HEAD SUSTAINABILITY

January 2024 Issue No.1. Quarterly News

With the Vision of "We are Committed to Making Human Beings Healthier and the Environment More Friendly", Head adheres to the Corporation Mission of "We Create Value, We Contribute to the Success of our Customers, We Care People Development, We Advance Prosperity of our Society". We implement the concept of sustainable development and promote the high quality development. Based on the Group Sustainable Development Philosophy, this journal is published for sharing internally and externally what we did in year 2023, and what we commit and continuously practice in 2024 and beyond.

Head Target of Greenhouse Carbon Gas Emission (2030/2050)

In order to cope with the challenges from global climate change and promote industrial transformation and upgrading, Head has announced that it will peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2050.



Sustainable Development Strategy

Head has established Sustainable Development Committee (SDC), Chairman of the Board Mr. Jcak Bee is the Committee Chairman and CEO of Head Group Mrs. Angela Bao is the Committee Vice Chairman. The project teams such as Carbon Reduction, Energy Saving, Social Welfare etc. are under the leadership of the SDC.



2023 we launched various ESG activities

- 1 Established Sustainable Development Committee
- 2 Announced and Committed to the targets of GHG Emission
- 3 Cooperated with DNV to certify selective Product Carbon Footprint
- 4 Committed and practice Business Ethics
- 5 Promoted Energy Saving and Consumption Reduction
- 6 Participated in Social Responsibility Activities
- 7 Strengthened Supplier Development and Management

2024 we continue promoting ESG work and fulfilling our commitments

- 1 To publish the Head ESG Report
- 2 To get the Ecovadis certification
- 3 To promote continuously energy saving, consumption and emission reduction
- 4 To carry out continuously Social Responsibility Activities
- **5** To strengthen the Sustainable Procurement
- 6 To strengthen Information Security
- 7 To further invest in the new technologies and business transformation, and promote the utilization of renewable resources

With the outstanding products, services, and continuous environmental investment, Head has awarded various industry honors and recognition in 2023.



2023 China Petrol and Chemical Top 500



China Petrol and Chemical Industrial Technology Innovation Demonstration Enterprise



2023 China Fine Chemical Top 100



2023 China Fine Chemical Green and Low-carbon Development Enterprises in Top 10

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nvironmental Protection

Environmental Investment

We adhere to the Sustainable Development Concept of "making the environment more friendly and human beings healthier", strictly abide by relevant laws and regulations of environmental protection, establish and continuously improve company's environmental protection policies and systems. We invest heavily in air pollutant control, water treatment, solid waste management, energy saving

Head's Environmental Treatment Upgrading and Transformation Project is jointly designed by Head, Nanjing University, and Zhejiang Environmental Engineering company. It consists of "VOCs Governance Upgrading " part and "Wastewater Treatment Optimization and Upgrading" part, with a total investment of US 60 million.

The project introduces leading technology: safe and stable process, energy saving equipment and advanced technology. It avoids secondary pollution and additional gas or liquid waste. It meets the future needs of company development as well as China environment protection strategy.





Head's Environmental Treatment Upgrading and Transformation Project It has upgraded the level of wastewater and waste gas treatment.

Investment and Use of Clean Energy



Photovoltaic Power Generation Healsee factory invests in photovoltaic power generation by adaptation to its condition, and use the clean energy for production.



Promote green travel Head has replaced all traditional cars by electrical vehicles, and promote green travel to our employees



We always adhere to the law of Corporate Governance, continuously improve compliance policies and systems, and has revised policies such as the Employee Handbook, Internal Audit System, and Code of Business Ethics. And we integrated compliance principles into our management system and employee behaviors.

In 2023, we kept high standards of business ethics, and insisted "zero tolerance" towards corruption and violations of business ethics. Head tries to eliminate all anti-business-ethics behaviors, and continuously improve the level of integrity and compliance management.



ocial Responsibility

Devotion to Public Welfare

We never forget our original passion of contributing to our society. We actively engage, participate and support diversified public welfare activities: Volunteer Service Work, Helping elderly house, charity donation, supporting students etc.









Protecting Employee Rights, Caring People Development

"Caring People Development" has been always at the top agenda of Head. We care about the work, life, health, and safety of our employees, we effectively protect their rights and interests, maintain stable and harmonious labor relations, enhance corporate cohesive force in order to achieve common growth of our employees and our Company.





22 training hours per head

> 14,780 total man-time

332 offline training sessions

The various and colorful employee activities including team buildings have promoted the communication among employees. Head has set up series of Employee Care Benefits such as vocation days, birthday party or gifts, employee's children scholarships, health care lectures, etc., this makes our employees feel warm, care and enhances more belongings.





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We adhere to diversity, emphasizes equal opportunities, and opposes all discriminatory behaviors such as gender, age, geography, and others.

10 Nationalities

We protect the rights and interests of female employees, and provide full support for them.

30% Female employees



Thank you for reading Head Sustainability Quarterly News, your comments and suggestions are warmly welcome.

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