天润新能
TIANRUN

2017
Sustainability Report
Tianrun New Energy

Sharing the Growth

Tianrun New Energy Sustainability Report 2017

天润新能
TIANRUN

Beijing Tianrun New Energy Investment Co., Ltd.

Address: F22, Zhongjian Fortune International Center, No. 5 Anding Road, Chaoyang District, Beijing

Tel: 010-57672999

Fax: 010-57672888

Postal code: 100029

Prepared by using biodegradable and recycled paper

About the Report

The Sustainability Report 2017 is the first sustainability report published by Tianrun New Energy. This report discloses information about the Company's practices in environmental, social and governance issues following the principle of being objective, compliant, transparent and comprehensive. The report aims to communicate openly with the stakeholders regarding the Company's sustainability philosophy, concrete actions and accomplishments, and to systematically respond to the key topics on sustainability of interest to them.

Reporting Scope

This report covers a time range from January 1, 2017 to December 31, 2017, which is also traced back or extended to the key years in the history of Tianrun New Energy.

The content of this report is consistent with the regions covered by the business activities of Beijing Tianrun New Energy Investment Co., Ltd.

This report is an annual sustainability report, and the release cycle is one year.

All the data disclosed in this report comes from the official documents and statistical reports of Tianrun New Energy. Tianrun New Energy guarantees that this report does not contain false records, misleading statements or major omissions.

Basis of Compilation

This report is compiled in accordance with the Listing Rules and Guidance of HKEx, Appendix 27, Environmental, Social and Governance Reporting Guide, the Shenzhen Stock Exchange's Social Responsibility Instructions to Listed Companies, and the Guidelines on Corporate Social Responsibility Report for Chinese Enterprises (CASS-CSR4.0) released by the Chinese Academy of Social Sciences (CASS). Reference is also made to the international and Chinese reporting standards and guidelines such as the G4 Sustainability Reporting Guidelines (GRI4.0) of the Global Reporting Initiative (GRI) and the Performance Standards on Environmental and Social Sustainability of the International Finance Corporation (IFC), while highlighting the Company's characteristics and the industry's uniqueness.

Explanation of Abbreviations

For ease of presentation, in this report, "Tianrun New Energy", "Tianrun", "Company", or "We" or "Us" refers to "Beijing Tianrun New Energy Investment Co., Ltd.", and "Goldwind Sci & Tech", "Goldwind", or "Group" refers to "Xinjiang Goldwind Sci & Tech Co., Ltd."

Access to the Report

This report has a Chinese version and an English version respectively, and is published in both the paper format and the electronic format (PDF file). You can log on to the website of Tianrun New Energy (www.tianrun.cn) or the website of Goldwind (www.goldwind.com.cn) to read the full report. If you have any questions or want to talk with us, please contact us via csr@tianrun.cn.

CONTENTS

Tianrun New Energy
Chairman
Liu Rixin

Tianrun New Energy
General Manager
Xue Naichuan

Message From the Management

The year 2017 marked the 10th anniversary of Tianrun New Energy. Facing the profound changes in the wind power industry from high-speed growth to high-quality and high-performance growth, we have been adhering to the "innovative, coordinated, green, open, and sharing" philosophy, and advancing transformation without any hesitation, to truly demonstrate the IFC's Performance Standards on Environmental and Social Sustainability in our operations to prevent and control the environmental and social risks, and to maximize the value for stakeholders through transparent operations. In 2017, the Company's results were substantially improved: our revenue was RMB3.1 billion, growing 35.61% year-on-year, and our net profit reached RMB1.4 billion, growing 93.67%.

By building eco-friendly wind farms, we were accelerating growth and boosting our transformation from several aspects including "being innovation-driven, pursuing clean and low-carbon operations, ensuring safety and efficiency, and winning together with communities".

In being innovation-driven, we adopted the "centralized control + regional operation inspection + Enterprise Asset Management (EAM)" model, promoted the unattended operating model for wind farms, kicked off the digital design of wind farms, and explored the use of drones to inspect the blades. As a result, we increased the operating efficiency of wind farms, and reduced the CAPEX and OPEX of wind farms.

