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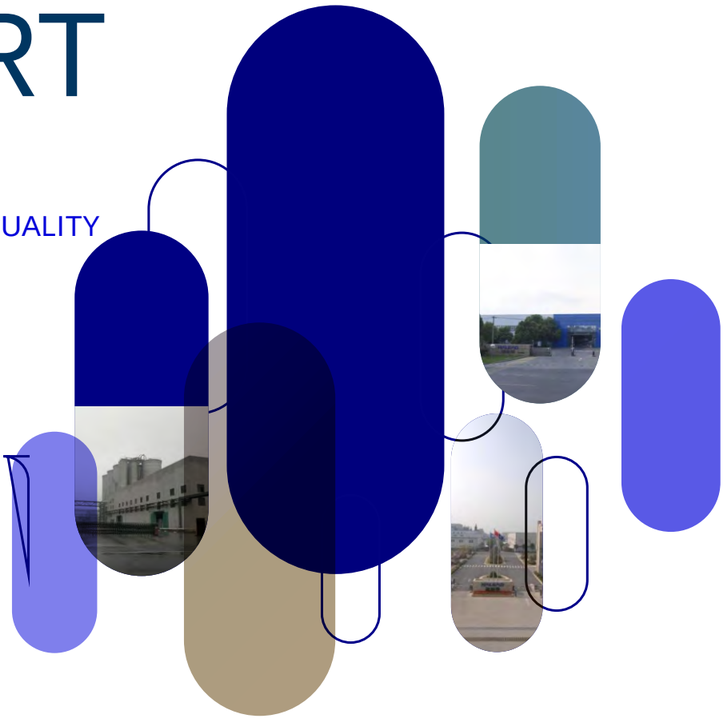
SUSTAINABILITY REPORT

BENEFIT THE
SOCIETY WITH BETTER QUALITY



ZHEJIANG HAILIDE NEW MATERIAL CO., LTD.

CONTENTS

About This Report

Zhejiang Hailide New Material Co., Ltd. strives to ensure the authenticity, accuracy, objectivity and integrity of the information in this report, and strives to comprehensively introduce the company's concept, action, performance and improvement measures on its annual responsibility fulfillment. We hope to strengthen communication with stakeholders and promote cooperation by issuing reports and other means, so as to enhance interest identity, emotion acceptance and value recognition and unite the joint forces for sustainable development.

The board of directors and all directors of the company guarantee that there are no false records, misleading statements or major omissions in the contents of this report, and they bear individual and joint liabilities for the authenticity, accuracy and completeness of its contents.

For ease of expression, “ Hailide Company ” , “ Hailide ” , "the company" or "we" in this report all refer to Zhejiang Hailide New Materials Co., Ltd.

I. Time Range of This Report

The time range for this report is from January 1st, 2021 to December 31st, 2021. In order to improve the integrity of the report, some data may be beyond the above scope. The organizational scope of the report covers all business activities of Zhejiang Hailide New Materials Co., Ltd. and its subordinate holding subsidiaries, and is basically consistent with the scope disclosed in the company's annual report.

II. Description of Data in This Report

The data and cases used in this report come from the company's official documents, statistical reports or public documents; we strive to meet the relevant standards of information disclosure commonly used in the industry, and highlight the characteristics of the enterprise based on the industry background. Unless otherwise specified, the monetary unit used in this report is RMB.

III. Reference Standards of This Report

GRI Standards

Environmental, Social and Governance Reporting Guidelines (2020) of Hong Kong Stock Exchange (2020)

ISO 26000: Guidelines for Social Responsibility (2010)

Ten principles of the United Nations “ Global Compact ”

United Nations Sustainable Development Goals 2030 (SDGs)

Guidelines for the Preparation of China's Corporate Social Responsibility Report (CASS-CSR4.0) of Chinese Academy of Social Sciences

IV. Content of Report

The selection of the content scope of this report follows the principles of materiality, stakeholder participation, sustainable development background and integrity of GRI, and determines the specific content of the report through industry benchmarking research, enterprise development strategy analysis, identification of key responsibility issues and stakeholder communication in combination with the actual situation of the enterprise.

V. Selection of Indicators

Indicators disclosed in this report mainly considers the relevance, materiality and availability of specific indicators related to the performance of key issues. The indicators adopted are not only highly related to the main topics of social responsibility, but also can effectively reflect our performance on the corresponding issues. At the same time, they can be collected through the existing management system.

VI. Acquisition Method of This Report

This report is published in electronic form. To obtain the electronic version of the report, please download from the website www.halead.com of Zhejiang Hailide New Material Co., Ltd.

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Leader’s Speech

2021 was an extremely extraordinary year. We experienced multiple tests caused by the spread of the global epidemic, such as: shortage of raw materials, blocked logistics, dual control and upgrading of energy consumption, tight supply of labor and so on, which also brought severe challenges to the production and operation of the company. In the face of this unprecedented change, under the correct leadership of the board of directors, all employees of the company united together, worked hard and overcame the difficulties, and maintained the stable and orderly development.

In the face of intensified competition in the industry, we adhered to independent innovation and development.

In 2021, by regarding the market demand as orientation, the customer demand as the objective, and differentiated high-end market as the main striving direction, the company established a fundamental material R&D team to strengthen the research of fine chemicals. The company invested and established Hailide New Materials Research (Shanghai) Co., Ltd. to further promote the in-depth innovation of the company's R&D business, improve R&D achievements, better introduce high-end R&D talents, provide solid technical support for the company's projects in production, construction and research, and further improve the company's comprehensive competitiveness. The company's automotive polyester industrial yarn enjoyed a high reputation in the industry, and the rate of excellent products and performance of products were much higher than those of peers. As the world's first mass production enterprise, the company's airbag yarn had become the standard of the industry. We relied on the leading technological advantages to drive the steady development of the enterprise, truly achieved "sole supply of products, or better quality of the same products", and continued to maintain the leading technological position of the company for differential chemical industry yarn, plastic materials and cord fabric in the subdivided industries.

The company always focuses on customer needs to conduct the research and development of global industry-leading products. The company takes provincial research institutes as the carrier and is equipped with high-end R&D talents. In 2021, a total of 33 scientific research projects were approved to officially start the research work, including 2 authorized invention patents and 14 utility model patents; Hailide was rated as famous export brand in Zhejiang province, and Zhejiang Hailide Flooring Co., Ltd. was recognized as Zhejiang intelligent factory; the company invested and established Hailide New Material Research (Shanghai) Co., Ltd. to further promote the in-depth innovation of the company's R&D business, improve R&D achievements and further enhance the company's comprehensive competitiveness.

Standardized the operation mechanism and promoted the management transformation of the company

Focusing on the overall development plan of the company, the company regards the leader of the industry as its benchmark and constantly improves the management level. In 2021, based on the concept system, objective system and salary system, the company promoted the re-upgrading of the management system through organizational structure reform, information construction and management audit, so as to provide guarantee for the efficient operation of the company. At the same time, in order to adapt to the characteristics of parent and subsidiary companies and multi location operation, the company actively established and improved a benign communication and incentive mechanism, so that all divisions could be organically combined and contribute to the development of the company.

Adhered to sustainable development and fulfilled social responsibilities

After entering the 14th five year plan, green development has become a consensus. In 2021, the company actively practiced social responsibility, attached great importance to it at the strategic level, formulated development plans and guided the company's green development path; Issued the annual social responsibility report to all stakeholders and responded to the demands of all parties; obtained silver medal through EcoVadis social responsibility rating; actively carried out carbon emission reduction and rating through the third-party CDP; carried out life cycle analysis (LCA) evaluation of cord fabric 1300D/2 products to meet the needs of core customers.

In terms of environmental protection, the company continued to take ISO14001 environmental management system as the starting point, took laws and regulations and local government requirements as the criterion, strictly implemented various management requirements, such as: water, gas, sound and slag, actively responded to the government's low nitrogen combustion transformation plan of gas-fired boilers, reviewed and continued to maintain the type of B-level control enterprises in heavily polluted weather; on the basis of improving and implementing the safety standardization system, the company had introduced ISO45001 occupational health and safety management system, promoted the construction of dual prevention mechanism of risk identification and control, as well as the hidden danger investigation and treatment, to systematically identify, evaluate and prevent the company's safety and occupational health risks.

In addition, the research institute of the company was also reseo ƙ Ţ ri ᴰ ȝ ɣ / lspany

Chapter I About Us

Zhejiang Hailide New Material Co., Ltd. was established in May 2001, headquartered in Haining City, Zhejiang Province, and it has 3317 employees. With the strategic thinking of global operation, internationally advanced core technologies, leading manufacturing capability and excellent corporate brand, the company is committed to the construction of three fields: vehicle safety, advertising materials and new materials, so as to become a world leading product and service provider.

After more than 10 years of hard pioneering days, the company has developed into a key high-tech enterprise that integrates scientific research, production and sales together, become a leading backbone industrial enterprise in Zhejiang and a provincial “key enterprise research institute”. The company has six business divisions in China and two plant areas respectively in Maqiao and Jianshan; it has set up subsidiaries in the United States, Europe and Hong Kong, and has set up a wholly-owned great grandson company, Vietnam Hailide Co., Ltd., in Vietnam. The company was listed on Shenzhen Stock Exchange in January 2008 with stock code 002206.

