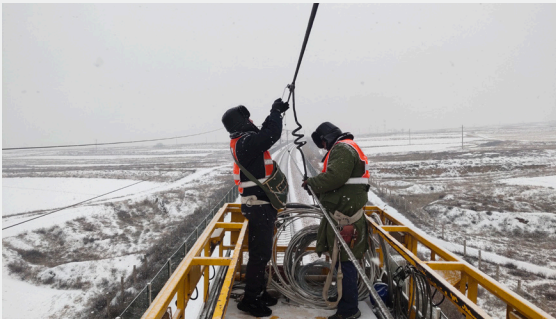
In addition, we continuously strengthened risk control and hidden danger control and implemented governance of 128 major disasters to realize the full coverage of inspection on major hazard sources. We governed 927 workplaces with serious occupation disease hazards. 54 coal mines were rated as safe and efficient mines, and 17 underground mines carried out safe production for more than ten years. There was no human casualty accident in the transportation industry for 4 consecutive years.

In March 2020, the sudden malfunction of No. 2 Water Pump Motor of Start-up Furnace in Heilongjiang Baoqing Power Plant in operation seriously influenced the normal operation of the start-up furnace. At that time, the start-up furnace was bearing the whole plant’s important task of heating. Upon the malfunction, the maintainers of this plant quickly made full use of every minute to fix the problem promptly, and upon the troubleshooting, they immediately put the equipment into operation again to guarantee the heating safety.

REMOVE THE HIDDEN DANGER, ENSURE SAFETY



Units of Dayan Company was making redeployment to fight the coldness and spare no effort to sprint for the fourth quarter to ensure the coal supply in winter



Operators of Baoshen Railway Group Baoshen Railway Company were conducting the overhaul of overhead line system



A maintainer of Hebei New Energy Company Kangbao Wind Power Farm was walking in the snow to eliminate defects and strive for power generation



Ningxia Coal Company Olefin No. 1 Branch was fighting against the icy and freezing weather and spares no effort to ensure production

DALIUTA MINE: INNOVATE THE SAFETY MANAGEMENT MODE AND LAY THE SOLID FOUNDATION OF HARD WORK

ELIMINATE THE ACCIDENT POTENTIAL, BUILD A FIRM SAFETY DEFENSE LINE



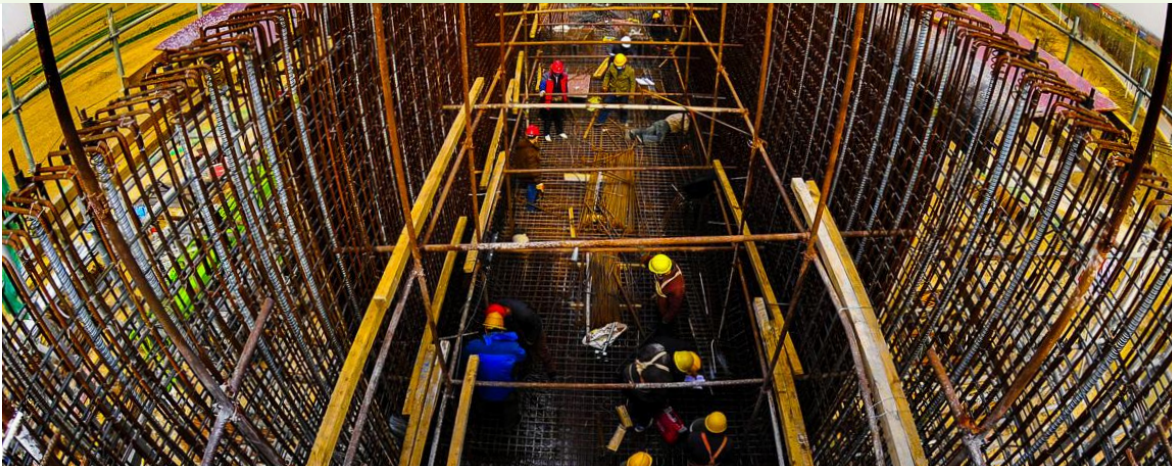
The safe production comics Wear a Helmet drawn by an employee of Jiangxi Jiuliang Company

As a super-large modern high-yield and high-efficiency coal mine, Daliuta Mine has insisted on making progress in line with the rules and developing in line with the specifications, continuously improved the development of the safe production standardization work system and formed the work network of "supervision by the leadership, regulation by the functional departments, specific implementation by the primary-level sub-units" to realize the closed-loop safety management. Meanwhile, for the rectification and re-examination, it has implemented the "two comparisons" methods: finding the standards by comparing with the frontline problems and inspecting the standard by comparing with its own business, with the specific and clear goals and strongly targeted problems, to promote the standardization level steadily and ensure that the annual goals will be achieved with safety.



Daliuta Mine

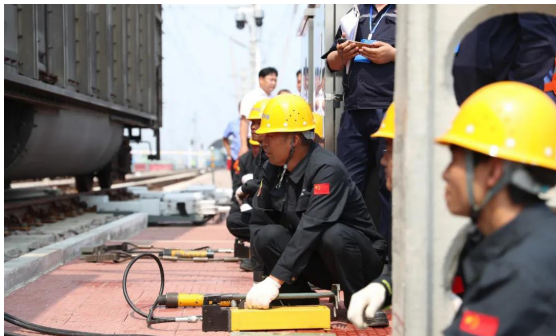
FIGURES 2020



The continuous bridge across Xinxia Line of Huangda Railway Zhangweixin River Specially Long Span Bridge achieve the safety management goal of "zero accident, zero injury"

Strengthen Emergency Response

The Group Company has continuously consolidated the foundation work of emergency management of production safety and has adhered to the principles of prevention first and combination of prevention and emergency response to form the emergency organization system and emergency plan system covering all the businesses of the whole group. Meanwhile, it has strengthened the development of emergency information system and improved the remote monitoring alarm and emergency command functions to form the efficient and unified emergency management platform with quick response. In addition, it has strengthened the development of professional emergency teams such as coal, chemical engineering and electric power, to guarantee the last defense line of safe production. In 2020, the Group Company carried out 9,462 drills, and 56,422 people participated in the drills.



Shuohuang Railway Company was carrying out "Master Cup" Emergency Rescue and Flood Prevention Drill Competition



Rescue drill of Wuhai Energy Mine

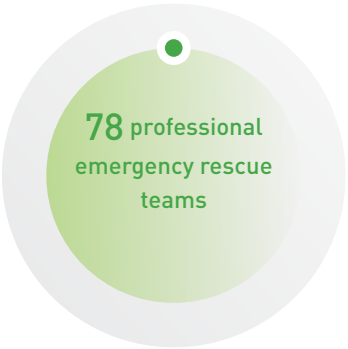


High-altitude rescue emergency drill of Longyuan Electric Power Jiangsu Company



Zhunneng Group Gandian Company was carrying out fire drill

FIGURES 2020



STORY 2020

Making an all-out effort in the Competition Field, China Energy held the First “Master Cup” Hazardous Chemicals Fire Emergency Rescue Technique Competition

Exercise the rescue skills in the competition in golden autumn, show the elegant charm of iron army by gathering them in the battlefield. In order to carry out the guidelines of General Secretary Xi Jinping’s important speeches about emergency management, implement the specific requirements of “accelerating the development of the emergency rescue system” of the Leading Party Members’ Group of China Energy, effectively inspect the training and emergency preparation of Chemical Industry Fire Emergency Rescue Team of China Energy and improve the team’s comprehensive rescue skills, China Energy held the First Hazardous Chemicals “Master Cup” Fire Emergency Rescue Technique Competition in Ningxia from September 22 to September 24, 2020. The competition focused on Rules of Hazardous Chemicals Rescue Technique Competition, and based on the characteristics of safe production accidents in recent ten years in the chemical industry, the subject of rescue in the limited space was added, and three tests on theory examination, personal comprehensive

physical fitness and individual emergency rescue as well as three collective tests on disposal of initial fire in the chemical devices, leaking stoppage under pressure of the hazardous chemicals process pipeline and rescue in the limited space were respectively set, and two competition fields of practice and theory were set. 108 officers and personnel of 12 participating teams from the units of China Energy gathered in Ningdong Coal Chemical Industry Base, and they promoted the emergency rescue skills in the exchanges and competition and showed the technique and tactics and morale of the rescue teams.



Implement Safety Education



In strict accordance to the requirements of the laws and regulations such as Safe Production Law and Fire Protection Law and based on the actual production and operation, China Energy has enhanced the cultural development of safe production and carried out the activities such as “Safety Month” theme education and “Safety and Health Cup” Competition, to build a firm defense line of safety thought; it has carried out all kinds of trainings of safe production at all levels to provide all the employees with the all-round systematic safety education and comprehensively pool the responsibility consensus of safe development.

In 2020, the Group Company invest RMB 253 million in safety training and successively carried out the training classes such as 2 special topics on safety and environmental protection, 4 training classes of five-position managers of coal mines, training courses on people who are in charge of safety full-time and registered safety engineers in the chemical industry, training 1,263 people in total. The subsidiaries and branches actively carried out the safety training and education work, training 438,571 people throughout the year.



Signing of safe production commitment in Luohe Power Plant



Safety Education Information Platform in the electric power industry initiated by Jiangsu Company

STORY 2020

Immersive Safety Education Raises Safety Awareness in the Mind, in the Heart and in the Action

“I have never expected the force of falling to be so powerful. It is indeed too dangerous for the on-site construction personnel to work at high altitude, and at the critical moment, this safety belt is the key to survival.” Guodian Shanghaimiao Company built a comprehensive safety education venue integrated with safety education and safety experience based on the ancillary structure of employees’ apartment upon the careful planning. The venue covers the building area of 926 m², and it has 2 safety training rooms inside and is equipped with 4 display experience events, 11 practical experience events and 16 VR analogue simulation experience events at the same time. The use of Safety Warning Education Room has provided the powerful hardware support for the safety education and training work, and the “immersive + interactive” learning experience has comprehensively promoted the effect of safety education and training.



VR immersive experience of employees falling from height

CAREFULLY CULTIVATE ECOLOGICAL RESPONSIBILITY FIELD



China Energy insists on ecological civilization and maintains the green development, cultivates the high-quality economic recovery vitality, focuses on the long term and maintains the willpower and adheres to green, inclusive and sustainable development to comprehensively enhance the ecological dynamics driving force for building a beautiful China.