In pursuing clean and low-carbon operations, the Company increased spending on environmental protection and water and soli conservation. In 2017, the money actually spent on environmental protection and water and soil conservation projects was RMB51.1513 million. We were trying to meet the requirement that environmental protection and water and soil conservation works should be "designed, constructed and commissioned at the same time" with the main works for all of our projects. We took initiative to respond to the government's call for building a sound ecological environment by building China's first zero-carbon wind farm on Tianpai Mountain in Quannan, Jiangxi Province. We kicked off the compilation of the evaluation standards "Green Wind Farms". We reached agreements with Apple on the equity deals of 5 wind farms. We issued the first stock of the Shanghai Stock Exchange for supporting green assets. We provided support for China's first green marathon. We participated in the trading of China's first green certificates. As of 2017, the Company had provided a total of 26.745 billion KWh of green electricity to the society, which was equivalent to the reduction of carbon dioxide by 27.38 million tons and the saving of standard coal by 9.49 million tons.

In ensuring safety and efficiency, we released over 20 guidelines including The Evaluation Standards for Top-quality Green Wind Farm Projects, The Handbook of the Standards for the Safe Production of Wind Farms, and The Handbook of the Standards for the Safe and Civilized Construction of Wind Farms, and established a three-level emergency management system. Furthermore, 11 wind farms operated by us were rated Level 2 in the standard rating for the safety of power companies, and the Company's safety standard was always at a higher level across the industry.

In winning together with communities, we were among the first in China to adopt the IFC's Performance Standards on Environmental and Social Sustainability. In addition, we promoted the creation of the mechanism for stakeholder engagement step-by-step, facilitated the responsible communication between our wind farms and the stakeholders in the surrounding communities, reinforced community safety, provided compensations for land acquired or occupied by us in accordance with the relevant laws and regulations, delivered on our philosophy of "building a site to benefit the locals" through our actions, and we were trying to enable our wind farm projects to better benefit surrounding communities and to construct wind farm projects in step with surrounding community development.

Sharing achievements of development and joining hands to grow together has become the DNA of Tianrun in seeking development. Guided by the principle of "fulfilling our social responsibility and pursuing harmonious development", we will stay true to our original aspiration, keep our mission firmly in mind, and work together with various parties to build a first-class platform for the sharing of clean energy services and provide better green energy for mankind.

Staying True to the Original Aspiration after Ten Years of Ups and Downs

The year 2017 marked the 10th anniversary of Tianrun New Energy. Looking back, we have grown from a little-known wind power company to one of the top 10 major wind power developers and operators in China today, and have turned from a simple wind power investor and operator to a platform for the sharing of clean energy services. The hard work over the past ten years has made what Tianrun is today. We will leverage our in-house technologies and big data to make Tianrun a more diverse and more tech-savvy company, and spare no effort to seek breakthroughs and build a brighter future.

Starting up and taking off (2007-2009)

2007

- On April 11, Beijing Tianrun New Energy Investment Co., Ltd. was founded.
- On December 26, Xinjiang Goldwind Sci & Tech Co., Ltd., the parent company of Tianrun New Energy, was successfully listed on the Shenzhen Stock Exchange.

2008

- In January, the first wind farm project invested and constructed by the Company in the Urat Middle Banner and Urat Rear Banner of the Inner Mongolia Autonomous Region was connected to the power grid for power generation;
- Tianrun New Energy and BP, a Fortune Global500 company, signed an agreement for strategic partnership.

2009

- Tianrun New Energy and Ping An Trust signed an agreement for strategic partnership, under which the two parties would create an industry fund together and launch the asset securitization process for the Company's projects.

Growth and transformation (2010-2013)

2010

- In May, Tianrun New Energy's first branch, the North China Branch, was formed.

2011

- In January, the Ping Lu Phase-III 200,000 kW project received the pass and approval from the National Energy Administration, creating a milestone in the turnkey wind power development projects nationwide;
- In 2011, the verified total amount of electricity generated reached the mega kW level, establishing the Company's status as a strategic power generator for the first time.

2012

- The Company kicked off the standard design and pilot implementation of wind farms for the first time, and the Burqin and Fuyun projects achieved the goal of beginning construction and getting connected to the power grid in the same year, which laid a foundation for standardized technology management in the Company;
- Tianrun New Energy received recognition and support from the financial industry for its great reputation and high-quality assets, and was granted a line of credit of RMB11 billion from the Industrial and Commercial Bank of China (ICBC) and a line of credit of RMB26 billion from the China Development Bank (CDB).