The company mainly produces polyester industrial filament, plastic material and polyester cord fabric. At present, the production capacity of the company includes: 298000 tons/year for polyester industrial filament, 300000 tons/year for polyester chip, 200 million square meters/year for plastic material series, 12 million square meters/year for environmental protection stone plastic floor, and 45000 tons/year for polyester impregnated cord fabric.

Technical advantages, quality advantages, customer advantages and service advantages are the core competitiveness of the company. The polyester industrial filament produced by the company serves the automotive fiber fields, such as: tires, safety belts and airbags, with high quality, high starting point, specialization and differentiation. The manufacturing method of polyester industrial filament for automotive airbags, the production process of single-head spinning high-modulus low-shrinkage polyester industrial filament and the production process of special-shaped cross-section low shrinkage high strength polyester industrial filament developed by the company had been awarded the national invention patents. The polyester industrial filament for automobile airbag has been recognized as a national key new product; the company is also one of the first enterprises to realize the industrialized production of this product.

The company is one of the first enterprises to produce advertising materials for light boxes in China. The products of the company, such as: the preparation method of digital inkjet printing materials, single-sided adhesive advertising light box cloth, environmental protection and flame retardant decorative cloth, ceiling decorative soft film adhesive film have been awarded the national invention patents and utility model patents. The ultra wide jointless bright surface ceiling film developed and produced by the company has the advantages of light weight, good strength, cleanness, environmental protection and convenient modeling. The textile coating products developed and produced by the company have bright colors and delicate and bright pictures, which fully demonstrate the superior environmental protection performance and the perfect integration with the modern living environment.

Corporate Culture

Mission

Benefit the society with better quality

Vision

To become the world's leading product and service provider in the professional field

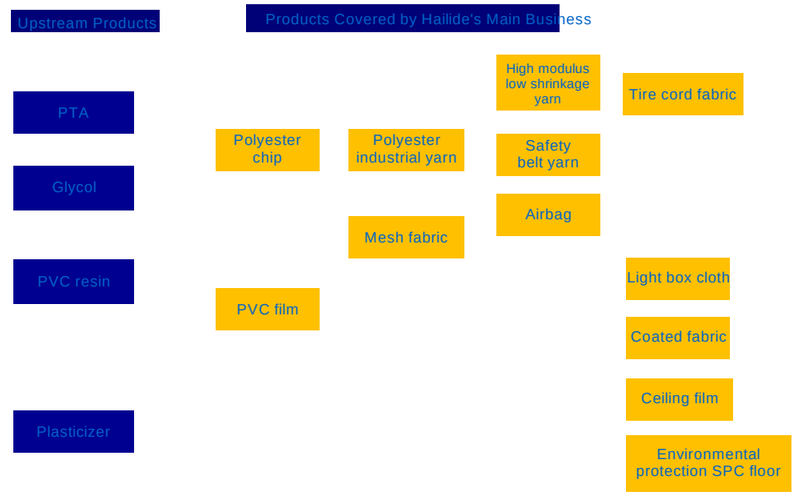
Core Values

Customer first, bravely undertaking responsibility, teamwork spirit, pursuit of excellence

01 Company Business

Industrial Chain

All industrial layout of Hailide has been carried out around “one filament", and has been deeply cultivated on this filament for more than ten years; it has formed a relatively complete vertical integrated industrial chain, and the product quality is more guaranteed.



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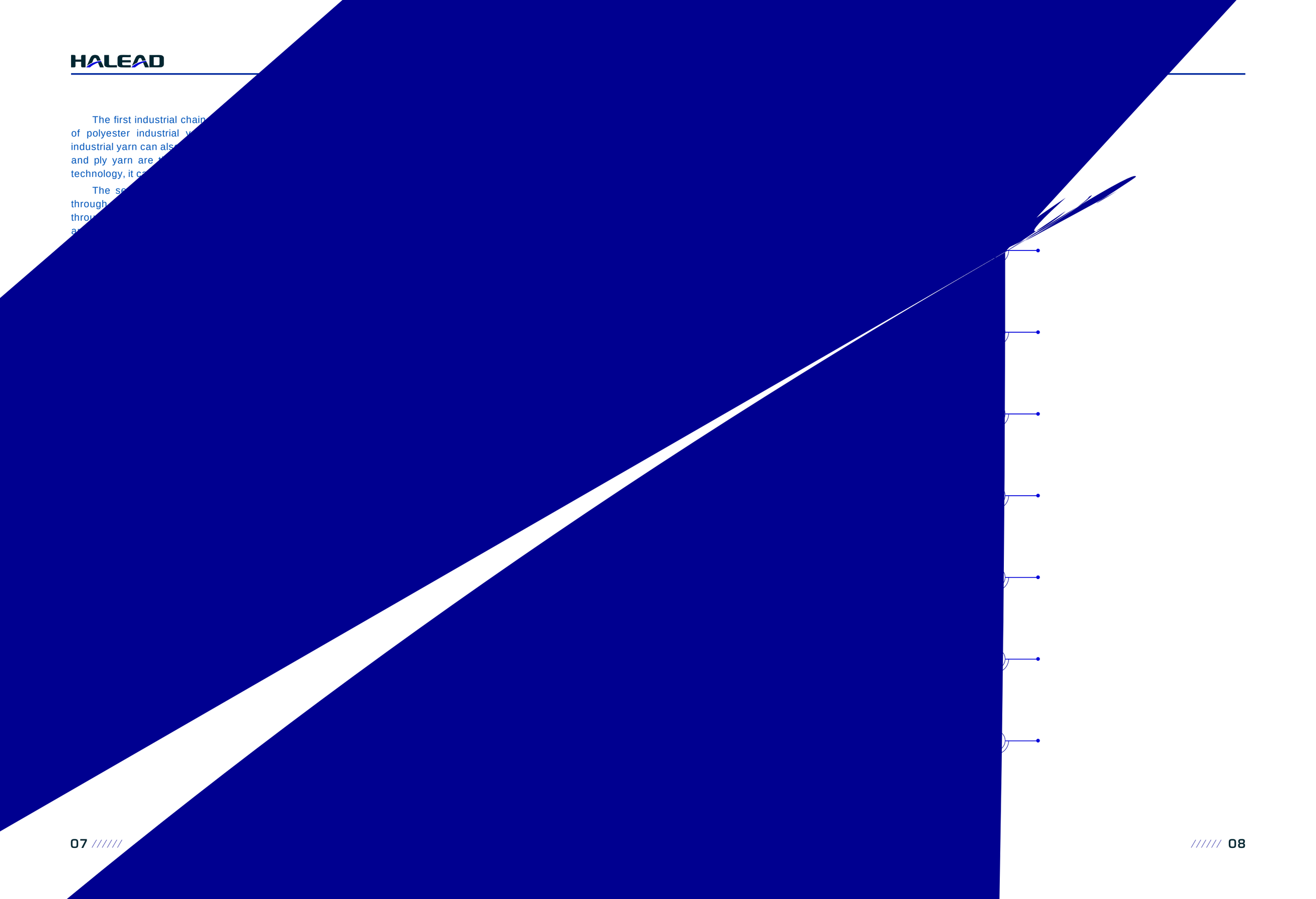


Accession to the United Nations Global Compact

Hailide supports the ten principles advocated by the United Nations Global Compact in the fields of human rights, labor, environment and anti-corruption, actively implements them into the company's strategy, operation and culture, and integrates the United Nations Global Compact and its principles into the decision-making process of the top management. The company joined the organization in October 2020 and agreed with its belief that “ enterprise practice rooted in universal principles will help make the global market more stable and inclusive, and help build a prosperous society ” .

Chapter II Diligently Try to Make the Company Stronger

In 2021, the board of directors of Zhejiang Hailide New Materials Co., Ltd. (hereinafter referred to as "the company") actively and effectively exercised the functions and powers of the board of directors in strict accordance with the provisions of laws and regulations, normative documents and the articles of association, with the attitude of being responsible to all shareholders, earnestly implemented the resolutions of the general meeting of shareholders, and

General Meetings of Shareholders

During the reporting period, the company held four general meetings of shareholders, and the resolutions of the meeting were publicly disclosed on http://www.cninfo.com.cn in accordance with relevant regulations. The board of directors of the company strictly implemented the resolutions and authorizations of the general meeting of shareholders and gave full play to the functions of the board of directors. All matters resolved by the general meeting of shareholders during the reporting period were organized and implemented by the board of directors. The details of the proposals deliberated and adopted by the general meeting of shareholders are as follows:

Sessions of Meetings	Date of Convening	Motions Considered and Adopted
The first interim general meeting of shareholders in 2021	February 9th, 2021	1. Proposal on transferring relevant assets to wholly owned subsidiaries 2. Proposal on resignation of independent directors upon expiration of term of office and re-election of independent directors
2020 annual general meeting of shareholders	April 21st, 2021	1. Work Report of the Board of Directors in 2020 2. Work Report of the Board of Supervisors in 2020 3. Financial Statement Report of the Company in 2020 4. Full Text and Summary of the Company's 2020 Annual Report 5. Plan for Profit Distribution of the Company in 2020 6. Proposal on reappointment of Pan-China Certified Public Accountants (special general partnership) as the company's audit institution in 2021 7. Proposal on applying for bank credit line 8. Proposal on carrying out forward foreign exchange trading business 9. Proposal on providing guarantee for loans within the credit line of subsidiaries and great grandson company 10. Proposal on developing bill pool business
The second interim general meeting of shareholders in 2021	August 18th, 2021	1. Proposal on The Company's Stock Option and Restricted Stock Incentive Plan (Draft)in 2021 and its summary 2. Proposal on The Management Measures for the Implementation and Assessment of the Company's Stock Option and Restricted Stock Incentive Plan in 2021 3. Proposal on requesting the general meeting of shareholders to authorize the board of directors to handle matters related to the company's stock options and restricted shares in 2021
The third interim general meeting of shareholders in 2021	October 27th, 2021	1. Proposal on increasing the business scope of the company and amending The Articles of Association

Operation of Special Committees of the Board of Directors

There are four special committees under the board of directors of the company: Audit Committee, Strategy and Investment Committee, Nomination Committee and Remuneration and Assessment Committee. Each committee operates in strict accordance with the provisions of the Company Law, The Articles of Association and the limits of functions and powers that were set in the working rules of the special committee of the board of directors, to study, discuss and put forward opinions and suggestions on professional matters in their respective professional fields, and provide reference and important opinions for the scientific decision-making of the board of directors.

Performance of Independent Directors

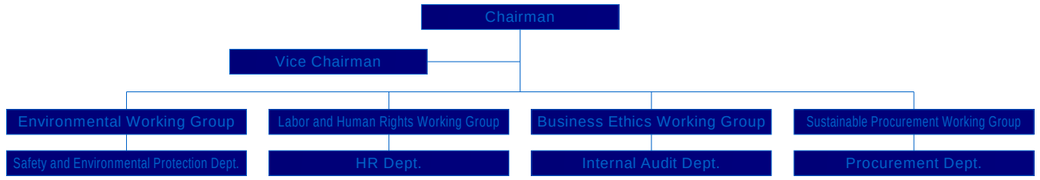
During the reporting period, the company had three independent directors, one of whom was an accounting professional. The independent directors of the company have the financial, legal and professional knowledge required for their work, can pay attention to the operation of the company, independently perform their duties, and put forward many valuable professional opinions on the improvement of the company's system and daily business decisions in accordance with relevant laws and regulations, as well as The Articles of Association, The Working Rules of Independent Directors and other relevant provisions. They had played their due role to improve the company's supervision mechanism and safeguard the legitimate rights and interests of the company and all shareholders.

02 Social Responsibility Governance

Over the years, Hailide has actively fulfilled its corporate citizenship responsibilities, took progress, harmony and development as its own responsibility, continuously improved technology and equipment, protected the environment to the greatest extent, protected the safety and health of employees and partners, promoted the balanced development of the community and assumed more social responsibilities. In recent years, the company is committed to promoting the construction of social responsibility system and continuously improving the ability of social responsibility governance, so as to promote the sustainable development of the enterprise. The company appointed Wu Fubiao as the representative of environmental management, and Shen Yuhua as the representative of labor human rights management, and Wu Fubiao as the representative of health and safety management to implement social responsibility management.

The management is responsible for guiding the preparation and disclosure of the report in accordance with the guidelines for the preparation of corporate sustainable development report and corporate social responsibility, so that it can fairly reflect, design, implement and maintain necessary internal control, and make sure that the report is free from material misstatement, omission and concealment.

Structure Chart of Social Responsibility Management



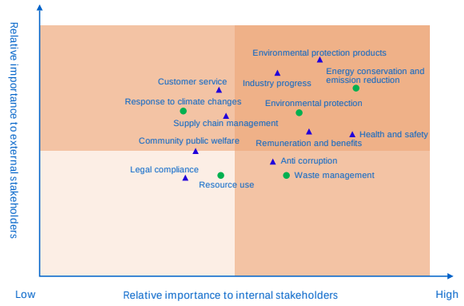
Focus on Substantive Issues

In order to fully identify the issues concerned by stakeholders, we conducted a survey on stakeholders, covering customers, employees, dealers, consumers, government and non-governmental organizations. Issues were collected through on-site interviews, telephone interviews and questionnaires.

We combined the opinions and expectations of stakeholders with the needs of social responsibility management, and carried out major evaluation and analysis on the issues concerned, so as to actively and pertinently respond to the concerns of stakeholders in the work. We assessed the importance of the issues through rigorous and effective procedures, which were mainly implemented in four stages.

Importance Matrix

During the reporting period, we obtained the opinions and expectations of the representatives of major stakeholders on the company's environmental, social and governance issues through timely communication with stakeholders. We knew that compared with 2020, some equity holders paid more attention to climate change and energy conservation. According to the results of communication with the representatives of major stakeholders, we analyzed and summarized the importance evaluation matrix of the company's issues in 2021. This report will disclose in detail with reference to the importance evaluation matrix.



Case 2: Members of the Standing Committee of the municipal Party committee visited the company to investigate the scientific and technological work of talents

On the afternoon of November 18th, LV Zhongfei, member of the Standing Committee of the municipal Party committee and head of the Organization Department, accompanied by Zhang Ruqiang, Secretary of the Party committee of Maqiao Street, investigated the scientific and technological innovation work of talents in our company. Gao Limin, chairman of the company, Shen Yuhua, deputy general manager, and Zhu Wenxiang, vice president of the research institute received LV and his party, successively visited the exhibition hall and research institute of the company, and had a discussion and exchange on enterprise scientific and technological innovation and talent introduction and utilization.

The chairman of the board of directors of the company generally introduced Hailide's work in scientific and technological innovation investment, scientific and technological innovation platform construction, talent introduction and other aspects in recent years to minister LV. At the symposium, deputy general manager Shen Yuhua reported on Hailide's talent introduction in recent years and the talent demand and talent introduction plan of the company in the 14th five-year period. Vice president Zhu of the research institute explained in detail the operation of Hailide Research Institute, the scientific research cooperation with colleges and universities and the later research direction.

Minister LV fully affirmed Hailide's efforts and achievements in scientific and technological innovation talent work, expected Hailide to become a model enterprise of talent scientific and technological innovation in Haining, and stressed that Hailide should strengthen cooperation with universities and research institutes, establish enterprise postdoctoral workstation, strengthen the introduction of excellent talents and the application of high-quality projects, and promote the high-quality development of the enterprise.

Chapter III Comply with Law of Nature, Achieve Harmony between Human and Nature

The company always adheres to the purpose of energy conservation and consumption reduction, pollution reduction and efficiency increase, pollution prevention and continuous improvement, strictly abides by applicable laws and regulations at home and abroad, puts ecology at the highest priority, takes the road of green development, and implements the low-carbon and emission reduction policy. In 2021, we actively laid out and implemented the green development action plan, continuously strengthened the whole process management of environmental protection, continued to develop cleaner production, and comprehensively implemented corporate environmental

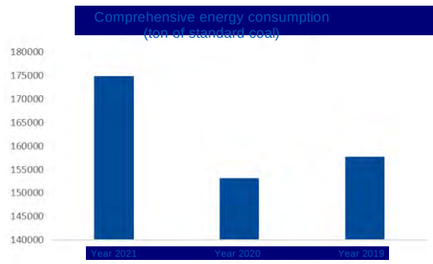
01 Energy Conservation and Emission Reduction

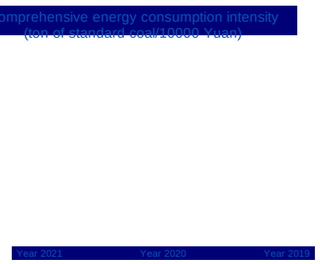
Focusing on the theme of “energy conservation, emission reduction and scientific development”, the company has adopted various forms to integrate energy conservation into our daily work. Our company highlights the key points, strengthens measures and pays close attention to the implementation from three aspects: organization of energy-saving activities, publicity of energy-saving concept, and application of energy-saving technologies. In recent years, the company has focused on environmental protection, cleaner production and sustainable development. It carried out the work closely around the target value of energy conservation and emission reduction responsibility issued by the company, completed the work in strict accordance with various energy laws and regulations at all levels, and continuously improved the energy conservation work.