Improve Environmental Protection Management

China Energy has paid high attention to ecological environmental protection and firmly established the new development concept, and guided by the guidelines of the 19th CPC National Congress and its Fifth Plenary Session as well as Xi Jinping’s ecological civilization thought, it has comprehensively carried out the Three-year Plan for Ecological Environmental Protection and Three-year Action Plan for Pollution Prevention and Control and actively explored the new concept of ecological governance to promote the formation of the general principle of unified exploitation, governance and development, and it has adhered to the direction of implementing policies based on science for long-term achievements and continuously promoted the implementation of the measures such as high-tech research and development, new energy development, clean coal mining, construction of green plants, strengthening of the pollution prevention and control governance and promotion of low-carbon transition of energy to achieve fruitful results. In 2020, the Company invested RMB 9.7 billion in the environmental protection and was not involved in any ecological environmental protection event causing serious harm.

Around the overall development strategy of “one goal, three characteristics, five-pronged development directions and first-class performance in seven domains”, the Group Company has established an improved environmental protection training system, and it has encouraged and guided the employees to study enthusiastically through the environmental protection training to continuously enhance the employees’ red line awareness for environmental protection and really make the environmental protection concept deeply rooted in the mind, in the heart and in the action.



Zhunneng Group Heidaigou Open-pit Coal Mine and Haerwusu Open-pit Coal Mine build the green mines, with the total reclamation area of more than 24,000 hectares

STORY 2020

With Green Gene in the DNA, Write Green Development into the Shore of the East China Sea

“Green development is an important concept related to China’s overall development.” China Energy Guodian Zhejiang Ningbo Wind Power Company has always practiced the development theory of “two mountains”. Guided by the Group Company’ corporate governance strategy of “Innovation Drives Green Development”, during the construction period, it strictly controlled the engineering excavation and land acquisition area, tried its best to reduce the destruction of mountain forest vegetation, consolidated the greening efforts and maintained the ecology and spared no effort to improve the water and sky. The wind power farm is magnificent, which achieved the significant ecological benefit and social benefit and explored a brand-new road for green development of land mountain wind power farm in Zhejiang Province.



Scenery of Yinzhou Baiyan Mountain Wind Power Farm rated as “the most beautiful windmill road” by the Internet users

Practice Green Operation

Green and Low-carbon Development

The Company has adhered to the principle of “ecology first, green development” throughout the full course of production and operation, organically integrated the environmental protection technology development and application with modern energy chemical industry and built the most inclusive ecological well-being with actual action.

- The ultra-low emission renovation of 10 units of 2.93 GW circulating fluidized bed units and 4 units of 1.96 GW W-shaped flame furnaces was completed
- Throughout the year, SO₂, NO_x and dust emissions were respectively reduced by 0.006 g/kWh, 0.001 g/kWh and 0.001 g/kWh on a year-on-year basis
- The flow path retrofit of 17 units was completed; the coal consumption for power supply was reduced by more than 10 g/kWh on average

Throughout the year, the capacity of 1,335 MW was shut down

The backward production capacity of 135 MW was shut down



Green mines: 47 coal mines were included into the national (36) and provincial (11) Green Mine Lists, accounting for 67% of the total mines.



Green plants:600 MW or above level units accounted for 63.3%, and 100% of the conventional coal power units achieved ultra-low emission.



Green transportation: Integrated with multiple new technologies such as the light-weight aluminum alloy body, environment-friendly movable top cover, self-discharging bottom door opening and closing in two directions, coupler buffer with long overhaul period and integrated braking system, and with the technical characteristics such as environmental protection, heavy load and efficiency, KM81 Coal Hopper Car of Railway Equipment Company can guarantee the vehicle application safety to the maximum extent and assist the “comprehensive blossom” of economic benefit, social benefit and environmental benefit.

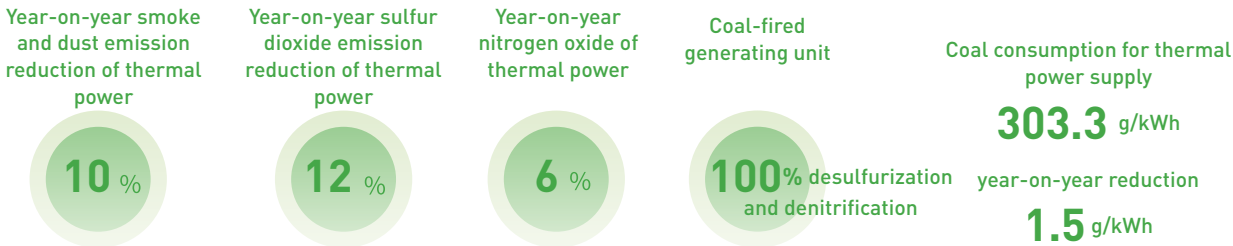


Green chemical industry:China Energy is the only company that masters the megatonnage direct and indirect coal liquefaction coal-to-liquids technologies simultaneously in the world, to realize the clean and efficient renovation of coal utilization on the spot.

Implement Pollution Prevention and Control

China Energy has always adhered to the new development concept, insisted on “Lucid waters and lush mountains” to enhance the pollution prevention and control, strictly controlled the release of waste water, waste gas and solid waste and focused on realizing the collaboration effect of pollution and carbon reduction. Meanwhile, it has continuously perfected and improved the environmental early warning mechanism and improved the environmental risk prevention and control level to prevent the major environmental pollution incidents.

FIGURES 2020



STORY 2020

Shendong Coal: Make Mines Greener

Shendong Coal has fully grasped the inherent laws of the ecosystem and promoted comprehensive governance to gradually develop an environmental governance system and relevant technologies. It has ensured that the coal-fired smoke and dust governance were up to the standards for clean heating. It has made innovations regarding the comprehensive dust reduction measures under the shaft for comprehensive prevention and control of waste water, waste gas and solid waste. It has conducted targeted governance before, during and after mining to achieve “no coal at the mining site, no gangue at the mining site, no external emission of sewage” to achieve high-quality development goals of high economic returns, low resource consumption and less environmental pollution.



Shendong’s production mode of “no coal at the mining site”

STORY 2020

Jiangsu Company: Adhere to Green and Low-Carbon Development, Become a Pacesetter for Environmental Protection

Seven power plants subordinate to China Energy Jiangsu Company are located in both banks of the Yangtze River. The Company has followed the guidelines of “protection over excessive development” and insisted on the environmental goals of “zero emission of waste water, no coal seen while burning coal, no ash seen while transporting ash, no noise made that disturbs people”. Firmly and steadily, it has embarked on a journey of high-quality development of “ecology-centered green development”. Based on the concept of “relying on the river and caring for the river”, the Company has renewed its brand as a pacesetter for environmental protection featured by green and low-carbon development, while assisting the Yangtze River Economic Belt in unleashing the economic power. In 2020, with the year-on-year emission performance reduction of sulfur dioxide and nitrogen oxide standing at 17% and 8.3% respectively, the Company ranked top in the industry in environmental governance.



Jianbi Power Plant

Cope with Climate Change



China Energy has incorporated ecological civilization into all links of production, construction and operation, adhered to green and low-carbon circular development featuring advanced technology, low resource consumption and environmental protection and emitted the pollutants up to the standards. The Group has stepped up the construction of green mines, green power stations, green transportation and green chemical industry, and the green mines above the provincial and ministerial levels have accounted for more than 40% of the total coal-producing; all the conventional coal power units of the Group have completed the ultra-low emission renovation, and all the units have completed the desulfurization and denitrification, part of which have achieved “nearly zero emission”; it has built 24,000 mu (around 1,600 hectares) of “China Energy Ecological Forests” covering 31 provinces, autonomous regions and municipalities, 2,218 counties and more than ten million people nationwide and achieving substantial social benefits.

- Longyuan Carbon Assets Company and Youyu County signed the Plan for Developing Carbon Sink and Coping with Climate Change in the Forests within the County ;
- Guodian Power issued the first international certified climate bonds at home;
- The group company carried out the strategic research on emission peak and carbon neutrality;
- Longyuan Carbon Assets Company won the First Prize in Management Innovation of China Electricity Council (CEC);
- China Shenhua won the annual sustainable development award of China ESG Golden Awards 2020;
- WANG Xiangxi, Secretary of the Leading Party Members’ Group and Chairman of China Energy, attended the “Belt and Road” Clean Energy Development Forum;

- The vegetation coverage of its subordinate Shendong Mine Area increased to 64% from 3%-11% at the initial stage of development;
- Huanghua Port ranked the first among 22 main coastal ports nationwide in green safety evaluation and became a national Level AAA Industrial Tourism Attraction;
- Hainan Ledong Power Plant became the urban environment-friendly power plant with the highest emission standards in the world;
- The oil products from the megatonnage demonstration project of direct coal liquefaction in Ordos, Inner Mongolia, reached the highest environmental standards at home and abroad.

Advocate Green Office

A journey of a thousand miles begins with a single step. China Energy has vigorously advocated the corporate culture of being industrious and thrifty, green and low-carbon, striven to build a corporate atmosphere of energy conservation and carbon reduction. The Group is committed to encouraging its employees to truly understand concepts of ecological civilization and put them into practice, start from small things in life and work to reduce resource consumption without extravagance or waste, practice green office and adopt a low-carbon lifestyle and make economization a common practice.

Protect the Ecological Environment

Ecological Governance and Restoration

In 2020, the Group unveiled some documents such as Regulations of China Energy on the Work of Ecological Environmental Protection and Management Measures of China Energy for Ecological Governance and Water and Soil Conservation Monitoring, providing specific stipulations and management methods for the work of ecological restoration and governance.

For the ecological restoration and governance of the coal mining industry, the Group carried out targeted land governance in the dumping site and subsidence area, strictly followed the principle of “governance while mining”. Committed to systematic restoration and comprehensive governance, it has recovered the original ecological status to the maximum extent through landform reshaping, soil reconstruction, revegetation and landscape representation. In 2020, the newly added reclamation area in the mines totaled 32.17 km2.

STORY 2020

Guoshen Company: Shajihai Coal Mine Cleared the Waste to Protect the Ecology of the Pastoral Area

Guoshen Company Shajihai Coal Mine signed an agreement on the clearance of household waste with the local municipal construction company to recycle the household waste in this mining area, so as to make mines greener and support environmental protection.