2013

- Tianrun New Energy received the certification of three systems—quality, environmental and occupational health management systems, marking a breakthrough in the Company's standardization effort;
- Tianrun New Energy set a goal of achieving 1 mega kW for both the total volume of development and the total volume of new construction in the year;
- In July, Tianrun New Energy's total assets exceeded RMB10 billion, a perfect demonstration of the fast growth of both scale and performance;
- The Phase-I project in Pinglu, Shanxi received the "Taihang Cup" Quality Engineering Award of Shanxi Province.

Development and upgrade (2014-2016)

2014

- In May, the Nanshu Wind Farm project in Laixi, Shandong received the 2014 China Electric Power Quality Engineering Award;
- IIn December, the Fuyun Wind Farm and Xiaxian Wind Farm-Phase I wereapproved for operation by the China Electric Power Construction Association;

2015

- China's first distributed wind farm and first low-speed wind farm on the southern plains were successfully approved, the smart pre-installed substation was put into application, the Shanxi Centralized Control Center was put into operation, the strategic suppliers were being created, and the new financing models such as the equity investment fund were established;
- The Xiaxian Wind Farm-Phase I in Shanxi won the 2015 China Electric Power Quality Engineering Award.

2016

- Substantial progress was made on the smart mini-grid, and a breakthrough was made on asset securitization;
- Tianrun New Energy established an electricity selling company and a fund for the first time, to expand presence in the power market, green electricity trading, and carbon emissions trading;
- The Naomao Lake Wind Farm in Xinjiang received the 2016 China Electric Power Quality Engineering Award and the first National Quality Engineering Award, and the Taohuashan Wind Farm in Hubei received the China Installation Star Award;
- The Company collaborated with Apple on green energy, to provide green energy solutions;
- The construction of the Shanxi Centralized Control Center + EAM (Phase I) was completed.

Optimization and transformation (2017-today)

2017

- In April, the 10th anniversary celebration of Tianrun New Energy took place;
- The full-service IT-enablement as well as design and construction of digital wind farms were promoted;
- The Tianrun New Energy Strategic Plan 2018-2020 was introduced, to drive organizational transformation and implementation of the project-based management system;
- The Company improved the layout of its development strategy, and established 14 provincial companies;
- The ceremony to kick off product incubation for the shared platform of clean energy services took place;
- An integrated management system covering quality, environment, occupational health and safety, social responsibility, and risk control was established;
- The Xintian Yandun 7C Wind Farm in Hami, Xinjiang received the 2017 China Electric Power Quality Engineering Award, the 2016-2017 National Quality Engineering Award, and the 2017-2018 China Installation Star Award;
- The Company deepened lean management to get more than RMB100 million in savings and income from cost reduction, increased performance and reduced losses;
- The Company advanced the development of distributed wind farms.

Smart Technologies, Green Offices

In celebrating its 10th anniversary, the Company moved in to new offices. The new office space is green and environment-friendly. With a reasonable layout and exquisite design, it is tech savvy with a strong human touch. Constructed to the Green Star standard, the entire process used energy-efficient and environment-friendly materials. A smart office system is also adopted to provide a one-key solution for various functions including air conditioning, lighting, access control, and conferencing.

The Company' s green, smart, human-oriented and artistic office space received the LEED Gold Certification, and will apply for the Red Dot award, to set a benchmark for the industry.

•1 The office space adopts a transparent design to utilize natural light to the maximum extent possible. This can reduce the lamps needed by nearly 50%.
•2 The gym •3 The Yoga room •4 The office space
•5 The office space is equipped with energy-efficient LED lamps, supported by occupancy sensors. The design is 75% above the LEED gold standard.
•6 The smart mobile OA platform "QI XIN Bao"

Tianrun New Energy office received the LEED Gold Certification

Green

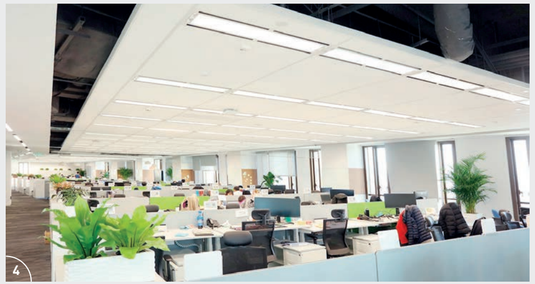

1

Human-oriented


2


3

Artistic


4


5

Smart

6

Helping the Locals through the "Wind for the Future" Charitable Project

"Building a site to benefit the locals" is not just a slogan, but also an action. Since 2013, the Company has been increasing its public welfare efforts step by step. In 2016, Tianrun New Energy launched the brand-named "Wind for the Future" charitable project in cooperation with Goldwind, to provide clean energy while enabling more people to feel the love and hope.