Energy Consumption and Carbon Emissions

Energy Consumption and Intensity from 2019 to 2021

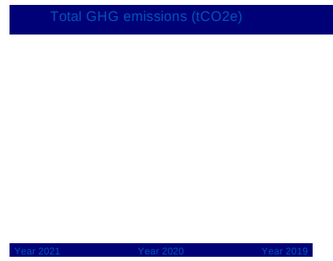
Category	Year 2021	Year 2020	Year 2019	Unit
Biomass	8.26	0	67.96	Ton
Gasoline	100	99	109	Ton
Diesel oil	239.97	120	114.83	Ton
Natural gas	3792.89	2974.28	3169.48	Standard cubic meter
Electric power	455886.3	414641.4	422474	Megawatt hour
Heating power	49595.47	33104.27	34390.4	GJ
Comprehensive energy consumption	174757.42	153168.54	157682.69	Ton of standard coal
Comprehensive energy consumption intensity	0.33	0.40	0.36	Ton of standard coal / 10000 Yuan

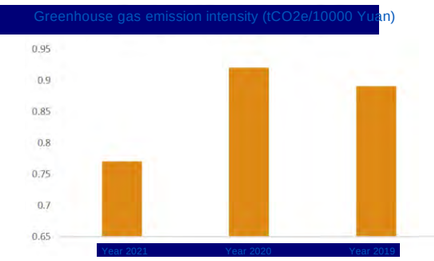




Greenhouse Gas Emissions and Intensity from 2019 to 2021

Category	Year 2021	Year 2020	Year 2019	Unit
Direct greenhouse gas emissions (range 1)	83142.08	64988.18	86010.6	Ton of carbon dioxide equivalent
Indirect greenhouse gas emissions (range 2)	326171.51	282920.34	300993.3	Ton of carbon dioxide equivalent
Total GHG emissions (ranges 1 and 2)	409313.59	347908.52	387003.9	Ton of carbon dioxide equivalent
Greenhouse gas emission intensity	0.77	0.92	0.89	Ton of carbon dioxide equivalent / 10000 Yuan





Energy Conservation& Emission Reduction

As a production-oriented enterprise, Hailide realizes the carbon neutralization target plan through transformation and upgrading of “energy-saving projects, recycling and low-carbon product development”. At present, the company has carried out relevant work in the following aspects:

1. Do a good job in basic work, find out the carbon footprint and find out the background; check the carbon emission in the production process and product life cycle.

Through the establishment of model index calculation, analyze the carbon emission of each production process link of the company, and obtain the first-hand basic data. By understanding its own carbon emissions, consolidate the foundation of carbon management.

2. Actively respond to enterprise emission peak and carbon neutralization

The company understands the carbon neutralization path of its industry, formulates the action plan for emission peak and carbon neutralization, carries out carbon emission reduction actions, closely combines carbon emission reduction with the core business of the enterprise, and promotes low-carbon transformation and technological innovation; in addition, enterprises should use their influence to assist upstream and downstream enterprises and the public to promote carbon emission reduction.

3. Actively explored green and low-carbon transformation

Carry out transformation and upgrading through “raw material substitution, material saving, recycling and low carbon in product life cycle”, and replace non renewable resources with renewable resources; expand the recycling of waste and the use of recycled materials; strengthen the effective control of energy consumption in the production process and optimize the production process. The company's carbon emission per unit output value in 2021 decreased by 16.33% compared with that in 2018.

Case 1: Reduced unit power consumption

In response to the requirements of the state and the company for energy conservation and emission reduction, the company strives to create resource-saving and environment-friendly production enterprises. According to the unit consumption of operation in 2020 and the production plan in 2021, we set the goal of reducing unit power consumption in the polyester division: to reduce the unit consumption by 9.6% and save the electricity cost by 1.2 million Yuan.

We set up a unit power consumption reduction project and set up a project team to be responsible for seven improvement areas: main polymerization unit, polyester chip conveying system, polyester chip sea bag filling system, water supply station, sewage station, heat medium station and air compression station. By December 2021, the end of assessment period for the unit power consumption reduction projects, the unit power consumption of polyester chip in Jianshan plant area decreased by 17.1%. The expected saving of electricity cost was 1.2 million Yuan, but 2.413 million Yuan of electricity cost was actually saved. We made these improvements into a standardiz p ľ a standa

Developing low-carbon economy is a global consensus and exploration, as well as an important way to take the road of sustainable development. The company has issued a series of low-carbon environmental protection policies in combination with the actual situation to encourage low-carbon travel. In 2021, the company used buses to shuttle employees to and from work, running 2920 shifts in total, and transporting employees for 137240 person*times to and from work. Compared with the mode of drying private cars by employees, the company shuttle bus could reduce carbon dioxide emissions by about 1118 tons.

Company Shuttle Bus

02 Waste Management

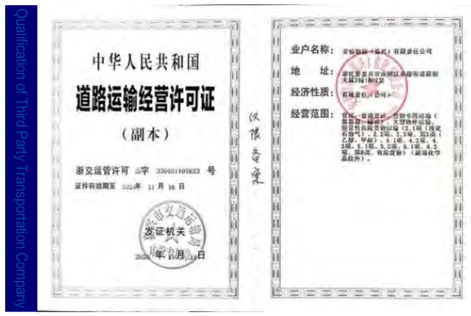
The company adheres to the environmental policy of “protecting the environment, saving resources, mutually beneficial cooperation, safety and harmony”, and implements the environmental policy of “harmlessness, recycling and reduction” in terms of solid waste management. The company adopts the principle of “prevention first, whole process management, polluter undertaking responsibility” for all kinds of solid waste, which is finally handed over to the qualified disposal company for treatment, so as to ensure that all kinds of waste of the company are properly collected, stored, transferred and disposed; the utilization and disposal rate reaches 100%. During incineration disposal, the heat energy generated by the disposal company is supplied to the supporting steam waste heat boiler to generate steam, which is incorporated into the steam pipe network system of the industrial park and supplied to other enterprises for production and use, so as to maximize the utilization of resources.

The company comprehensively promotes the classification of domestic waste, rejects the use of disposable products, promotes the recycling of paper tubes and other packaging materials on the premise of advocating green packaging, maximizes the utilization of resources through the optimization of process formula, and actively develops the use of bio-based raw materials and renewable raw materials to ensure the green and sustainable development of the company in the future.

Nature	Waste Category	Entrusted Utilization Volume (ton)	Entrusted Disposal Volume (ton)	Utilization (Disposal) Mode
Hazardous waste	Waste packaging barrel	239.45		Cleaning and refurbishment
	Waste packaging barrel		3.04	Incineration (energy recovery)
	Waste oil agent	335.78		Refinement
	Polyester waste liquid		21.52	Incineration (energy recovery)
	Waste molecular sieve		7.9	Incineration (energy recovery)
	Waste chemical reagent		4.48	Incineration (energy recovery)
	Waste chemical reagent bottle		9	Incineration (energy recovery)
	Component cleaning waste liquid		4.04	Incineration (energy recovery)
	Waste activated carbon		1.8	Incineration (energy recovery)
	Impregnation waste residue		123.7	Incineration (energy recovery)
	Waste rag		69.17	Incineration (energy recovery)
	Waste packaging bag		11.31	Incineration (energy recovery)
	Expired raw materials		6.96	Incineration (energy recovery)
	Oligomer waste residue		17.02	Incineration (energy recovery)
General solid waste	Sludge		349.04	Incineration (energy recovery)
	Industrial offcut		122.26	Incineration (energy recovery)
	Total	575.23	751.24	

Qualification of Third Party Transportation Company

Qualification of Third Party Transportation Company



In 2019, the company's solid and hazardous wastes were reduced by 16.86%; in 2020, the solid and hazardous wastes were reduced by 10.75%. In 2021, the company continued to promote the reduction of solid and hazardous wastes through the following measures:

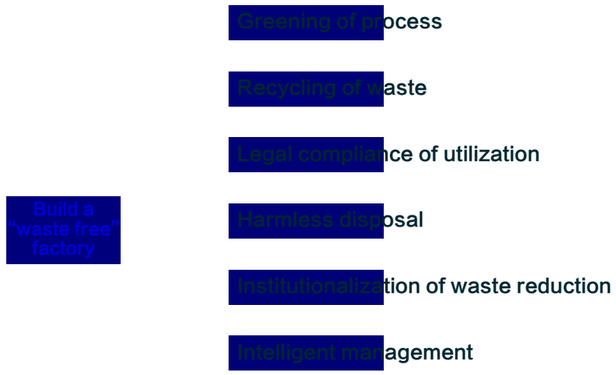
1. Require the suppliers to use large packaging barrels to reduce packaging from the source;

2. Improve the production process and reduce the generation of expired and scrapped raw materials;

3. Adopt oil separation facilities to improve the thorough degree of oil-water separation during the generation of waste oil agent, so as to reduce the content of other impurities in waste oil agent.

Build a Waste-Free Factory

The company actively explores the environmental protection mode that combines “source reduction, process control and end disposal” with “circular economy”. Through the “six aspects” of measures, such as: “greening of process, recycling of waste, legal compliance of utilization, harmless disposal, institutionalization of waste reduction and intelligent management”, the company will not only reduce the solid waste from the source, but also strengthen the standardized disposal at the end, to minimize the environmental impact of solid waste of enterprise, realize the balanced development of “enterprise and nature, industry and resources”, and achieve the win-win of both environmental and economic benefits.



Green Technology and Products

Raw materials are delivered in a closed pipeline system to prevent the fugitive diffusion of volatile organic waste gas and dust.

Hailide stone plastic flooring uses new environmental protection materials and international advanced technology. The product itself and production process do not contain formaldehyde or other substances harmful to the environment and human body, so as to provide customers with a healthy and safe environment. Hailide stone plastic flooring can be recycled, processed and reused like plastic. It is a good environmental protection material. It will not damage the ground when it is removed. You can directly pick it up and lay it down to ensure no damage to the floor, and there is no need to worry about its environmental protection.