This mine is 70 km away from the nearest town, with poor road condition, so most of the household waste in the pit used to be piled up temporarily, which had a negative impact on the surroundings. Especially in summer and autumn, the garbage were often eaten by cattle and sheep by mistake, and tended to be hotbed for flies and insects, bringing a lot of inconvenience to the herdsmen in the pastoral area. In order to improve the treatment of household waste and avoid environmental pollution, this mine formulated a plan, in which it designated a special personnel to coordinate with the local environmental authority and finally concluded an agreement with Xinjiang Saier Mountain Municipal Construction Co., Ltd., clarifying matters such as clearance frequency, waste type, both parties’ responsibilities and expense settlement. According to estimates, 50 tons of waste would be cleared every month, that is, over 600 tons throughout the year, which has solved the treatment problem of household waste once and for all.

Signing of this agreement on waste clearance in this mine eliminated the hidden danger of secondary pollution that might be brought by temporary waste pile-up, improved the quality of household waste clearance and better protected the ecological environment in this mining area. The Company has put into practice General Secretary Xi Jinping’s concept that “lucid waters and lush mountains are invaluable assets”, and brought back tranquility, harmony and beauty to this area.

SHANDONG FEIXIAN POWER COMPANY: BEAR IN MIND “MEAL OF THE RED ARMY”, STRICTLY IMPLEMENT CONSUMPTION REDUCTION

In 2019, based on its production and operation, Shandong Feixian Power Company has conducted operation with a focus on its “specialty”, skillfully recycled the waste just like “stewing the double cooked pork slices”, and strictly implemented consumption reduction with the “Meal of the Red Army” in mind. In this way, it has managed to “cook” the “meal” of cost reduction and efficiency increase in an all-round way to ensure a successful end of the year.

Bearing in mind “Meal of the Red Army”, the Company enhanced the corporate competitiveness mainly through energy conservation and consumption reduction, starting from various indicators. For example, the Company practiced green and low-carbon office and reduced unnecessary printing, while employees were encouraged to print on both sides and use OA to circulate the documents and issue notices. After work, all the lights were turned off when people left the office, and the phenomena of running water and burning light all the time were eradicated completely. The fixed assets were counted regularly; the application and receiving ledgers for office articles, consumables and materials were perfected, and the records were kept carefully and normatively. In this way, the articles, accessories and materials become traceable, and waste from work could be eliminated, so that the whole company has “tightened its belt” to ensure that the annual production task could be accomplished.



STORY 2020

For Lush Vegetation in the Source of Yellow River

China Energy made innovations regarding the protection of the Yellow River Source to achieve the dual goals of poverty alleviation and ecological restoration. With an accumulative investment of RMB 53.5 million, it has implemented ecological management and protection Qumalai County, the source of Yellow River, by returning grazing land to grass. In total, it has relocated about 5,290 cattle and sheep, and banned grazing in the land of 320 thousand mu (around 21,333 hectares), making remarkable achievements and breakthroughs in ecological recovery and governance of the source of Yellow River. The leaders of the Poverty Relief Office of Qinghai Province and of the State Council highly praised the Group's practice of the "two mountains" theory and assistance in poverty alleviation through ecological improvement.



"33 households of herdsmen in the source of Yellow River have enhanced their ecological environmental awareness. They used to reject this idea; but now they embrace it, and have aspirations for a better life."

——Party Secretary of Qumalai County
DONG Jinlin

"With beautiful meadows comes great life!"

——73-year-old grandma, QU Zhong from Maduo Township, Qumailai County



Shuohuang Railway invests over RMB 100 million in greening to build a "landscape corridor" along the line



Guohua Ningxia Ningdong Company treats desertification

Protect Biodiversity

Biodiversity is precious natural wealth and involves human well-being, so protecting the ecological system is a major part of the Group's development of an ecological civilization. We pay high attention to reducing the influence of construction on biodiversity and are committed to the harmony with nature in the construction and operation of our projects.

FIGURES 2020

ECOLOGICAL PROTECTION AND GOVERNANCE OF THE SOURCE OF YELLOW RIVER



Zhentou Dam of Dadu River reduces more than ten million tons of carbon emissions to protect the environment in the region inhabited by Yi ethnic group



Harwusu Dumping Site greened by Zhunneng Group

STORY 2020

Protect Biodiversity to Build a Harmonious and Beautiful Homeland

China Energy Dayan Company adhered to two bottom lines, development and ecology. Through ecological environmental restoration and governance in the Open-pit Mining Area and the surroundings along the Zhani River, the Company has brought back lucid waters and blue sky to the prairie and advanced its own healthy development. RMB 326 million has been invested to build 333 thousand m2 of green space, plant over 60 thousand trees, including the landscape plants such as cornus alba and clove of 424 linear meters, treat 4.6 thousand m2 of sporadic desertification surface area and control desertification and green over 20 thousand m2 outside the area. At present, inside the Zhani River Open Mining Area, 25 kinds of woody plants and 131 herbaceous plants, including some rare tree species and rare medicinal materials have been found, as well as some wild animals and rare birds, such as prairie hares, prairie red foxes, spotted sandgrouse and wild ducks. All these speak volumes about the fundamental improvement of the ecological environment of the mining area.



Preliminary results of combating desertification in the prairie around Zhani River Open-pit Mining Area

STORY 2020

All Lives Matter. Guohua Investment Company Saved an Elk, a National First-Class Protected Animal

On January 23, employees of Dunmen Wind Farm of Guohua Investment Jiangsu Company heard the distant wail of some animal during an routing inspection on the wind turbines of 332 integrated circuits. He followed the sound and found an elk whose horn was entangled by the nettle. Since the wild elk was a national first-class protected animal, the rescue is a matter of great urgency. With their joint efforts, the elk got free and went back to the forest, leaving a beautiful “glance” behind.

This rescue of the wild elk was a practice of this Wind Farm to follow through the Group Company’s Document No.1 on safety and environmental protection. This shows the sense of responsibility and great love of this company, and that they always keep in mind to live in harmony with nature while benefiting the people.



National Water and Soil Conservation Technology Demonstration Park in Shendong Daliuta Coal Mine is the only national technology demonstration park built in a subsidence area of coal mines



Huanghua Port is China’s first Level AAA industrial scenic coal port and won the 17th Tien-yow Jeme Civil Engineering Prize



Shendong Ecological Demonstration Base in Shendong Halagou Coal Mine



Comprehensive Reclamation of the River Basin in Hongshiquan, Ningxia

Focus on Environmental Protection and Public Welfare

China Energy was a champion of green development and environmental protection. While working on environment governance in the factory, it promoted energy conservation and environmental protection, carried out green and public welfare activities and joined hands with employees to live a green lifestyle.

CHINA ENERGY TAKES ACTION ON THE WORLD ENVIRONMENT DAY – ENABLING THE HERONS TO PERCH ON THE RIVER BANK AND FLY IN THE SKY



Release the fish under national key protection to Dadu River



Volunteers of Longyuan Electronic Power were collecting garbage in the dam reservoir area and the beach



Employees of the Coal Operation Branch were educating the idea of environmental protection to citizens on the street



All the Party members of Wuhai Energy Company were cycling around Wuhai Lake for a round trip of 14 km to propagate “green mobility”

GATHER THE FIRST-CLASS TALENT PEOPLE WORK HARMONIOUSLY TOGETHER AND ARE WELL MANAGED

PEOPLE HAVE THEIR OWN RESPONSIBILITIES IN THE WORLD. THOSE WHO WANT TO MAKE A DIFFERENCE RECOGNIZE THEIR OWN RESPONSIBILITIES, AND THOSE WHO DO MAKE A DIFFERENCE FULFILL THEIR OWN RESPONSIBILITIES.

China Energy is people-oriented and always puts people first. Through hard work day by day, people from China Energy appreciate the original mission of the company, dedicate their youth and demonstrate their love for the country, boosting economic growth and realizing people's aspiration for a better life.



VALUE EMPLOYEES' HAPPINESS



Guarantee of Rights and Interests

In the principle of putting people first, China Energy strictly observes the Labor Law and Company Law, signs labor contracts with employees in accordance with the law, and pays "five social insurances and the housing accumulation fund" in full to guarantee the employees' basic rights and interests; it implements a paid leave system and a complete salary and welfare mechanism to keep employees motivated; it adheres to compliant and fair employment and opposes forced labor or discrimination in any form; it respects employees' privacy and right to know, right of supervision and right of participation to encourage employees to take an active part in corporate management; it regularly carries out examination on employees' physical and psychological health to ensure their pleasant work experience and happy life, forming a harmonious and progressive corporate culture.

In 2020, in the face of the complex influence of COVID-19, we actively responded to the state's call to "stabilize the employment", and throughout the year, we have recruited 4,321 graduates and 3,880 people from the society through centralized recruitment. By 2020, there were 340 thousand employees in the Company, with 100% labor contract signing rate and full social insurance coverage.

Assist Growth

By creating an enabling environment for talent growth, we have continuously improved a cultivation mechanism in favor of talent growth, a working mechanism to bring the best out of our talent, an incentive mechanism to fully tap into their potentials and a competition mechanism for various types of talent to shine. In this way, the long-term growth of our talent can be guaranteed, allowing everyone to grow, just like the poem says, "all creatures strive for freedom under frosty skies".

We have continuously enhanced employee training, and have met employees' need for individualized growth and built a high-quality team adapting to the demands of the new era by holding lectures themed on "better management through case study", skill competitions such as innovation and creativity competition and various professional trainings such as training classes of five-position managers of coal mines and designated safety principals, registered safety engineers in the chemical industry, internal audit training and courses on comprehensive energy service of electricity marketing. In 2020, the Company named and founded the first batch of 82 model worker and talent innovation studios, 10 of which won the honor of "National Model Worker", and 2 technical experts were awarded "Craftsmen of a Great Country" of the national energy chemical and geological sector.



Technicians from the Mobile Application Development Project Department of Shendong Coal were conducting application analysis on the intelligent working face

STORY 2020

Share and Jointly Build the Group's Education and Training Resources on an Intelligence Integration Learning Platform

In order to win the fight against the COVID-19 pandemic and keep learning, China Energy Party School "suspended class but not learning", and launched the "Intelligence Integration" online learning platform for all the employees. By initiating "Swan Program" online courses, "Sunflower" Pandemic Response, "Energy+ Livestreaming" and "Cloud Dwelling" Classroom, it provided the employees with cloud intelligent study resources.