The "Wind for the Future" charitable project mainly targets wind farms under construction or already completed, to care for poor kindergartens, elementary and middle schools, nursing homes for seniors, as well as rural teachers etc. in the surrounding areas of our projects while visiting employees working on the site of Goldwind projects and Tianrun projects. Since the program was launched, it has been fully recognized by the local governments of wind farm projects and warmly welcomed by the recipients of our donations. It has also enabled the employees working on the wind farms to feel the care and love of the Group and the Company.

As of the end of 2017, this program had gone to over 30 townships and villages in more than 20 provinces and cities across the country, more than 40 visits had been conducted, donations of various items including electronic devices, home appliances, baby products, school supplies, everyday necessities, and clothes had been made with a combined value of RMB2.921 million, and tens of thousands of people had benefited from the program.

Provinces and cities covered by "Wind for the Future" charitable project

20+

Spending on social contributions RMB

2.921 million

The Company went to the Muwacun Elementary School in Qiaojia County, to donate dining tables/chairs, kitchen utensils, books for the reading corner, and school bags etc.

The Company went to the Shuanghe Elementary School in Qitaihe, to bring schoolbags and stationery for the 49 students from families with financial difficulties in the school, and to donate items such as musical instruments, books, and laptops to the school to improve the learning environment of the kids.

The Company donated learning and sports supplies such as computers, basketballs, soccer balls, and schoolbags to three elementary schools—Xihe, Zhangzhuang, and Dongping—with a combined value of over RMB70 thousand, and organized an art performance together with the students and teachers of the Xihe Central Elementary School.

The Company donated books, school supplies, and sports supplies to an elementary school in the Tiandeng County of Guangxi.

Tianrun teamed up with Goldwind to provide two training sessions for teachers in the poverty-stricken rural areas around the wind farms. A total of 80 rural teachers from 8 ethnic groups and 18 provinces across the country participated in the training.

The Company went to the Baibao Township Central Elementary School in Wuqi County, to organize an art performance, to donate teaching equipment worth RMB70 thousand to the school, and to pay for the living expenses of 24 students from families with financial difficulties.

The Company paid a visit to the Tuling Elementary School in the Guaner Township of Hunyuan County, to deliver new school uniforms, laptops, schoolbags, stationery and sports supplies to the kids, and also taught music and dancing for the students.

The Company visited the nursing home in the Xinshengdian Township of Xiajin County, to deliver gifts including TVs, air conditioners, electric motorcycles, and dining tables/chairs to the seniors. Our employees also organized a group birthday party for seniors whose birthday was in June, and sang “happy birthday” with them.

The Company donated 100 schoolbags to children from families with financial difficulties as well as children who are left behind in rural villages by rural migrant workers working in cities in the Tacheng region of Xinjiang.

The Company donated disaster relief supplies to the Sanmen Township in Zhuzhou, Hunan for people affected by the floods.

The Company donated teaching equipment, everyday necessities and sports supplies to the Ledong Middle and Elementary School in Chongyi, Jiangxi, and also organized an art performance for the students.

The Company donated materials worth over RMB50 thousand to the Yaoshan Township Kindergarten in the surrounding area of the Xiyangtang Wind Farm in Qiaojia. The materials included more than 10 varieties of baby products and over 100 sets of sleeping room items for kids.

About Our Company

Company Overview

Company Profile

Beijing Tianrun New Energy Investment Co., Ltd. was founded in 2007 with a registered capital of RMB5.55 billion. It is a wholly-owned subsidiary of Xinjiang Goldwind Sci & Tech Co., Ltd., the world's third-largest wind turbine manufacturer, mainly doing business related to clean energy investments, development, construction, operations, and technical services.

As a well-funded clean energy company, Tianrun New Energy relies on the advantages of Goldwind Sci & Tech to engage in activities including clean energy consulting and planning, clean energy project development, clean energy investments and financing, clean energy engineering and construction, power generation O&M, incremental power distribution networks, electricity selling, and interregional trading. It strives to build a first-class platform for the sharing of clean energy services.

In its steady and fast development process, Tianrun New Energy has grown from an excellent wind farm development and investment company in China into the innovation leader, value discoverer and resource integrator in China's clean energy management and service sector.

The Company is also actively and rapidly venturing into the new frontiers of clean energy innovation such as smart mini-grids, hydrogen generation through wind power, heat supply through wind power, photovoltaic and solar thermo power generation, and energy storage, striving to provide better green energy for mankind.