Recycling of Waste

The company has always attached great importance to the application of waste resource utilization technology. Through the implementation of green deep processing projects, the company produces high-grade environmental protection membrane materials, environmental protection stone plastic flooring and other products, and can obtain 47000 tons of new environmental protection plastic materials every year, and this creates better environmental and economic benefits. Hailide Jianshan Flooring Factory reduces 7500 tons of solid waste through waste recycling every year, and creates economic benefits of more than 1.85 million Yuan.

Legal Compliance of Utilization

The company actively explores the legal compliance of comprehensive utilization of waste. At the beginning of 2021, the company signed the entrusted hazard identification agreement of PET waste and waste PET chips with the environmental assessment agency according to the new version of the National List of Hazardous Wastes (2021 version), and according to the announcement of the Elimination List of Hazardous Wastes (2021 version) issued by the Ministry of Ecology and Environment in December 2021. It provides sufficient compliance basis for the comprehensive utilization of PET waste and waste PET chips.

Harmless Disposal

The wastewater produced in the production process of the company, after being homogenized and mixed with domestic wastewater, is not flocculated and purified by adding new wastewater treatment agents. After being directly treated by biological processes, such as: anaerobic, hydrolytic acidification and activated sludge, it meets the direct discharge standard of GB31572-2015 Discharge Standard of Pollutants for Synthetic Resin Industry, and is finally stably discharged in pipes.

The company has signed an industrial hazardous waste disposal contract with Jiaxing Solid Waste Disposal Co., Ltd., which is a hazardous waste incineration and disposal enterprise and was constructed to support the construction of the whole Jiaxing City. It has built a 20t/d rotary kiln incinerator, which adopts advanced process technology, reliable control system and advanced SMP technology to realize closed and continuous feeding; the advanced flue gas purification system shall be used to ensure the standard emission of incineration tail gas.

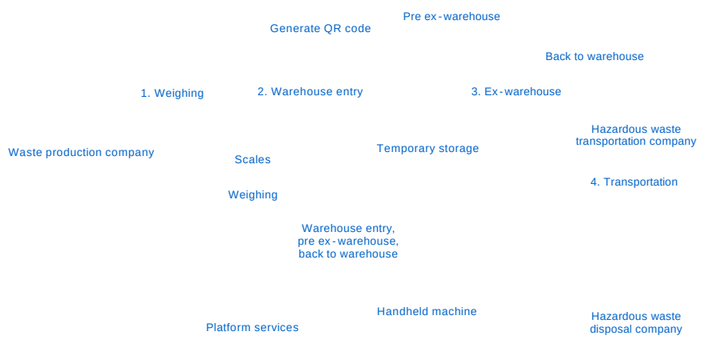
Institutionalization of Waste Reduction

By continuously and deeply promoting the institutionalized assessment of energy conservation, consumption reduction and waste reduction, the production cost and three wastes emission of the company are continuously reduced. The company included the cost of environmental protection treatment into the cost assessment of each production workshop, and carried out detailed assessment of specific subject management methods through the unit consumption of raw materials, reduction of hazardous wastes, energy consumption of every 10000 Yuan output value, etc.

Intelligent Management

Since 2019, the entrusted third-party service provider has implemented the fine management consulting project of hazardous waste. The project uses technologies, such as: Internet of things, GPS, QR code, intelligent terminal, electronic account and electronic voucher. It is a solid waste fine management platform integrating on-site management, data collection, data analysis and statistics, information application and professional guidance.

The company established the accounts for solid waste at the source point, temporary storage point account and warehouse entry and exit account, and the relevant data and responsible person were recorded to correspond to each other, and established the approval process on the ERP data management system. According to the record number of each order, the information can be traced, including transportation vehicle information, article information, weight information, loading information, warehousing information, etc. By handling the online transfer form, the handover of waste in the third-party collection and utilization company is accurately mastered. At the same time, the whole plant area realizes video monitoring without dead corner, and the factory registration of various materials is entered into the management system.



03 Water Management

Water Saving Management » Water Saving Goal

In response to the call of the corresponding government, actively participate in the “five-water co-governance” and effectively implement the water-saving work, the company formulated the ten-year water-saving plan (2017-2029), and passed the re evaluation and certification of water-saving enterprises in Zhejiang Province in 2021.

Short term goal (2017-2019): replace all sanitary appliances that are currently damaged or do not meet the standards with water-saving appliances required by the state. At the same time, complete the leak detection and maintenance of the water supply pipe network of the whole company, timely find the problems existing in the unit pipe network and water appliances, and solve them in time according to the situation. Start to establish complete and complete relevant accounts, so the relevant tax data of the company can be well documented. Strengthen the publicity and education of the concept of water conservation, and carry out water-saving education once a quarter to truly make the concept of water saving take root in the hearts of every employee. At the same time, strengthen the construction of reclaimed water reuse system and improve the reclaimed water reuse rate.

Medium term goal (2019-2022): to have a sound water use account, completely solve the leakage problem of water supply and drainage pipe network, and completely eliminate leaking pipes and substandard water appliances. The water-saving management system and corresponding staffing of the company are complete. Strengthen management and assess water use to reduce waste of water resources. Meanwhile, a rainwater collection and utilization system shall be established to make full use of unconventional water resources and reduce fresh water consumption.

Long term goal (2023-2025): complete the upgrading of water supply and drainage pipe network of the whole company. Regular inspection shall be conducted by fixed personnel, and damaged water appliances shall be replaced in time. Overhaul the water supply and drainage pipe network and its ancillary facilities more than twice a year.

Water Saving Working Group:

In order to improve the water recycling efficiency, strengthen the on-site management of water use, strictly implement the water-saving management system, reduce water waste and control the leakage of the whole plant, and take water conservation as an important work of the company, the company has established a water-saving management team after research and decision. The main responsibilities of the team members are to strengthen the water management of the company and improve the measurement by improving the water-saving management system of the company, promote water-saving technology and other measures, improve employees' water-saving awareness, standardize water management, strictly implement the on-site management of each water consumption point, and adopt the combination of quota inspection and irregular inspection to eliminate unreasonable water use methods and improve the water reuse rate of the company.

Water Saving Management Meeting

In order to better carry out the company's water-saving management, make the water-saving office meeting institutionalized, scientific and standardized, improve the decision-making efficiency and implementation of the meeting, and strengthen the internal information communication of the company, we regularly hold the water-saving work meeting presided over by the company's water-saving leading group every month, and hold temporary and irregular meetings as needed.

Case 1: meeting room of the company, July 20th, 2021
Participants: heads of Safety and Environment Department, Production Department, Administration Department and other water related departments

1. Analyzed the water consumption of each workshop according to the contents of monthly water meter reading.
2. Found the abnormal data of the company's north gate water meter, analyzed the causes, and formulated the troubleshooting plan for abnormal water use.
3. The Production Department and the Equipment Department conducted a comprehensive survey to the company's water system, re-sorted and counted the water equipment to ensure the authenticity and reliability of the data, and seized the time to ensure the accuracy of the water meter and the maintenance of equipment leakage, so as to lay the foundation for the next water balance test.
4. Each department planned enterprise water-saving publicity slogans and publicity activities.

1. Summarized the water-saving situation of last month and put forward improvement suggestions.
2. It was found

Chapter IV Harmony-prioritized and People-oriented

The company adheres to the people-oriented concept and fully protects the rights and interests of employees. During the reporting period, the company strictly abode by the labor law and the labor contract law, and further standardized and improved the company's incentive, social security and other salary and welfare systems. There was no illegal employment, discrimination against employees, forced labor, arrears of employees' wages or other situations during the reporting period.

The company attaches great importance to safety production, regularly provides employees with necessary labor protection articles and protection facilities for different posts, implements the responsibility system of safety and environmental protection production, comprehensively investigates employees' safety production from time to time, strengthens safety publicity and training, and improves employees' awareness of safety production. During the reporting period, the company's production was stable and there were no major safety accidents.

The company stipulates that there should be no discrimination in terms of race, gender, nationality, age, pregnancy or disability in recruitment, promotion and salary; the employees enjoy the right of free association and collective bargaining according to law; the company does not object to employees participating in the legal activities of local legally registered trade unions on the basis of voluntariness and not violating local laws.

At the same time, the company attaches great importance to the career development planning of employees, advocates the training mode of combining vocational education with general education and combining internal education with external education, and encourages employees to carry out multi-level and multi-faceted training contents, such as: lean production, marketing knowledge and office skills according to their own needs, so as to improve the comprehensive quality of employees.