Big data interface of Intelligence Integration Learning Platform

MODEL WORKERS, POWER OF EXAMPLES

— 2020 National Model Workers from China Energy



TIAN Yucong



DU Zhengyu



TU Yangju



WEI Jianxiong



Maimaitiaili Ruzi



FAN Xiaobing



ZHANG Huaming



WANG Dachu



LI Chang'an



AN Shishui

2020

Care for Employees

We have extended humanistic care and advocated happy work and life in an effort to enhance employees' sense of identity and sense of belonging. We enriched employees' spare-time cultural life by hosting public welfare activity of gifting spring festival scrolls, safe production comics and pictorial poster competitions, etc.; we made employees feel "part of a big family" by organizing a rehabilitation tour for over 400 model workers and employees in remote areas in batches, and purchased plateau oxygen tents for poverty alleviation officials working in high-altitude villages.

In 2020, with the ongoing COVID-19 pandemic, the Company formulated Ten Measures for caring for the employees. As for the confirmed and isolated employees, a "one-to-one" tracing service mechanism was established so as to ensure timely counseling, and special subsidies and consolation money of pandemic prevention and control were provided. The Company issued manual instructions for work and production resumption, released the documentary of Pioneers Fighting Against COVID-19, compiled the Collection of Advanced Models and Deeds in "One Prevention and Three Protections", pulling together to overcome the challenges with those heart-warming measures.



Family Open Day themed "Red Sails in Bohai Sea" at Tianjin Coal Terminal



Photography activity of Shendong Coal Group



Employees of Comprehensive Mining Team No. 3 of Guoneng Ningxia Coal Company Zaoquan Coal Mine were extending New Year greetings with their relatives



A series of activities of Yunnan Company on Women's Day



Party Members of Zhunneng Group were leading employees to participate in voluntary labor in the contracted farmland of Party members



Thousands of people were singing Happy Shendong

JOIN HANDS TO WRITE A NEW CHAPTER



Transparent Purchase

Strictly Implement the Assessment Requirements

In strict accordance with the assessment requirements of State-owned Assets Supervision and Administration Commission (SASAC) on purchase and based on the "strategy + control" operation mode, the Group has relied on China Energy's online platforms such as the tender website and China Energy E-Shopping Platform to build the "primary centralization, unified management" system for the purchase of materials, engineering and services; in the principle of "those need tender must be put out to tender, and those need disclosure must be disclosed", it has spared no effort to achieve 100% centralized purchase rate, 100% online purchase rate and 100% public purchase rate. The assessment requirements have been implemented from 4 aspects: purchase management organization and system, purchase management process and operation, supplier management, as well as information and big data application, making transparent purchase more efficient and effective. In 2020, the Group Company organized and established the Library of Purchase Document Templates, which was later released and applied in the SRM system, making new progress in standardized purchase.

Improve the Purchase Supervision System

Guided by the principle of "Four Threes", the Group has built and improved the materials and purchase supervision system. By establishing and perfecting the online purchase supervision information system, it has realized real-time disclose and monitoring of the whole Group's purchase information to guarantee a legal and compliant purchase process. For the Group's material, engineering and service purchases, it has separated the demand right, implementation right, decision-making right and supervision right in purchase management, achieving checks and balances. By optimizing the purchase process, it has further strengthened supervision, restriction and assessment and standardized the purchase behaviors.

In 2020, the Group compiled and revised 17 materials & purchase mechanism documents in total, covering purchase and material management, supervision management, plan management, tendering purchase, non-tendering purchase, e-commerce purchase and supplier management. Meanwhile, the whole Group continuously improved the institutional system and put supervision into practice "according to specific conditions".

Shendong Coal Group:

Prepared Manual Instructions for Purchase as an illustrated "operation manual" and popularize basic purchase operation rapidly; established 25 standard remote review groups for purchase business, making purchase review more efficient.

Guodian Power:

Appointed full-time and part-time personnel to supervise the review process in real time to improve the quality of review and purchase.

Longyuan Electric Power:

Edited and reviewed tender document templates of 25 kinds of tenders in the new energy business; prepared 6 corporate standards for electrical equipment, such as box-type substation, and improved equipment selection.

Engineering Company:

Strove to build a "tender + cost + consulting" energy engineering management think tank, pioneered remote bid evaluation in a different place, facilitated the successful adjustment of "authorization and power delegation" tender mode; won "Internet+" Tender Purchase Innovation Achievement Award of China Tendering & Bidding Association and "Outstanding Purchase Case" Award of China Federation of Logistics & Purchasing.



At the Third China International Import Expo on November 4, China Energy signed strategic cooperation agreements and purchase contracts with 39 suppliers from 15 countries worldwide

Supply Accountability

Control the “Entrance”

The Group has issued documents such as Implementation Rules for Access and Withdrawal Management of Suppliers, Implementation Rules for Suppliers’ Dishonest Behavior Management and Implementation Rules for Short List Management of Suppliers to include the compliant performance and requirements in supplier assessment, and it has established an entrance-and-exit system of suppliers to timely remove those violating regulations; it has established a supply accountability system to realize online supervision, digital indicator analysis and visual decision-making, effectively enhancing supervision and strictly control the “entrance” to suppliers. As of the end of 2020, 181,394 suppliers in total have passed the examination, among which 41,620 were newly added throughout the year.

Green Supply Chain

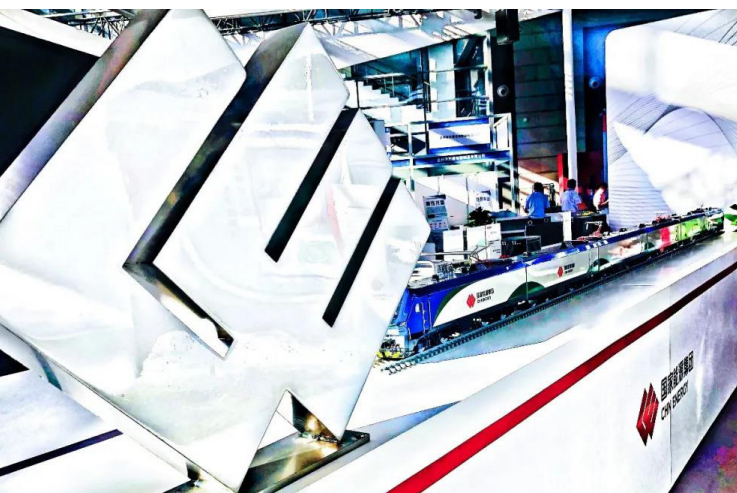
The Group has always taken green development as a strategic pillar for high-quality development, revised Regulations of China Energy on the Management of Purchase, clarifying the requirements for “green purchase” and including green and environmental protection into purchase consideration. It has improved the green supplier management mechanism, prioritized environment-friendly materials in its purchase and use, as well as environment-friendly, safe and recyclable packaging materials. Meanwhile, China Energy has initiated a study on characteristic modern smart supply chain, so as to boost the dual circulation with a green supply chain.

Guarantee of Customers’ Rights and Interests

The Group has valued customers’ rights and interests, properly protected customer information, and carried out product publicity and popularization in a carefully-controlled way, so as to ensure that the process is compliant and true. It has reminded customers of the potential risks of its products. In addition, we have actively responded to customers’ opinions and complaints, improved after-sales service and increased customer satisfaction, trust and loyalty with high-quality products and services.

Industry Exchanges

As a pioneer in the industry, China Energy has played its leading role, focused on the frontier technology, carried out industry exchanges and deepened cooperation with other partners. In 2020, we were selected into the first Board of Directors of Hydrogen Council after taking part in a series of major activities such as the First International Forum on Clean Energy, improved the influence and voice of the industry in the world through the measures such as jointly initiating the integrity and compliance proposal with 62 enterprises, actively participating in the “Belt and Road” initiative, and charted a course of high-quality development for the industry in a faster and more steadily manner.



Intelligent traffic achievements at China (Xi’an) Intelligent Transportation Expo



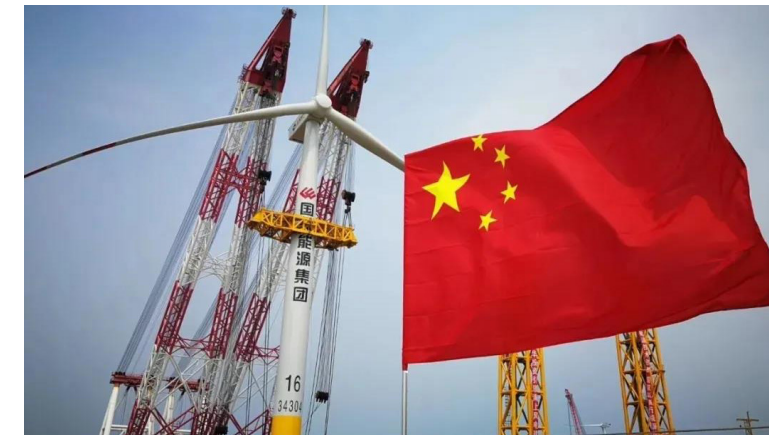
Participating in the 6th China International Coal Clean and Efficient Utilization Exhibition

Going Global

As a bridge connecting the Chinese Dream with the Global Dream, we have adhered to extensive discussion, joint contribution and shared benefits with a strong sense of responsibility and mission. We have brought into full play the advantages of the energy industry chain, actively participated in the “Belt and Road” initiative, and promoted a global system featured by “collaboration + professionalism” to continuously improve our operation and capability at an international level. In 2020, we stepped up with some key projects such as China-Mongolia Cross-Border Energy Base and Zashulanskoye Open-pit Coal Mine, as well as some international projects such as Offshore Wind Power Project in Dongtai, Jiangsu, and GW-level Coal-fired Power Generation Project in Java, Indonesia, to help build a beautiful world with our clean energy and high-quality projects.



Wind Power Project of Longyuan in De Aar, South Africa



Offshore Wind Power Project in Dongtai, Jiangsu

HELP THE POOR, WARM THE HEARTS



The Group Company undertook the targeted poverty alleviation task of 7 counties and was partnered with 2 counties (among which 5 counties were in “three autonomous regions and three prefectures”, and 4 counties were in old revolutionary base areas), and has helped 416 counties (townships and villages) in total in various provinces (districts and cities) nationwide, ranking No. 2 among all central SOEs in the number of counties it helped in poverty alleviation. A total of RMB 1.16 billion has been poured into 9 counties. After the restructuring of the Group, it further strengthened the support, and injected RMB 788 million of poverty alleviation fund. 9 counties assisted by or partnered with the Group were lifted out of poverty and were removed from the poverty list. The Group has completed the poverty alleviation tasks and has got the highest score in in the assessment on the targeted poverty alleviation performance of designated institutions for three consecutive years.