As of the end of 2017, the Company's total assets reached RMB27.7 billion, and there were 786 top professionals from various parts of the country working for the Company. In building wind farm projects, Tianrun always puts quality first. Over the last five years, the power generation projects invested and developed by the Company have won 2 "National Quality Engineering Awards", 2 "China Installation Quality Engineering Awards", 5 "China Electric Power Quality Engineering Awards", and 1 "Quality Engineering Award of Shanxi Province".

The statistical data released by CWEA[1] in 2017 shows that Tianrun was already one of the top 10 major developers and operators in China and No. 1 among non-SOEs, and ranked No. 11 in terms of the new installed capacity and No. 8 in terms of the cumulative installed capacity.

1: Chinese Wind Energy Association

Non-SOEs
No. 1

New installed capacity
No. 11

Cumulative installed capacity
No. 8

Vision

Become the first-class platform for the sharing of clean energy services.

Mission

Provide better green energy for mankind.

Values

Create value, keep improving, and strive for excellence

Strategy

On the basis of building up the wind farm investment and operation business, rely on the products and services of Goldwind across the industry chain to integrate relevant resources including the suppliers and partners, to build a full-industry-chain shared platform for products and services including clean energy development, engineering, production, operations, sales, technologies, and finance focusing on wind energy, to create an ecosystem for the sharing of clean energy services centered on wind energy, and to strive to make the Company the leader in China's clean energy management and service sector.

Business Distribution

Since it was founded in 2007, supported by the parent company Goldwind Sci & Tech across the industry chain, Tianrun New Energy has established a nationwide footprint centered on the Beijing headquarters. As of December 31, 2017, Tianrun New Energy had 4 branches and over 100 subsidiaries across the country; and Tianrun New Energy's cumulative wind farm/photovoltaic projects with quality resources in stock were over 12 million kW and cumulative approved projects were 9.2 million kW in provinces and autonomous regions including Xinjiang, Shanxi, Inner Mongolia, Jilin, Liaoning, Shandong, Henan, Jiangxi, Sichuan, Ningxia, Yunnan, Zhejiang, Hubei, and Anhui etc., the installed capacity already connected to the power grids reached 5.2 million kW, annual power generation was about 10 billion kWh, and projects under construction were 1.6 million kW.