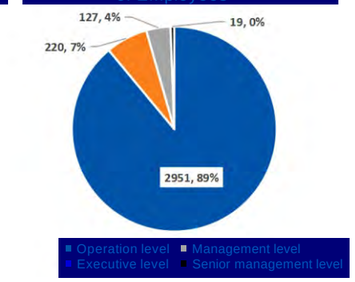
Total number of employees	Male employees	Female employees	
3317	2477	840	
New employees (person)	New male employees (person)	New female employees (person)	New employee rate
1088	803	285	32.8%
Employees resignation (person)	Male employees resignation (person)	Female employees resignation (person)	Employee resignation rate
770	614	156	23.21%

Senior Management Personnel

Senior management personnel of Hailide Stock Company	11persons	Proportion
Of which: number of female senior managers	1persons	9.1%
Of which: number of senior management personnel from ethnic minorities	0persons	0%
Of which: local senior management personnel	6persons	54.5%

Gender Ratio of Employees

Hierarchical Distribution of Employees

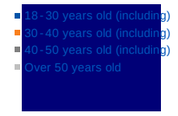


Number of Persons for Ethnic Minorities

Bouyei nationality
Zang nationality
Korean nationality
Chuang nationality
Dong nationality
Hua nationality
Hui nationality
Jing nationality
Lisu nationality
Manchu
Mongolian nationality
Miao nationality
Shui nationality
Tujia nationality
Yao nationality
Yi nationality
She nationality
Zhuang nationality
Foreign nationality

Proportion of Staff Education Degrees

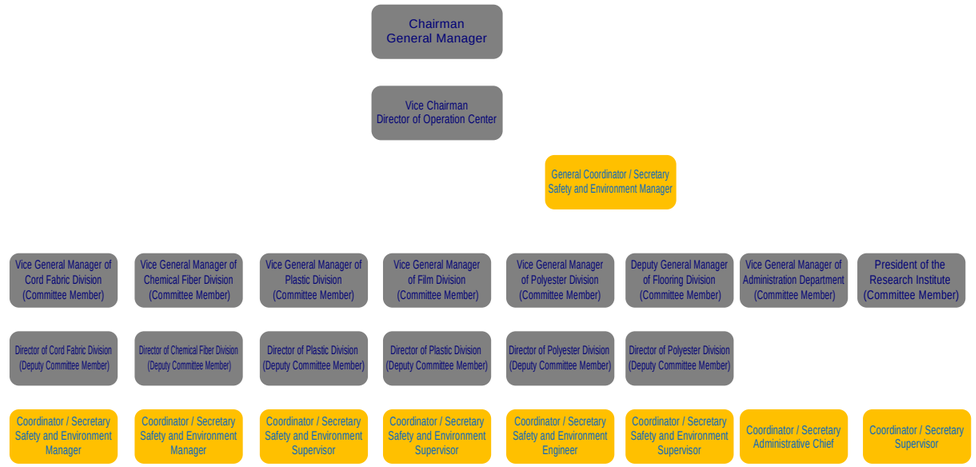
Distribution of Employee Ages



01 Employee Health and Safety

In 2019, the Company re-integrated the safety management system, integrated the safety standardization and ISO45001 systems, and prepared more than 40 safety management systems and more than 50 standard management forms; after the integration and release of the safety management system, it has been implemented in all divisions of the company, and the implementation effect was perfect. The company passed the safety standardization system certification in 2020, revised and improved the emergency preparation and response control procedure, safety production objective management system, occupational health and safety education and training management system, management system of external construction personnel, safety risk identification, evaluation and control management system, accident investigation and communication management system in 2021, and passed the ISO45001 certification. Subsequently, the company will continuously improve and optimize the safety management system according to the implementation situation of various systems.

Organizational Structure of Safety Committee



Safety Risk Assessment

Firstly, the company hired professional institutions to carry out training on risk identification methods for team leaders, supervisors, managers and other personnel of each department. Then, the safety and environment organization of each division and the person in charge of each department led to identify the safety risks of the department and implement prevention and control measures. Finally, the safety risk identification and control table of each department and division was

Dust Prevention and Noise Reduction

More than 400 people are exposed to noise hazards in some posts (winder, twist weaver), such as: spinning department and twist weaving department in Chemical Fiber Division, the spinning department, twist weaving department of Cord Fabric Division and the weaving department of Plastic Division.

By adding dust-proof and noise reduction signboards, we require employees to wear labor protection articles reasonably, and provide the employees with professional noise proof earplugs, mute and dust-proof equipment, which not only improves work efficiency, but also reduces noise hazards and creates a better and more comfortable working environment for human employees. Noise monitoring will be carried out in all plant areas of the company during the day and at night. The data monitored in 2021 are all below the limit.

Remuneration Policy

According to the minimum wage standard issued by the local government department, the human

03 Career Development and Training

Skill Grade Certification and Independent Evaluation and Employment of Professional Title

Staff Training

By establishing a perfect training system, the company integrates the concept of quality and efficiency into the training classroom, strengthens the safety and human rights education of employees, and adopts a variety of training methods. The effect of employee training is stable and remarkable. In 2021, accumulatively total of 4219 employees participated in the training, including 969 women, with an average annual training of 26.9 hours per capita, and the total training expenditure was about 496673.04 Yuan. During the reporting period, the employee training rate reached 100%, and 100% of the front-line employees hold the relevant certificates for their posts.

Cumulative training time (hours)	113491
Cumulative number of participants	44277
Cumulative number of female trainees	8633
Cumulative number of male trainees	35644
Annual cumulative number of trainees (person)	4219
Cumulative number of female trainees (person)	969
Cumulative number of male trainees (person)	3250
Annual per capita training hours (hours)	34.2
Total training expenditure (Yuan)	496673.04

Case 1: on June 15th, 2021, in the third textile material inspection room, multiple employees of the company participated in the “TST2 type dry heat contractometer (Chinese version) operation instruction training”, and participated in the skill grade identification that year and obtained the grade IV certificate of textile material inspector.

S/N	Matters	Participants	Frequency
1	Convene meeting of the catering committee	All members of the catering committee	Once a quarter
2	The catering committee shall do a good job in uploading and issuing the decisions of the regular meeting to the employees in time, so as to improve the employees' support for the work of the catering committee.	At least a team leader (deputy team leader) and two team members shall be arranged	Once a quarter
3	Supervision of batching warehousing acceptance		Once a month
4	Check the storage of canteen materials and the safety and quantity of purchased food.		Once a month
5	For the color, quantity and taste of the dishes in the canteen, the catering committee can make decisions by majority resolution and put forward improvement requirements to the canteen.		Once a month
6	Review the weekly menu listed in the canteen.		Once a month
7	Check the price of canteen food, organize members to conduct market price investigation, and supervise the cost accounting of canteen.		Once a month
8	Sampling inspection of canteen hygiene (back kitchen and restaurant)		Twice a month
9	Check the quality of canteen meals.		Once a week
10	Supervision of warehousing acceptance of food materials		Once a week
11	Promote the communication and contact between employees and canteen department, organize meetings, solicit, listen to and collect employees' opinions and suggestions on all aspects of canteen work, and timely report to the administration department.		Irregular

Chapter V Trustworthiness, Keeping One's Word

01 Risk Control

Hailide is committed to building a corporate culture with high standards, business ethics and compliance management principles. It pursues the code of conduct of " integrity, compliance, transparency and responsibility ", to establish and improve a compliance management system in line with legal provisions and business ethics standards in the fields of fair competition, intellectual property protection and business ethics.

Focusing on the two principles of " law-abiding and compliance " and " fair transaction ", the company actively carries out production and operation, and strictly controls to avoid illegal and improper transactions and other violations. The company has established a perfect legal organization system, actively promoted the establishment and improvement of compliance process and legal supervision system, to realize the effective management of law-abiding and compliance system.

The company integrates compliance management into all links of daily production and operation, guides and standardizes the business behavior of employees, managers and partners through systematic management and training, and constructs a benign business environment with standardized operation, transparent management and fair competition. At the same time, we listen to the constructive opinions of stakeholders to improve decision-making and business management.

Create a comprehensive risk management system in line with the

The Work Completed in 2021

1. Completed 66 audit projects, discovered 87 problems and put forward 80 audit suggestions were. Completed the resignation audit of 31 employees who resigned from core positions.
2. After the implementation of technical and business negotiation for single equipment procurement and engineering installation projects with more than 100000 Yuan, conducted the interviews of honest behavior. Participated in the bidding supervision of 37 engineering projects to optimize the technical scheme and price. Participated in the factory inspection of suppliers.
3. A total of 11772 contracts were reviewed annually, and 33765 were sealed after reviewing the printed materials. Organized 7 legal training sessions and recovered more than 880000 Yuan of losses through litigation.
4. With the help of information-based means, provided assistance to contract management, improved legal management related processes and promoted their use, so as to improve the level of risk control and realize compliance.
5. Carried out the construction of credit management business, and approved 326 customer credits and 51 supplier access credits throughout the year.

02 Honest Management

The company adheres to the basic principle of anti-corruption and effectively prevents the corruption of employees, such as: all kinds of commercial bribery. The management level of the company took the lead to set an example, strengthened integrity and self-discipline, abode by the company's rules and regulations and eliminated corruption.

In 2018, the company formulated and promulgated Reporting Reward System for anti-corruption, which stipulates the reporting scope, reporting requirements, reporting channels, reporting procedures, rewards and protection for informants, so as to ensure the company's legal compliance and stable operation; in 2019, the company formulated and promulgated the Code of Business Ethics Management, which was subsequently revised and improved gradually. The Code of Business Ethics Management covers the provisions about unfair competition, anti fraud, conflict of interest, commercial bribery and commercial corruption, the use and protection of assets, information security and confidentiality, anti money laundering, insider trading and employees' professional ethics, so as to create a healthy and good business ethics environment for the steady development of the company.