WANG Xiangxi, Secretary of the Group's Leading Party Members' Group and Chairman, was visiting the poor household in Bozuo Village, Juesha Township, Butuo County, Liangshan Prefecture, Sichuan Province

Fights Against Poverty

Poverty Alleviation through Education

A total investment of RMB **393** million for poverty alleviation through education

A total investment of RMB **150** million of funds were invested in 2020

Helping **74,569** poor people

The Group has attached great importance to poverty alleviation through education. In an effort to stop poverty from being passed on to future generations, it invested RMB 393 million in total for poverty alleviation through education, launched 113 projects and helped build multiple primary and secondary schools, kindergartens and "Charity Libraries", benefiting more than 100,000 students and masses. In 2020, the Company gathered pace on poverty alleviation through education. Throughout the year, it invested RMB 150 million and helped 74,569 poor people.

- For prominent issues that still exist in two counties in Liangshan, such as being deprived of education and dropping out, large beds for multiple students, classes with too many students and long distance from home to school, the Group invested RMB 77.5 million to help build four schools, including Zeluo Second Primary School in Butuo County and Zemu River Primary School in Puge County.
- Abuzelu Primary School and Zhumushu Primary School were put into use this year.
- A total of RMB 18.58 million were invested to subsidize the students and reward excellent teachers and students in seven counties, so as to create atmosphere that advocates hard work and good teaching.
- The Guidelines on the Use of Educational Funds Subsidizing the Poor Areas was formulated to standardize the use of the donations.



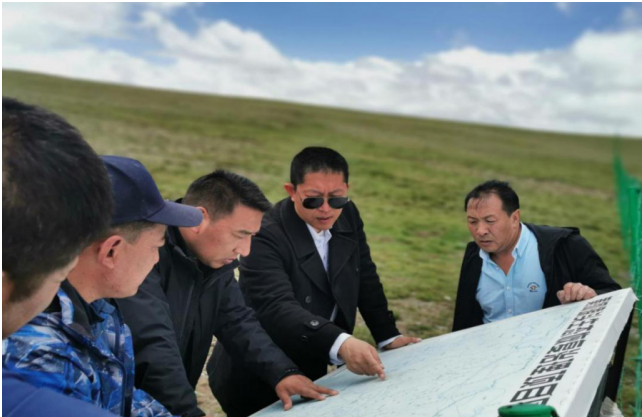
Donating book to students in Youyu County, Shanxi

Poverty Alleviation through Ecology

The Company has systemically studied the environmental conditions and scientifically explored paths for poverty alleviation through ecology. Throughout the year, it invested RMB 28.8 million in poverty alleviation through ecology to help lift people out of poverty in the ecologically fragile areas.



- Innovated the protection of the source of Yellow River, and invested **RMB 53.5 million** in achieving the dual goals of poverty alleviation and ecological restoration.
- Invested **RMB 21 million** in the ecological protection project in the source of Yellow River in Qumalai County, successfully returning 320 thousand mu (around 21,333 hectares) of grazing land to grass in key areas, and employed 228 poor people as ecological managers and protectors.



- Invested **RMB 1.9 million** to set up a "Green Ecological Protection and Poverty Alleviation Fund" in Youyu County, and employed 181 registered poor people as forest rangers.

- Invested **RMB 5.9 million** in an ecological forest project in Mizhi County and Wubao County. By hiring poor people to plant trees, it achieved stable income increase while improving water and soil conservation.

"Ecological Protection and Governance Project of the Source of Yellow River" was carried out in Qumalai County, Qinghai

Poverty Alleviation through People's Livelihood

China Energy has accurately responded to people's aspirations and solved some pain points in people's livelihood. By using money in an efficient way, it kept increasing poor people's sense of gain, sense of happiness and sense of security.

- Carried out the screening of congenital heart disease and other diseases, free medical treatment by "sending doctors to villages", training for rural doctors and donation of medical equipment.
- Carried out "Red Ribbon with Love" activity in Butuo County and Puge County, established special funds for AIDS prevention and initiated project to stop mother-to-child transmission of AIDS.
- Carried out affordable housing project and established special support funds, advanced village renovation, repaired bridges and roads to solve difficulty in mobility and installed drinking facilities to improve water access.



A Brand-new joyful and beautiful Bozuo Village, Juesha Township, Butuo County, Sichuan



"Suoma Happiness Road", Butuo County, Sichuan

Poverty Alleviation through Industrial Development

The Company has developed industries with local features to help the poor villages to become rich, and has invested a total of RMB 163 million in 85 projects. In 2020, it invested RMB 25.43 million in poverty alleviation through industrial development, carried out nine relevant projects, supported 16 cooperatives and lifted 5,272 registered poor people out of poverty.

RMB **163** million of assistance funds were launched

85 projects were implemented

RMB **25.43** million of industrial poverty alleviation funds were launched throughout the year

● For three consecutive years, it supported the construction of Fruit and Vegetable Greenhouse Park in Ningcheng, and helped the county become a pacesetter of modern facility agriculture.

● It invested RMB 18.68 million in supporting modern facility agriculture in Ningcheng County, traditional Chinese medicinal materials processing workshop in Youyu County and economic walnut grove project in Mizhi County, driving collective economy in these localities and lifting people out of poverty by increasing their income.

● On the basis of the successful strawberry greenhouses in Puge County in 2019, it invested RMB 800,000 to help the local people to build strawberry processing workshops and increase the additional value of their products.

● It invested nearly RMB 2 million in the local chicken farming project in Butuo County and citrus planting project in Puge County, helping people to develop local industries.

● It input RMB 4 million in the vehicle repair and training base in Qumalai County, and provided farmers and herdsman who received the training with the help they need for a new job.

After the industrial park was put into production, the first picking season came, and the local poor people worked enthusiastically to get rid of poverty and become better off.



Poverty Alleviation through Consumption

Through e-commerce poverty alleviation platforms such as its own “Huicai Mall”, the Company has vigorously carried out poverty alleviation through consumption to increase the incomes of poor people. It has encouraged all institutions and individuals of across the system to purchase agricultural products from poor areas, the total amount of which reached RMB 252 million, and ensured unimpeded market access for agricultural products from poor areas.

It helped Youyu County develop into an important e-commerce base for agricultural products.

It introduced external professional enterprise to Butuo County and Puge County, and registered two agricultural companies there.

STORY 2020

Purchase for Love, Assist Poverty Alleviation with Online Livestreaming

From 10:00 to 12:00 on August 1, 2020, the 12th episode of “Central SOE Brand of Hundreds of Products from Hundreds of Counties” & “Xiaoxin Sales” entered Gangcha County, and promoted local agricultural and animal products of Gangcha, such as beef and mutton. The two-hour livestream was watched by more than 10.245 million people, and 31,659 orders were placed in total in various platforms, including central SOEs’ e-commerce platform for poverty alleviation, Kuaishou, etc., with a total sales volume standing at around RMB 3.18 million. The “thumbs-ups” and “sales” of this two-hour livestream hit a record high in this series of activity.

Poverty Alleviation through Party Building

The Group’s Leading Party Members’ Group laid down the principle of “compassion, responsibility, standard and goal” in its poverty alleviation work. It founded the Leading Group for Poverty Alleviation Work, and has dispatched 55 excellent officials with temporary posts (including the First Secretary) to carry out the poverty alleviation work at the front lines, which has been thought highly of by governments at all levels and was embraced by officials and people at the localities. The Group has held over 110 training programs for primary-level officials and vocational training programs for technicians, reaching 4,198 officials and 6,828 technicians in total.

In 2020, it organized 20 Party branches to partner with 19 poor villages, and throughout the year, it invested RMB 3,671,600 in poverty alleviation through Party building, encouraged Party members and officials to donate money and supplies worth RMB 18.64 million, and trained 1,103 person from the “Two Committees”.

A total of **6,828** technicians were trained

Money and supplies worth RMB **18,640,000** were donated by Party members and officials

STORY 2020

Poverty Alleviation Ambassador in the “Forbidden Zone for Life”

Qumalai County in Qinhai is known as “Thee-River-Source Region, Forbidden Zone for Life”. WANG Rui, a cadre assisting Qinghai, said, “I had never imagined protecting and planting the grassland in the forbidden zone for life even in my wildest dreams.” From August 2019 to August 2020, he traveled 100 thousand km, relocated more than 5,000 cattle and sheep, constructed the school housing of more than 5,000 m2 and organized the training for more than 1,000 people, in an effort to implement poverty alleviation through ecology. “I’m not alone, and the Group Company has successively dispatched 6 young officials to participate in ecological protection in Qumalai. This shows the support from the Group in poverty alleviation, which is exactly what we should bring to Tibetan villages along with good fortune to the Tibetan people.”

Poverty Alleviation through Employment

In response to the call of the CPC Central Committee, the Company has focused on changing people's mentalities and developing their abilities, and helped the poor to increase incomes through their own hard work, so as to achieve their sense of satisfaction, sense of achievement and sense of happiness, inject inherent impetus into poverty alleviation and promote "the hematopoietic function".

Carried out skill training; continuously invest in training, introduced professional technicians, built training bases in poor areas and hosted lectures and skill training to vigorously implement poverty alleviation through employment.

Expanded employment channels; created job opportunities by setting posts for special recruitment and investing in projects in poor areas to absorb the local labor force; set posts for special recruitment of college students, especially the registered ones from poor areas to increase the employment of poor graduates with multiple measures.

Pandemic Response and Emergency Relief

COVID-19 was raging, but China Energy did not flinch in the face of this test of the era. The Group strictly followed the important instructions of General Secretary Xi Jinping about pandemic prevention and control, as well as the decisions and arrangements made by the CPC Central Committee. It founded a pandemic response leading group in the first time, set the target of "preventing the pandemic from spreading, ensuring safe production, employees' health and stable supply", and built an accountability system and working mechanism. No cluster cases ever occurred across the Group. Various institutions fended off pandemic risks and resumed work orderly, providing light and hope for thousands of homes with stable energy supply.

We put patriotism into practice in the fight against the pandemic, spared no effort to assist the society in fighting against the pandemic and donated RMB 130 million to key provinces such as Hubei. We formulated a package of measures for the post-COVID recovery of Hubei, and utilized platforms such as China Energy E-Shopping and Huicai Mall to procure products and services from enterprises in Hubei Province, which worth RMB 3.67 billion in total, manifesting great love with our concrete actions in our pandemic response.