Installed capacity connected to the power grids

5.2 million kW

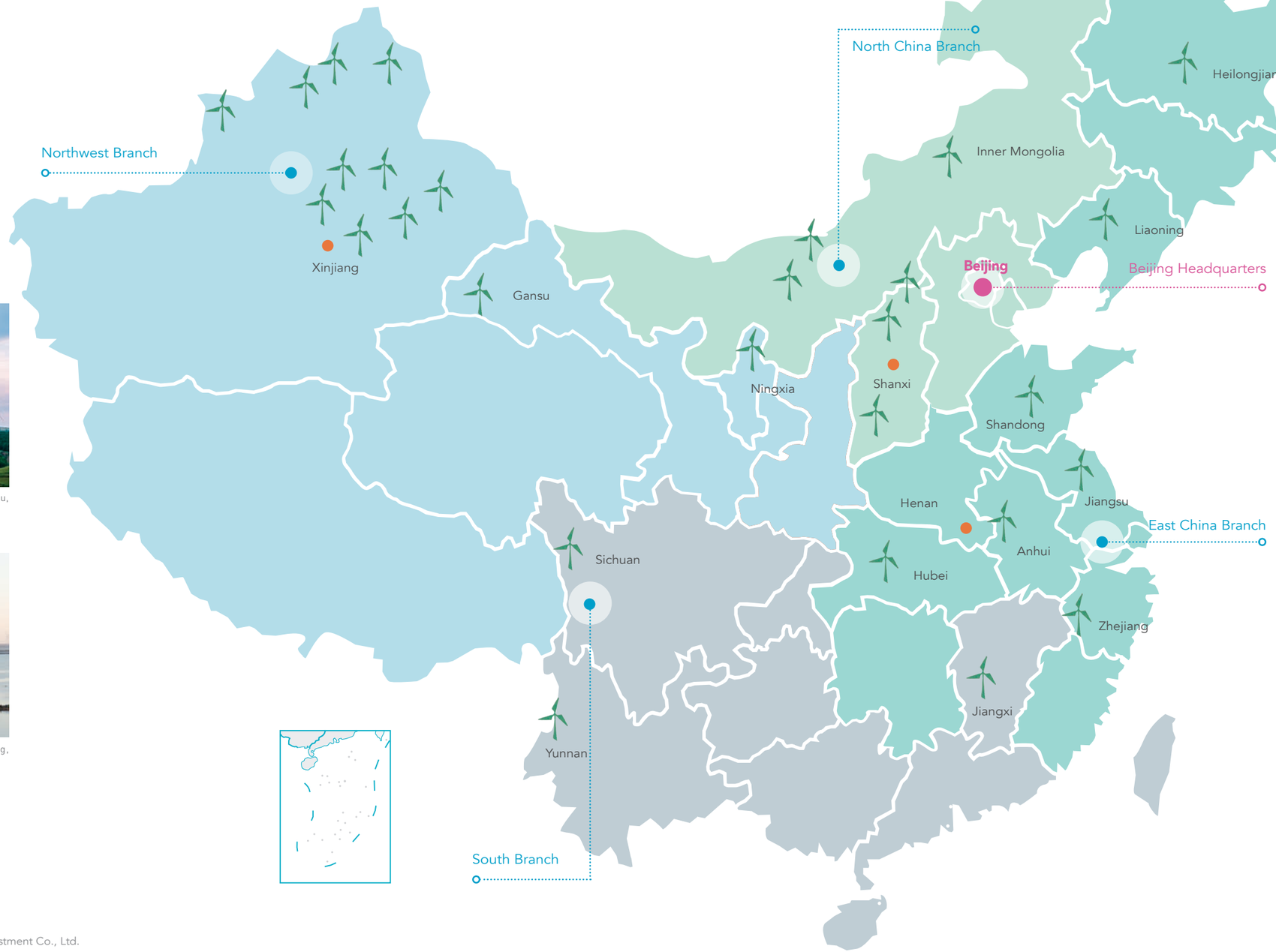
Annual power generation

10 billion kWh

Projects under construction

1.6 million kW

- Headquarters
- Branch
- Centralized control center
- Wind farm



Dashantai wind farm (300,000 kW) in Shuozhou, Shanxi

Dafeng wind farm (50,000 kW) in Yancheng, Jiangsu

A wind farm (300,000 kW) in Panzhihua, Sichuan

Taohuashan wind farm (50,000 kW) in Shishou, Hubei

Core Capabilities

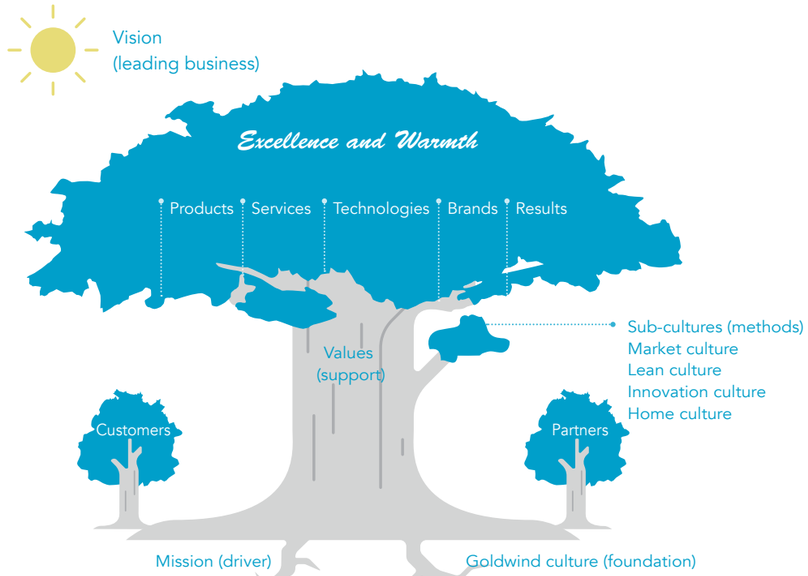
As a developer of clean energy, Tianrun New Energy focuses on effectively developing renewable resources. Relying on the profound industry experience and the advantages of Goldwind Sci & Tech across the industry chain, we have formed four core capabilities that are absolutely competitive:

Resource development and utilization capability	Assets conversion capability	Asset management capability	Fund management capability
Specialized technical teams for wind farm site selection as well as for assessment of wind farm operation	Advanced and stable product performance, to ensure efficient resource conversion	Detail-oriented wind farm O&M management focusing on benchmarking and "reducing/limiting/follow-on offering"	Efficient utilization of steady appreciation of the assets held to provide a higher-than-expected ROI for shareholders and partners