In 2021, the company conducted a total of 23 corruption risk assessments. The risk assessment results showed that there were 1 high risk, 6 medium risks and 16 low risks, and formulated appropriate control measures to cope with the corresponding risks. The company added 17 new employees in core positions, and signed 17 Letter of Commitment for Honest Performance with new employees in core positions, accounting for 100% of the number of new employees in core positions.

证 书

浙江海利得新材料股份有限公司：

兹续展公布贵单位为"浙江省信用管理示范企业"，有效期三年。

浙江省企业信用管理促进会

二〇二一年十二月

On the one hand, strengthened internal audit supervision and promoted clean procurement and marketing management.

1. The company issued and implemented the Management Measures for Interview with Supplier. The measures clearly stipulates that the internal auditors must be notified to participate in the whole process of business exchanges, technical exchanges, bidding meetings, inspection and acceptance and regular visits with suppliers, so as to strengthen the management of suppliers, standardize the exchanges and cooperation with suppliers, and create a sunny, green and healthy business environment for the business cooperation between the two sides.

Oil Pressure Equipment Acceptance

Pallet Acceptance and Supplier Investigation and Communication

2. When signing the contract with the supplier, the Integrity and Self-discipline Agreement must be signed and the internal audit department shall conduct integrity interview. The signing of the integrity agreement and the integrity face-to-face interview play a role of self-restraint and deterrence for both parties, so as to promote the fair, fair and open cooperation between both parties.

Supplier Integrity and Self Discipline Agreement

Registration List of Integrity Agreement

On the other hand, strengthened the supervision of individual integrity and improved employees' awareness of personal integrity.

Personal integrity and professional supervision

100% of the " Letter of Commitment for Honest Performance " signed by key posts

All on-the-job employees and new employees in key positions shall sign Letter of Commitment for Honest Performance, which clarifies the specific requirements for diligence and honest employment; lets employees restrict their work behavior with commitment and self-discipline, enhances employees' personal consciousness and awareness of honest employment, and promotes employees' personal values to conform to the company's values.

Implemented the job rotation working mechanism

In July 2020, the Management Measures for Employee Rotation was promulgated and implemented to avoid job burnout and job closure, stimulate the work enthusiasm of employees on rotation, avoid employment risks and promote clean employment through orderly internal job rotation.

Implemented Management Measures for Avoidance of Employment

In August 2020, the company revised Management Measures for Avoidance of Employment to avoid interference and impact on work due to kinship and social relations, so as to create a fair and just company atmosphere and protect the interests of the company from damage.

Promulgated Accountability Regulations for Honest Performance

In December 2020, the company issued Accountability Regulations for Honest Performance, to comprehensively strengthen the company's standardized management and the requirements of integrity and self-discipline, promote all employees to be diligent and honest, prevent all kinds of violations of rules and disciplines, corruption and illegal risks, and strengthen the accountability for honest performance.

03 Anti-Unfair Competition

In order to ensure the healthy development of the economy, encourage and protect fair competition, restrain unfair competition and protect the legitimate rights and interests of business operators and consumers, we shall observe the principles of voluntariness, equality, fairness and integrity, laws and business ethics. Acts that disrupt the order of market competition and damage the legitimate rights and interests of other business operators or consumers are strictly prohibited. We encourage, support and protect all organizations and individuals to exercise social supervision over acts of unfair competition.

During the reporting period, there were no legal proceedings on unfair competition.

04 Protection of Intellectual Property

The company attaches importance to technological innovation and the development of various intellectual achievements, and pays attention to the effective protection of corresponding intellectual property rights.

Internally, the company signed Confidentiality and Non-Competition Agreement with employees involved in key positions, requiring employees to keep confidential the company's trade secrets and technical secrets obtained during their employment, so as to prevent leakage and infringement of the company's rights and interests; the company also organized external professional lawyer teams from time to time to carry out trainings on trademark, patent and other intellectual property for employees in relevant positions involving intellectual property rights, so as to increase their legal expertise and enhance their awareness of intellectual property protection.

Externally, the company actively applied for trademark registration and patents, and maintained the company's intellectual property rights through legal channels. In 2021, the company obtained 2 authorized invention patents and 14 utility model patents.

In addition to safeguarding the intellectual property rights of the company, the company also pays attention to protecting the intellectual property rights of others from infringement in the process of cooperation with customers and suppliers. For example, when the production process of the floor board subsidiary involved the use of the patent of a third party, the company signed the license agreement with the patentee according to law, obtained the license of the patentee, paid the corresponding patent use fee, and operated in accordance with the law.

05 Information Security

The company has a sound information security system and has established an information security management manual according to the system requirements to effectively manage information security risks. All employees comply with the information security management system documents and continuously improve the information security management system.

In order to protect the security of customer information and enterprise information, the company requires core posts and relevant units to sign confidentiality agreements. System information query is managed according to different levels of permissions. Permission change and cross business data query need to go through the approval process. After approval, corresponding permissions can be activated. For sensitive data such as customer information, the permission is assigned to specific personnel for independent authorization, and unauthorized customer data cannot be queried for the same position. In 2021, the company did not find any complaints from outside customers or regulatory agencies about infringement of customer privacy.

Information Security System

Information Security Training

Emergency Drill on Information Security

After receiving the network failure at the production site, the person in charge rushed to the site for inspection. After finding out the problem due to equipment failure in the machine room, reported it to the team leader of the headquarters, and notified the site to take emergency disposal.

Took the preliminarily configured standby machine to the branch computer room to replace the equipment.

Chapter VI Unite Together to Forge Ahead

01 Sustainable Procurement

Promoting economic, environmental and social sustainable development is Hailide's sustainable development policy. At the same time, Hailide is committed to working closely with suppliers and customers to build a sustainable and better value chain. Therefore, Hailide has formulated a sustainable procurement policy and issued initiatives to suppliers that provide products and or services to Hailide.

In the past few years, Hailide has stipulated its responsible procurement policy in the procurement plan. While respecting the supplier's corporate culture, development and employees, Hailide has strengthened the exchange and sharing of information among members, strengthened the control of procurement system, strengthened the construction of procurement team, adopted stricter procurement procedures, jointly formulated risk prevention plans with the upstream and downstream partners of the supply chain, and established a simple, sensitive and effective risk prevention mechanism. With the help of monitoring indicators, such as: product quality, contract performance, inventory turnover and customer satisfaction, the company identified and evaluated supply chain risks and sent early warning, so as to timely prevent, control and transfer risks, ensure the continuous, stable and effective operation of the whole supply chain, and realize benefit sharing and risk sharing.

In 2021, suppliers signed Integrity and Self-discipline Agreement for 1078 times, accounting for 100% of the suppliers to be signed; the company held 65 interviews about honesty with suppliers (suppliers with a transaction volume of 100000 Yuan or more), accounting for 100% of the total number of qualified suppliers; the internal audit department of the company gave full play to the supervision role of the department, participated in 540 supplier visit meetings, 41 various bidding meetings, assisted in 72 supplier audits and participated in 24 supplier project acceptance.

HALEAD 以更好的品质贡献社会

供应商回执

Supplier receipt

Zhejiang Hailide New Material Co., Ltd:

我司完全理解贵司《海利得企业可持续采购方针》的内容，并依据贵司指定的方针执行。

We have fully understood the content of Sustainable Procurement Policy of Hailide, and we will execute according to the guidelines of Hailide.

Suppliers sign(official seal)

Date

Supply Chain Management

In order to standardize the company's supplier management, reduce procurement costs, improve work efficiency and promote integrity and self-discipline, the company's procurement operations strictly follow the principles of openness and transparency, fair competition and good faith. To this end, we actively promoted cooperation through supply chain management, experience exchange and responsibility audit mechanism.

1. Set up a full-time supplier management team, updated and improved the supplier evaluation system, carried out hierarchical and classified management of raw and auxiliary materials and their suppliers, and 36 qualified suppliers were admitted in one year.

2. We promoted the spot purchase mode for the purchase of raw materials for PET and PVC lines, and adopted online MRO mode for the purchase of accessories.

3. Promoted suppliers to actively fulfill their responsibilities and improve their performance, so as to promote the level of social responsibility of partners in the whole supply chain and jointly promote sustainable development.

In 2021, the percentage of new suppliers screened by environmental standards was 100%; we conducted environmental assessment for 36 suppliers, and there is no supplier with significant negative environmental impact; among them, we terminated relationship with 6 suppliers, conducted 128 person*times and 36 hours of sustainable procurement training.

Training to Suppliers

Localized Procurement

In the process of globalization development of the company, in order to better integrate into the local society and further expand the share of enterprises in the local market, some raw material procurement and processing processes are moved to the place of product demand and completed by local industrial workers, so as to promote the progress and development of local society together with local enterprises. In 2021, the company's localized procurement (within Zhejiang Province) increased from 41% in 2020 to 43%.

Raw Materials and Auxiliary Materials

Region	2020		2021	
	Suppliers Number	Proportion	Suppliers Number	Proportion
Within the Province	135	41%	142	43%
Where: in Jiaxing (excluding Haining)	21	6%	33	10%
Where: in Haining	58	18%	61	18%
Outside the Province	191	59%	189	57%
Total	326	100%	331	100%

Green Procurement

In order to carry out green procurement, the company interacts regularly with suppliers on environmental affairs, including issues related to climate change. In order to reduce greenhouse gas emissions at the enterprise level and product level, we formed a low-carbon strategic partnership with suppliers or dealers.