EMPLOYEES OF CHINA ENERGY IN THE FIGHT AGAINST THE PANDEMIC, SUCCESSFULLY ACCOMPLISHING THE MISSION



Disinfection and sterilization of the region



A daily report system for important information on prevention and control



"Green channels" opened for the procurement of medical supplies



Nucleic acid test for employees in Beijing



Party members were taking part in pandemic prevention and control in communities



Power supply guaranteed



Intelligent equipment was assisting pandemic prevention and control



Heat supply recovered in the east line of the network

Public Welfare and Charity

We have continuously enhanced our public welfare activities and made innovations through China Energy Public Welfare Foundation to spread our love efficiently. In 2020, we further strengthened the "1+3" model for helping children with congenital heart disease in poor families and some of our projects such as "Charity School", "Charity Library", "Assistance for Students", "Red Ribbon with Love" and "Charity Trip". We carried out 92 projects in public welfare and poverty alleviation, covering fields such as sanitation & health, culture & education and ecology & environmental protection with the total expense of RMB 526 million, which benefited more than 2 million people. We consolidated the brand value with high-quality public welfare and achieved great social benefits. In December 2019, our Public Welfare Foundation continued to be awarded the title of 5A foundation by the Ministry of Civil Affairs, making it the only foundation winning such title in a row nationwide.



Solemn flag-raising ceremony

OUR CHARITY FOOTPRINTS THROUGHOUT THE YEAR

Throughout the year, 954 children with leukemia and congenital heart disease got help from our “Love in Action” and **13,590** children with congenital heart disease were screened on the pilot basis in Hebei province;

“Training for rural doctors” was carried out in Puge County, Youyu County, Mizhi County, Wubao County and Moqi, or Morin Dawa Daur Autonomous Banner;

A total of RMB **38,999,500** was donated to improve the conditions for 17 schools in targeted poor counties supported by the Group;

Two new “Charity Schools”, Zemu River School and Zeluo No. 2 Primary School were built, realizing the dream of going to school for nearly **15,000** poor students in the region;

Nine schools in Puge County were equipped with 16 sets of digital book reading system and nine sets of book management network system;

Scholarships were given to **500** college students of Xinjiang Uygur Autonomous Region;

An education foundation themed “Poverty Alleviation Day Donation” was set up in 9 counties to subsidize and reward more than **4,000** excellent teachers and students with poor backgrounds;

14 excellent primary-level representatives of Qumalai County were organized to participate in the “Ecological Civilization Journey” in Beijing;



Beautiful campus built by China Energy help children to embrace a bright future

LIGHT UP THOUSANDS OF HOUSEHOLDS WITH ELECTRICITY



Students of Abuzelu Primary School were taking exercises on the playground in their new school uniforms



Lecture of the “Ecological Journey” launched by China Energy Public Welfare Foundation



“Care for Children in Mountainous Area, Be Devoted to Poverty Alleviation” Voluntary Activity



“Old Clothes, Deep Love” Voluntary Service Activity



Experts of Cardiac Surgery Department of Chinese PLA General Hospital were conducting auscultation to screen congenital heart disease for the kindergarten children in Mizhi County



Newly built playground of Longzhen Middle School in Mizhi County



Young volunteers at “Targeted Service Station for Old Soldiers”



Ceremony for granting subsidies to students of the project “Realize Dreams, Assist Students” in Mizhi County

RESPONSIBILITY MANAGEMENT



RESPONSIBILITY GOVERNANCE

China Energy has emphasized the performance of social responsibility in the whole process of production and operation while continuously deepening the communication and coordination mechanism of "decision – management – implementation". It has formulated Management Measures of China Energy for Social Responsibility Performance (Trail) to promote the social responsibility work of all departments and units by improving the institutional system for social responsibility management.

RESPONSIBILITY TOPICS

In response to the concerns of stakeholders and in light of the specific conditions of the industry and the enterprise, China Energy has continuously improved the Comprehensive Indicator System for Social Responsibility covering 259 indicators of five fields strictly, which was in strict accordance with relevant requirements and guidelines at home and abroad, such as Corporate Social Responsibility Report Guideline of the PRC (CASS-CSR4.0) and Sustainability Reporting Guidelines issued by GRI (GR14.0, GRI-standards). Through topic identification and topic analysis, the Group has ensured the high quality its CSR report.

Identification stage	After going through domestic and foreign standards, determine the annual core topics based on the Company's social responsibility practices in the past year and the communication among stakeholders
Assessment stage	Carry out a survey on stakeholders by multiple means, ask for stakeholders' feedback on the relevance of the topics and rank them accordingly
Screening stage	Determine key topics to be included in the report according to the ranking of China Energy and stakeholders

- Participated in the 12th Chinese Renewable Energy Conference (Wuxi)
- Participated in the Third China International Import Expo
- Expanded internal and external communication channels, such as official website and WeChat official account China Energy
- Subordinate enterprises, such as China Shenhua and Guodian Power, released their social responsibility reports successively



From November 4 to November 7, 2020, China Energy hosted "New Development Paradigm and State-Owned Enterprises" Academic Forum

RESPONSIBILITY TRAINING

China Energy attached great importance to the Company's responsibility capacity building. Through responsibility training, it comprehensively strengthened the ability of management staff on corporate social responsibility, and increased the awareness of employees. In addition, it redoubled its effort on the theoretical research and participation in social responsibility. The outstanding cases of responsibility performance submitted by the Group were selected into the Blue Book of Social Responsibility of Central SOEs (2020) and the COVID-19 Epidemic Response Cases of Central SOEs. The poverty alleviation work of the Group's Pingzhuang Coal Company was selected into Top 50 Cases of Targeted Poverty Alleviation by Chinese Enterprise; the case of Wind Power Project of Longyuan in De Aar, South Africa, Manifest the Responsibility of Chinese Enterprise, Build a "Red Defense Line" Against COVID-19, was selected into the Blue Book of Overseas Social Responsibility of Central SOEs (2020) as an excellent case of overseas social responsibility performance.

RESPONSIBILITY COMMUNICATION

- Participated in the 2020 Release Conference of Corporate Social Responsibility Report in the Coal Industry
- Participated in the First Release Conference of Report on "Belt and Road" High-Quality Cases
- Participated in the centralized release of social responsibility reports of central SOEs
- Participated in the Third Beijing Responsibility Exhibition & Release Conference of the Blue Book of Corporate Social Responsibility (2020)
- Hosted the "New Development Paradigm and State-Owned Enterprises" Academic Forum
- Participated in the "Belt and Road" Clean Energy Development Forum
- Participated in the Third Release Event of Outstanding Stories of Central SOEs themed "Role of Central SOEs in Building a Moderately Prosperous Society in all Respects "
- Participated in the Forum on Poverty Alleviation by Central SOEs



From November 4 to November 7, 2020, Guohua Investment Company participated in the 12th Chinese Renewable Energy Conference on behalf of China Energy

RESPONSIBILITY HONORS

Selected into
“TOP 30 of China’s Top 300 Enterprises for Social Responsibility Development”

Won “Outstanding CSR Enterprise Award” and the “Five-Star” rating of CSR report by China Social Responsibility 100 Forum

Won the award of “National Outstanding Enterprise with CSR Report in the Coal Industry”

Won multiple awards issued by People’s Daily, including “Annual Enterprise Award” and “Outstanding Enterprise Award for Sustainable Information Disclosure”

Responsibility performance cases submitted by the Group was selected into the Blue Book of Social Responsibility of Central Enterprises (2020)

Responsibility performance cases submitted by the Group was selected into the Blue Book of Overseas Social Responsibility of Central Enterprises (2020)

Responsibility performance cases submitted by the Group was selected into the COVID-19 Epidemic Response Cases of Central Enterprises

China Shenhua won 2020 Evergreen Award – Award for Inclusive & Sustainable Development; Longyuan Power won “Award of Overseas Responsibility Performance Model Enterprise”; Guodian Power won the “Outstanding Enterprise Award for Responsibility Information Disclosure” for China’s power industry in 2020

2019 Social Responsibility Report of China Energy was awarded a five-star certificate



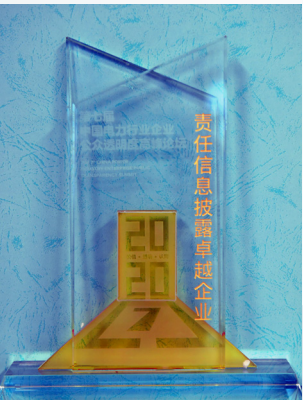
China Energy won the “Outstanding CSR Enterprise Award” by China Social Responsibility 100 Forum



China Shenhua won 2020 Evergreen Award – Award for Inclusive & Sustainable Development



Guodian won the “Outstanding Enterprise Award for Responsibility Information Disclosure” for China’s power industry in 2020





FUTURE PROSPECTS

For a great cause of that shines through ages, a century is only a prologue; after hard work over the past three decades, now it is time to make new progress. The year of 2021 marks the 100th anniversary of the founding of the Communist Party of China (CPC), the beginning of the “14th Five-Year Plan” and a decisive year to the new journey of building a modern socialist country comprehensively. The river of history surges ahead. Looking back, we have gone through countless twists and turns; looking ahead, we still have a long way to go. In the face of all the challenges ahead of us, the only way out is hard work.

China Energy will continue to uphold socialism with Chinese characteristics, follow Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and comprehensively carry out the guidelines of the 19th National Congress of the CPC and its Second, Third, Fourth and Fifth Plenary Sessions. In our implementation of the new

development philosophy, we will pursue the new strategy for energy security featuring “reforms to improve the energy consumption structure, build a more diversified energy supply structure, improve energy technologies, and optimize the energy system, as well as energy cooperation with other countries”, and respond to the call that “socialism is achieved with hard work”. Guided by the strategy of “one goal, three characteristics, five-pronged development directions and first-class performance in seven areas”, we will keep marching toward the goal of “building a world-class model enterprise with global competitiveness”. In celebrating the 100th anniversary of the founding of the CPC, we will deliver excellent performance, and make new and greater contributions to building a modern socialist country in an all-round way and realizing the Chinese Dream of the great rejuvenation of the Chinese nation!

APPENDIX

SPECIFICATIONS OF THE REPORT

This report is the fourth social responsibility report prepared by China Energy Investment Corporation Limited (hereafter referred to as China Energy).

Provider of the Report

China Energy and its subsidiaries and branches. For ease of presentation and reading, “China Energy”, “Group Company”, “Company” or “We” in the Report all refer to China Energy Investment Corporation Limited, except as otherwise stated in the Report.

Reporting Period

From January 1 to December 31, 2020, with some contents falling outside the said time range.