Corporate Culture

Tianrun: Excellent People · Warm Home

A Handbook of Tianrun New Energy's Corporate Culture



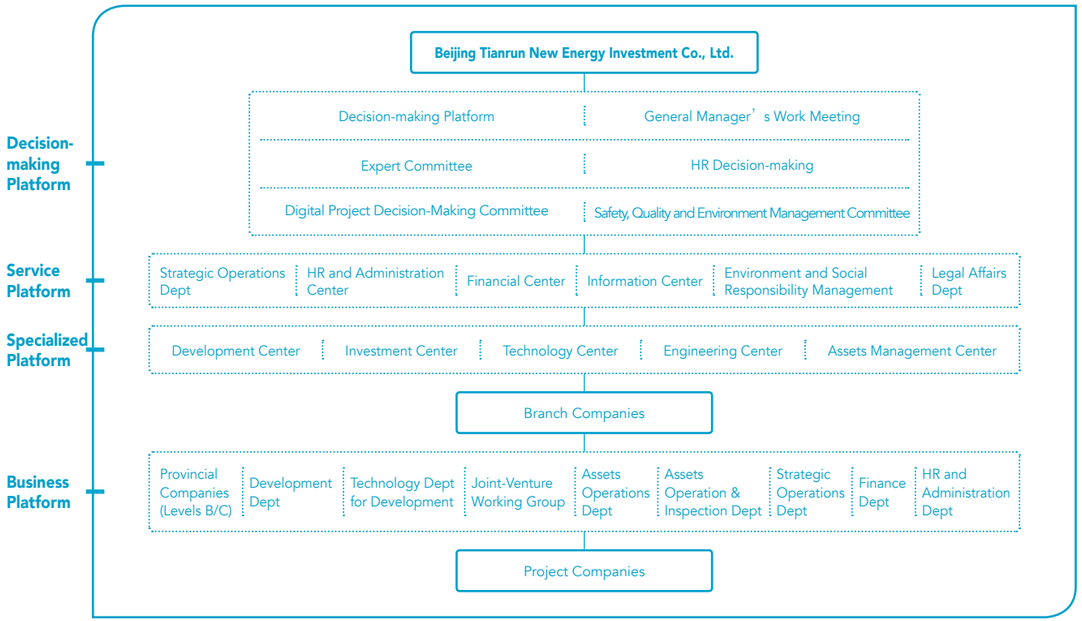
Corporate Governance

Governance System

Tianrun New Energy improved its corporate governance structure and regulated operations in accordance with the requirements of laws and regulations such as The Company Law and The Securities Law. At the headquarters level of the Company, we have established a governance structure consisting of the Board of Directors and the management. The Board of Directors consists of 5 directors. At the subordinate joint-venture level, we have formed a governance structure consisting of the joint-venture's Shareholders Meeting, Board of Directors, Board of Supervisors as well as the joint-venture's management. The joint-venture's Board of Directors has 3-5 directors.

Demonstration base for a culture of integrity

Organizational Structure of the Company



Risks identified

211

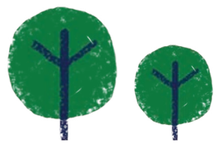
Reinforcing Supervision

In order to reinforce comprehensive risk management, Tianrun New Energy prepared the Risk Management System, established the Risk Management Committee, made clear the general goals and management principles for risk management, created the risk framework, improved the risk management database, conducted a risk test at the headquarters of Tianrun, and realized comprehensive risk management covering five risk categories, respectively strategic risks, financial risks, operational risks, and legal risks. As of the end of 2017, the Company built 14 risk control matrixes, and identified 211 risks, including 52 major risks, 71 important risks, and 88 general risks.

The Company strictly implemented the Group's Supervision and Inspection System for Internal Control, and strived to regulate and improve the job-related behaviors including project development, project construction, assets management, and function support. In order to regulate the work behaviors of the employees, and to prevent and control frauds, the Company, in accordance with the Group's Anti-fraud Regulations, prepared the Integrity Management System, established a permanent anti-fraud organization, and announced the hot line and email to receive complaints and reports. In addition, the Company also established a demonstration base for a culture of integrity, and organized all-year-long, seamless publicity activities across the headquarters, branch companies, wind farms, and project offices, to drive home the spirit of "running business with law and integrity".