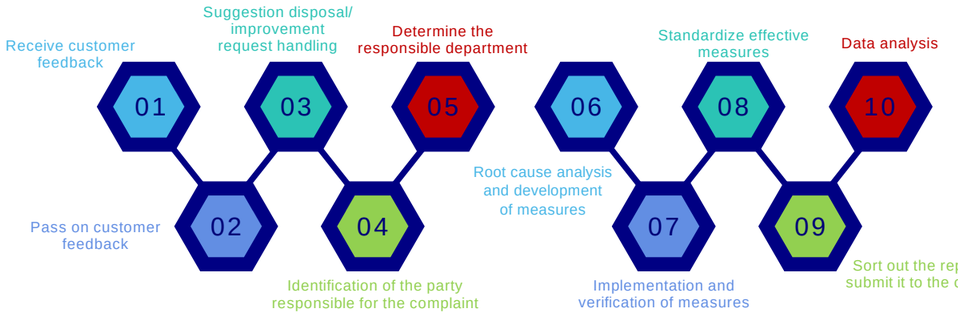
In terms of raw material procurement, the company implements green procurement and brings environmental protection, energy conservation and emission reduction and social interests into the contract terms. We systematically manage suppliers and promote partners to actively fulfill their social responsibilities through experience exchange and responsibility audit mechanism. We review the performance of suppliers by means of regular or irregular audit, exchange and discussion, notice letter, etc., and inform the suppliers to rectify the problems found within a time limit, otherwise they will be disqualified.

We are willing to share Hailide's management philosophy with suppliers, constantly strengthen exchanges and cooperation with suppliers, and maintain the secure, stable and sustainable development of the supply chain.

02 Customer Service

Complaint Handling

The company has a systematic process for handling customer complaints and claim, and the company timely and properly handles customer feedback to improve customer satisfaction. In 2021, the company received 409 customer complaints and feedback, all of which were handled in a timely manner.



Scientific Research & Innovation

Zhejiang Hailide New Materials Co., Ltd. has established a key provincial enterprise research institute (Automotive Differentiated Fiber Research Institute), provincial enterprise technology center and high-tech enterprise R&D center in Zhejiang province. It has 3000 independent R&D building and 3500 pilot plant, which have been equipped with internationally leading precision analytical instruments and complete sets of R&D equipment, covering the fields of structural analysis, thermal analysis, rheological analysis, micro morphology analysis, aggregate structure analysis, nano dispersion, polymerization, spinning and so on. It has attracted doctors from well-known colleges and universities at home and abroad, and introduced and trained professionals in chemistry, nano, polymer, analysis, technology and so on. It carries out scientific and technological research and industrialization research and development, constantly researches and develops new technologies, new products and new processes with strong market prospects and competitiveness, to improve the level of industrial technology. It has solved the "bottleneck" problems of key raw materials that were only mastered by Europe, America and Japan; it will continue the intensive R&D in the direction of high-performance, multi-function and low-carbon environmental protection, and consolidate the international competitiveness of enterprise products.

The company invests a lot of money in R&D every year, vigorously carries out R&D projects; it undertook the R&D work of more than 20 provincial new product projects in 2021, which had been successfully completed; the company actively carried out the development of external cooperation projects, and undertook 1 provincial key R&D plan project, 1 Jiaxing backbone technology innovation team project, 1 Haining collaborative innovation demonstration project, and so on; the company has established industry-university-research cooperation with Donghua University, Shanghai Jiaotong University and other universities, and started the research and development of high-performance fibers and technical services.

The company always adheres to the research and development of global industry-leading products around customer needs. The company takes provincial research institutes as the carrier and is equipped with high-end R&D talents. In 2021, 33 scientific research projects were approved, including 1 key R&D project in Zhejiang province, 21 provincial new product projects, 1 industry-university-research cooperation project and 1 Haining collaborative innovation demonstration project. At present, the research and development of 16 provincial-level new products, such as: super hydrophobic and environment-friendly polyester industrial filament, flexible automobile airbag polyester industrial filament and polyester instead of nylon 66 for air spring 1670dtex/2 cord fabric, super transparent and wear-resistant PET and PVC new composite floor, have been completed, and experts are being organized for identification (acceptance).

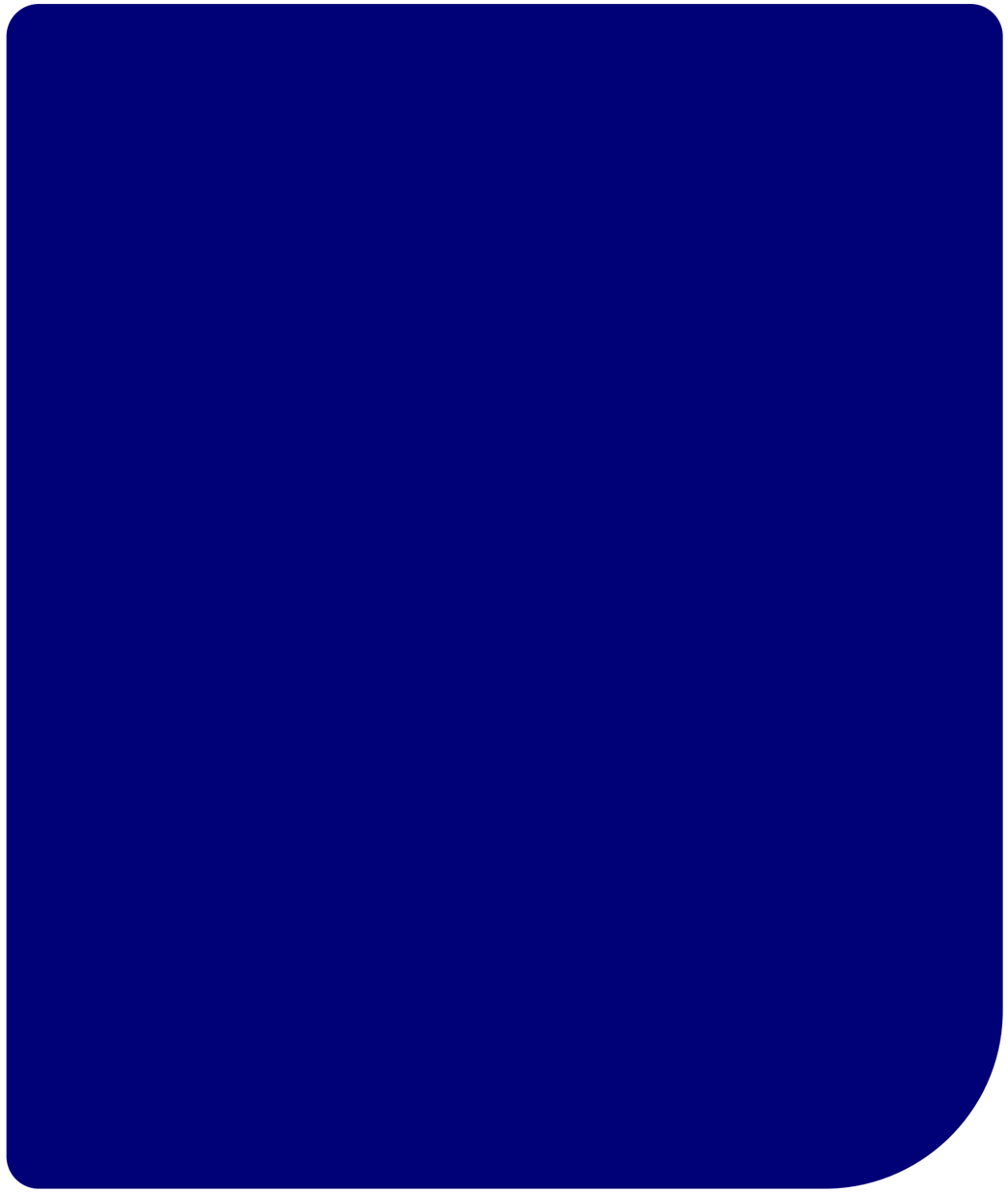
In 2021, the company was awarded 2 invention patents and 14 utility model patents. In 2021, Hailide was awarded the title of Zhejiang Export Famous Brand, and Zhejiang Hailide Flooring Co., Ltd. was recognized as an intelligent factory in Zhejiang province. The company's "high strength and high modulus industrial fiber team" was shortlisted as the backbone technical innovation team of "Innovation Jiaxing Talent Support Plan" in Jiaxing.

In 2021, the company invested and established Hailide New Materials Research (Shanghai) Co., Ltd. to further promote the in-depth innovation of the company's R&D business, improve R&D achievements, better introduce high-end R&D talents, provide solid technical support for the company's projects under production, projects under construction and projects under research, and further enhance the company's comprehensive competitiveness.

Case: Hailide's Third Generation Environmental Materials Made a Debut in the Environmental Expo

In 2021, the company continued to improve its customer development and market promotion system, strengthened to expand the promotion of exhibitions, dealers and online websites in the plastic material business, and which helped to maintain closer relationship with customers and received extensive attention and praise.

Percentage of employees trained on environmental issues



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