Report Compilation Principles

- Guideline on Fulfilling Social Responsibility by State-Owned Enterprises issued by SASAC of the State Council
- Guidance on Social Responsibility Reporting (GB/T36001-2015) issued by Standardization Administration
- Corporate Social Responsibility Report Guideline of the PRC (CASS-CSR4.0) issued by Chinese Academy of Social Sciences
- Sustainability Reporting Guidelines (version GRI4.0., GRI-standards) issued by Global Reporting Initiative (GRI)
- ISO 26000:2010 Guidance on Social Responsibility issued by International Organization for Standardization
- UN’s 2030 Sustainable Development Goals (SDGs).

Data Description

The data of 2020 quoted in this report are derived from the official documents and statistical reports of the Company, and have been reviewed by the relevant departments of the Company. If there is any discrepancy with the annual report of the group company, the latter shall prevail.

Language and Availability of the Report

This report is available in both simplified Chinese and English, and is available to stakeholders and the public mainly in a PDF document, which can be downloaded from the official website of China Energy (www.ceic.com).

Please send an e-mail to csr@chnenergy.com.cn to request for a printed copy of this report.

In preparing the Report, we have considered the reading interest and requirements of different stakeholders as much as possible and have striven to make it concise, clear and easy to read. In order to expand the amount of information reported, some of the contents in the Report are presented in QR code. For further information, please scan the QR code.

KEY PERFORMANCE









































Indicator	Unit	2018	2019	2020
Economic Performance				
Total assets	RMB 100 million	17826	17503	17881
Owner’s equity	RMB 100 million	6992	7181	7361
Operating income	RMB 100 million	5423	5561	5569
Total profit	RMB 100 million	735	781	838
Net profit	RMB 100 million	509	556	577
Economic value added	RMB 100 million	125	153	174
Total profit and tax	RMB 100 million	1630	1711	1742
Tax paid	RMB 100 million	895	930	898
Return on equity	%	7.4	7.88	7.88
Return on total assets	%	6.01	6.47	6.54
Asset-liability ratio	%	60.78	58.97	58.32
State-owned capital preservation and appreciation rate	%	106.85	107.96	105.33
Power generation	100 million kWh	9533	9690	9828
Heat supply	100 million GJ	3.78	4.11	4.47
Total installed capacity of electricity	10MW	23879	24578	25713
Installed capacity of thermal power units	10MW	18052	18465	19079
Proportion of coal-fired power units with an installed capacity of 600MW and above	%	60.6	61.9	63.3
Installed capacity of wind power units	10MW	3829	4116	4604
Installed capacity of hydropower units	10MW	1867	1863	1861
Coal production volume	100 million tons	5.1	5.1	5.3
Coal production capacity	100 million tons	5.2	5.2	5.5
Coal sales volume	100 million tons	6.8	6.7	7
Coal chemical product output	100 million tons	1494	1593	1656*
Railway operating mileage	km	2155	2155	2420
Railway freight volume	100 million tons	4.6	4.6	4.6
Port and coal terminal throughput	100 million tons	2.64	2.64	2.7

*Such data only include the final products; for example, the output of the coal chemical products containing the main intermediate products is 25.84 million tons

Indicator	Unit	2018	2019	2020
Self-owned ships	Unit	62	61	61
Loading volume in self-owned ports	100 million tons	2.5	2.5	2.5
Shipping freight	10,000 tons	14680	16514	16697
Scientific and technological investment	RMB 100 million	72.5	80.1	91.5
National R&D platforms	Piece	12	12	12
Cumulative patent authorizations	Piece	9423	10988	13393
Cumulative invention patents	Piece	2204	2592	3096
All-personnel labor productivity	RMB 10,000/ person per year	90.1	94.2	90
Economic contract performance rate	%	100	100	100
Economic Performance				
Total investment in environmental protection	RMB 100 million	84.78	84.62	97.37
Year-on-year growth of integrated energy consumption	%	-	-2.6	-0.5
Proportion of desulfurization and denitrification units of total capacity of coal-fired units	%	100	100	100
Proportion of installed capacity of non-fossil energy	%	24.4	24.9	25.8
Net coal consumption	g/kWh	306.4	304.8	303.3
Thermal power plant power consumption rate	%	6.57	6.58	6.52
Smoke and dust emissions from thermal power business	10,000 tons	1.1	0.89	0.8
Sulfur dioxide emissions from thermal power business	10,000 tons	7.4	6.66	5.87
NOx emissions from thermal power business	10,000 tons	13.3	11.88	11.19
Performance of smoke and dust emissions from thermal power business	g/kWh	0.014	0.011	0.01
Performance of sulfur dioxide emissions from thermal power business	g/kWh	0.09	0.08	0.074
Performance of NOx emissions from thermal power business	g/kWh	0.162	0.143	0.141
Fly ash comprehensive utilization rate	%	72.75	70	65.5
Additional mine land reclaimed	km ²	35.31	31.41	32.17
Year-on-year growth of integrated energy consumption per RMB 10,000 output value	%	-	-7.9	-5.4
Hazardous waste disposal rate	%	-	100	100

Indicator	Unit	2018	2019	2020
Social Performance				
Number of total employees	Person	338475	331373	326641
Number of female employees	Person	62346	59237	55896
Number of minority employees	Person	27856	28146	27783
Labor contract coverage	%	100	100	100
Economic contract legal review coverage	%	100	100	100
Employee training coverage	%	77.1	93.24	80.17
Investment in employee training	RMB 100 million	6.3	7.7	6.21
Employee training	10,000 person- times	137.53	285	136.8
Employees' health records coverage	%	100	100	100
Number of employees participating in occupational health training	Person-time	232877	238463	241712
Investment in occupational health fund	RMB 100 million	-	16.79	16.88
Training rate of occupational health management personnel	%	-	100	100
Employee turnover rate	%		0.9%	0.5%
Investment in safe production	RMB 100 million	36.37	84.68	65.05
Major casualties	Time	0	0	0
Major equipment accidents	Time	0	0	0
Number of professional rescue teams	Team	120	122	119
Professional rescue personnel	Person	3605	3660	3790
Number of emergency drills	Time	13757	16814	9462
Investment in safety training	RMB 100 million	3.51	3.62	2.53
Total investment in pairing support and targeted poverty alleviation	RMB 100 million	1.79	2.73	3.22
Number of officials who are taking a temporary post (incumbent)	Person	19	25	25
Total donations	RMB 100 million	1.4	5.6	5.26
Investment in poverty alleviation throughout the year	RMB 100 million	1.75	2.25	2.515

INDICATOR INDEXING

Report Directory		United Nations Sustainable Development Goals	GRI Standard	CASS-CSR4.0
Message from Leadershiprate			102-14、102-15	P2.1-P2.2
About Us			102-1、102-2、102-4、102-5~7、102-16~18、102-22、201-1	P4.1-P4.4、G1.1、G1.2
The Century-old “Red Boat” Sails for a More Beautiful China			205-2	
The Three-Year Reform Starts to Sing Loudly, Wonderful Scrolls Paint Extraordinary Times		 	102-10	G2.3、M1.1、S1.4
Create the First-Class Company; The Sky Is Vast and Wide	Go Farther with Management Empowerment	  	102-27、102-28、103-2	S1.1、S1.2
	Last Long by Focusing on Development	   	102-15、201-1、203-1	M2.1、M3.6、E1.7
	Create Technical Innovation Chain	   		M2.4-M2.7
Establish the First-Class Standards; The Ground Is Thick and Refined	Build the Future with Clean Energy	    	302-4、302-5、305-5	E1.3、E1.7、E2.1、E2.24、E2.3-E2.4
	Defuse Hidden Risks to Ensure Safety	 	102-11、403-2、403-3	S3.1-S3.7
	Carefully Cultivate Ecological Responsibility Field	   	302-3-5、304-1-3、305-3	E1.1、E1.5、E1.10、E1.7-E1.8、E2.1-E2.7、E2.12-E2.13
Gather the First-Class Talent; People Work Harmoniously Together and Are Well Managed	Value Employees' Happiness	   	102-8、404-2、409-1	S1.5-S1.6、S2.1-S2.15、S2.17-S2.18
	Join Hands to Write a New Chapter	   	102-9、414-1	M2.1、M2.3、M3.1、M3.4、M3.6-M3.8、M3.12、E1.6
	Help the Poor, Warm the Hearts	       	203-1-2、304-1-3	S1.5、S4.1-S4.2、S4.4-S4.10、S4.12、S4.13、E1.7、E3.3
Responsibility Management			102-12、102-13、102-21、102-42、102-44	G2.1、G2.3、G5.1-5.2、G6.2
Future Prospects				A1
Appendix	Key Performances			A2
	Indicator Indexing		102-55	A5
	Compilation of this Report			
	Rating of this Report		102-56	A4
	Feedback		102-53	A6

COMPILATION OF THIS REPORT

Organization establishment

Establish a report working group; form a team and divide labor; determine the target.

Report diagnosis

Analyze stakeholders’ feedback; listen to experts’ diagnosis; form a framework outline.

Environment scanning

Identify corporate stakeholders; identify key stakeholders; identify social responsibility topics stakeholders are concerned about; stakeholder meetings.

Topic selection

Determine the social responsibility topics that need to be disclosed according to the interests of stakeholders; increase the constraints in line with the Company’s strategies and form material social responsibility topics.

Information collection

Form a list of information; identify target institutions; collect information.

Report writing

Write a report; supplement the information; form a first draft.

Revision and finalization

Seek advice from departments; seek advice from experts; revise the first draft; submit to the leadership for approval; finalize the report.

Design and publication

Track the style design; track the text layout; typesetting and text proofreading.

Report release

Participate in the press conference; collect feedback from stakeholders.

RATING OF THIS REPORT



Entrusted by China Energy Investment Corporation Limited, the Chinese Expert Committee on CSR Report Rating set up a rating team comprised of selected experts to rate the 2020 Social Responsibility Report of China Energy (hereafter referred to as "the Report").

I. Basis of Rating

Corporate Social Responsibility Report Guideline of the PRC [CASS-CSR4.0] issued by Chinese Academy of Social Sciences and Rating Standards on Chinese Corporate Social Responsibility Reports (2020) issued by the Chinese Expert Committee on CSR Report Rating.

II. Rating Process

- 1.The rating team reviewed and confirmed the Confirmation of Process Data of Corporate Social Responsibility Report and relevant evidentiary materials submitted by the Report preparation team;
- 2.The rating team drafted the rating report based on the evaluations of the preparation process and contents of the Report;
- 3.Vice Chairman of the Chinese Expert Committee on CSR Report Rating, the leader of the rating team and the expert of the rating team jointly reviewed and signed the rating report.

III. Rating Conclusions

Process (★★★★★)

The Quality and Brand (CSR) Division of the Corporate Governance and Legal Affairs Department of the Company took the lead in setting up the report compilation team; Director of the Department controlled the overall direction; Deputy Director controlled the key nodes of report preparation, and Chairman and President were responsible for final review and approval. The Report was designed as an important tool to comprehensively disclose the information on and measures for responsibility fulfillment, with clear positioning on its function and value; it identified material topics according to national macro policies, standards for social responsibility in China and in the world, the Company's development strategies and survey on stakeholders; it established the Comprehensive Indicator System for Social Responsibility, which enhanced standardized and systematic corporate information disclosure; it called upon the subordinate enterprises to prepare and release CSR reports, which promoted vertical integration of the social responsibility work; it planned to release the Report on the official website and include it into the industry conference for the second release, and it would present the Report in Chinese and English in electronic and printed version; thus, it has excellent process performance.

Materiality (★★★★★)

The Report systematically disclosed critical topics in the industry, such as implementation of macro policies, guarantee of energy supply, scientific and technological innovation, occupational health management, safe production, energy resources conservation, emission reduction of waste water, waste gas and solid waste as well as ecological environmental protection; thus, it has excellent materiality performance.

Completeness (★★★★★)

The main body of the Report systematically disclosed 93.66% of the core indicators of its industry from the perspectives of "Create First-Class Company, The Sky Is Vast and Wide", "Establish First-Class Standards, the Ground Is Thick and Refined" and "Gather First-Class Talent, People Work Harmoniously Together and Are Well Managed"; thus, it has excellent completeness performance.

Balance (★★★★★)

The Report disclosed such negative data as "employee turnover rate", "major casualties", "number of major equipment accidents" and "number of major or above safe production accidents" and briefly described the process in which the enterprise actively coped with "operation malfunction in the water supply pump motor of Heilongjiang Baoqing Power Plant; thus, it has excellent balance performance.

Comparability (★★★★★)

The Report disclosed the comparative data of 71 indicators such as "total assets",

"revenue", "power generation", "total investment in environmental protection", "investment in safety training" and "total donations" for 3 consecutive years, and conducted a comparison between indicators such as "installed capacity of wind power" and "108th in Fortune Global 500"; thus, it has excellent comparability performance.

Readability (★★★★★)

With a clear structure and prominent key topics, the Report systematically displayed the enterprise's responsibility performance concept, practice and achievements in key topics, comprehensively responded to the expectations and aspirations of stakeholders; the cross-page chapters displayed the enterprise's responsibility performance scenes with live-action pictures to highlight the enterprise's characteristics, making the Report more distinguishable and relatable; each chapter sets the column of "Story 2020" to present the enterprise's practices, making the Report more fun and easy to read; multiple QR codes in the Report extended the images of the report content, making the Report more expandable; thus, it has excellent readability performance.

Innovation (★★★★★)

At the beginning of the Report, two responsibility topics of "The Century-old "Red Boat" Sails for a More Beautiful China" and "The Three-year Reform Starts to Sing Loudly, Wonderful Scrolls Paint Extraordinary Times" were set to focus on the enterprise's responsibility performance practices in Party building and comprehensively deepening reform, which manifested the responsibility of the central SOE of carrying out the macro policies; the chapters actively responded to the UN's Sustainable Development Goal (SDGs) to show the enterprise's global vision and pioneering role in responsibility fulfillment; it released the first country report South African Social Responsibility Report of Longyuan, which built a multi-level report spreading matrix and enhanced communication among stakeholders; it formulated and issued Measures of China Energy for Management of Social Responsibility (Trail), which further improved the Company's social responsibility management; thus, it has excellent innovation performance.

Overall Rating (★★★★★+)

Upon the evaluation of the rating team, the process, materiality, completeness, balance, comparability, readability and innovation of the 2020 Social Responsibility Report of China Energy reached the five-star level; thus, it is rated as five-star on the whole, and is a model for corporate social responsibility reports.it formulated and issued Measures of China Energy for Management of Social Responsibility (Trail), which further improved the Company's social responsibility management; thus, it has excellent innovation performance.

IV. Improvement Suggestion

Add the disclosure of industrial core indicators to further improve the completeness of the Report.

Vice Chairman of the Chinese Expert Committee on CSR Report Rating

Leader of the rating team Expert of the rating team

Date of Issuance: April 30, 2021



Scan the QR code for more information on the Company's rating

DEFINITIONS OF ABBREVIATIONS

Abbreviation	Full Name	Abbreviation	Full Name
China Shenhua	China Shenhua Energy Company Limited	Coal-to-Liquids	China Shenhua Coal to Liquids and Chemicals Co., Ltd. Ordos Coal-to-Liquids Branch
Guodian Power	Guodian Power Development Co., Ltd.	Technology & Environment Group	Guodian Technology & Environment Group Corporation Limited
Shendong Coal	Shenhua Shendong Coal Group Co., Ltd.	Shengli Energy	Shenhua Beidian Shengli Energy Co., Ltd.
Longyuan Power	China Longyuan Power Group Corporation Limited	Fujian Company	China Energy Fujian Energy Group Co., Ltd.
Guohua Power	China Energy Guohua Power Co., Ltd.	Qinghai Company	China Energy Qinghai Power Generation Co., Ltd.
Ningxia Coal	China Energy Ningxia Coal Industry Group Co., Ltd.	Railway Lorry	Shenhua Railway Lorry Transportation Co., Ltd.
Guoyuan Power	China Energy Guoyuan Power Co., Ltd.	Huanghua Port	China Energy Huanghua Harbor Administration Co., Ltd.
Northeast Company	China Energy Northeast Electric Power Co., Ltd.	Baoshen Railway	China Energy Baoshen Railway Group Co., Ltd.
Dadu River Company	China Energy Dadu River Drainage Area Hydroelectricity Development Co., Ltd.	Shipping Company	Shenhua Zhonghai Shipping Co., Ltd.
Zhungeer Energy Group	Zhungeer Energy Group Co., Ltd.	Information Company	China Energy Information Technology Co., Ltd.
Pingzhuang Coal	Inner Mongolia Pingzhuang Coal (Group) Co., Ltd.	Hongyanchi Company	Guodian Xinjiang Hongyanchi Power Generation Co., Ltd.
Guohua Investment	Guohua Energy Investment Co., Ltd.	Tongling Company	China Energy Tongling Power Generation Co., Ltd.
Shenshuo Railway	China Shenhua Energy Company Limited Shenshuo Railway Branch	Capital Holdings	China Energy Capital Holdings Ltd.
Dayan Company	Inner Mongolia Dayan Mining Group Co., Ltd.	Beilun Power Plant	China Energy Zhejiang Beilun No.1 Power Generation Co., Ltd.
Shenyao Technology	Ningxia Shenyao Technology Co., Ltd.	Jiujiang Company	China Energy Jiujiang Power Generation Co., Ltd.
United Power	Guodian United Power Technology Co., Ltd.	Trading Group	China Energy Trading Group Co., Ltd.
Zhoushan Company	Guodian Power Zhejiang Zhoushan Offshore Wind Power Development Co., Ltd.	Baotou Chemical	Shenhua Baotou Coal Chemical Co., Ltd.
Hubei Company	Guodian Hubei Electric Power Co., Ltd.	Ma' anshan Company	China Energy Shenwan Ma' anshan Power Generation Co., Ltd.
Fuquan Company	China Energy Fuquan Power Generation Co., Ltd.	Ningdong Power Plant	Shenhua Guohua Ningdong Power Generation Co., Ltd.
Zaoquan Coal Mine	China Energy Ningxia Coal Industry Group Co., Ltd. Zaoquan Coal Mine	Hebei Company	Hebei Longyuan Wind Power Generation Co., Ltd.
Environmental Protection Institute	Guodian Environmental Protection Research Institute Co., Ltd.	Guangshui Company	Guodian Changyuan Guangshui Wind Power Co., Ltd.
Jilintai Company	China Energy Xinjiang Jilintai Hydropower Co., Ltd.	Jiujiang Power Plant	Shenhua Guohua Jiujiang Power Generation Co., Ltd.
Zhuhai Terminal	China Energy Zhuhai Port Coal Terminal Co., Ltd.	Zhoushan Power Plant	China Energy Zhejiang Zhoushan Power Generation Co., Ltd.
Longyuan Technology	Yantai Longyuan Power Technology Co., Ltd.	Taizhou Power Plant	China Energy Taizhou Power Generation Co., Ltd.
Inner Mongolia New Energy Company	GD Power Inner Mongolia New Energy Development Co., Ltd.	Jiuhua Company	China Energy Shenwan Chizhou Power Generation Co., Ltd.
Lucency	China Energy Lucency Enviro-Tech Co., Ltd.	Low-Carbon Institute	National Institute of Clean and Low-Carbon Energy
Hanchuan Power Plant	Guodian Hanchuan Power Generation Co., Ltd.	Chemical Company	China Shenhua Coal to Liquids and Chemicals Co., Ltd.
Longyuan Environmental Protection	China Energy Longyuan Environmental Protection Co., Ltd.		

FEEDBACK

Dear readers,
Hello!

Thank you very much for reading this Report. It is the fourth social responsibility report released after the incorporation of China Energy. In order to improve this Report, we look forward to your valuable comments and suggestions. We will take your comments and suggestions seriously and protect your privacy from any third party.

Multiple choices:

1. What is your overall assessment of this Report:

☐ Very good ☐ Good ☐ Acceptable ☐ Poor ☐ Very poor

2. Do you think this Report reflects the significant impact of the Company on economy, society and environment:

☐ Yes ☐ No

3. What do you think of the clarity, accuracy and completeness of the information, data and indicators disclosed in this Report:

☐ Very good ☐ Good ☐ Acceptable ☐ Poor ☐ Very poor

4. What do you think of the structure of this Report:

☐ Very reasonable ☐ Reasonable ☐ Acceptable ☐ Poor ☐ Very poor

5. What do you think of the layout and visual design of this Report:

☐ Very good ☐ Good ☐ Acceptable ☐ Poor ☐ Very poor

Open questions:

1. Which aspects of this Report do you think are most satisfying?

2. What further information do you think should also be disclosed in this Report?

3. What comments and suggestions do you have for China Energy’s social responsibility work?

If possible, please leave your information below:

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