Being Legal and Compliant

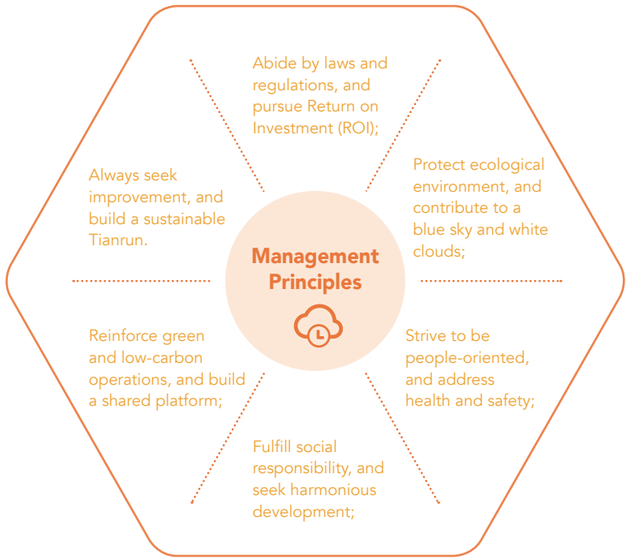
Tianrun New Energy adhered to law-based governance, operations and management, strived to reinforce the legal compliance system, and compiled guiding documents such as the Management System for Legal Affairs and the Handbook for Preventing Legal Risks in the Standard Legal Management of Joint-Venture and Cooperation Issues in accordance with the needs for business development, to ensure lawful and compliant operations of the Company. In 2017, the Company provided 9 sessions of legal training throughout the year, benefitting more than 80 employees. The Company increased the number of legal professionals, to provide legal assistance for contract review, dispute resolution, investment and M&A, and legal education. In 2017, the Company's economic contracts were 100% reviewed by legal professionals, and more than 3,000 contracts were reviewed.



Social Responsibility Management

Pursuing the coordinated development of environment, economy and society is the inevitable choice for the Company to realize sustainable development. With this in mind, we reinforced social responsibility management, and created a social responsibility management system in accordance with the requirements of IFC's Performance Standards on Environmental and Social Sustainability, to drive the integration between social responsibility and our wind farm business.

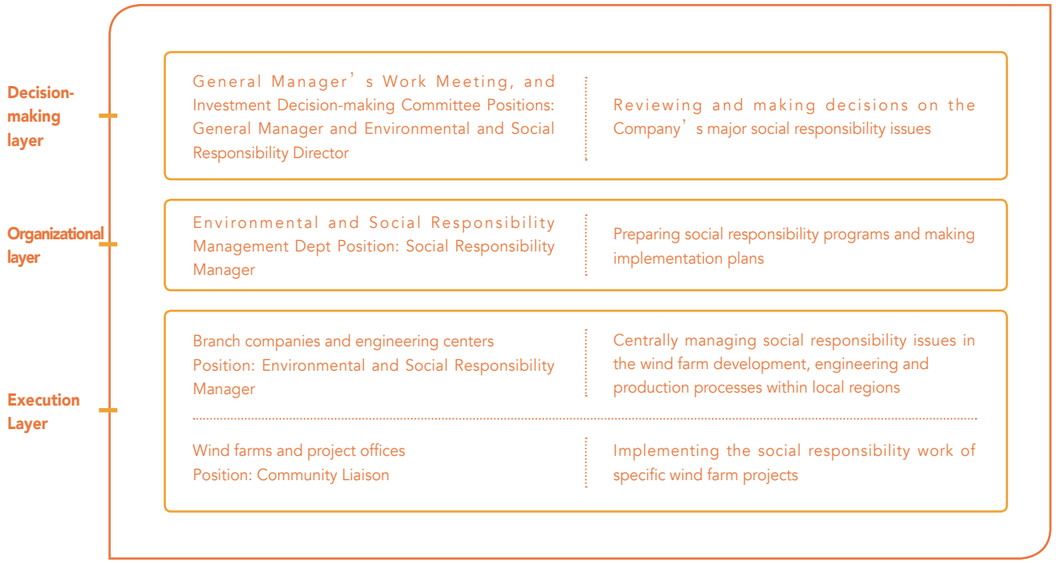
Responsibility Management



Management Structure

In 2017, the Company reinforced social responsibility management by creating a four-level management system, to ensure the implementation of IFC's Performance Standards on Environmental and Social Sustainability across the Company.

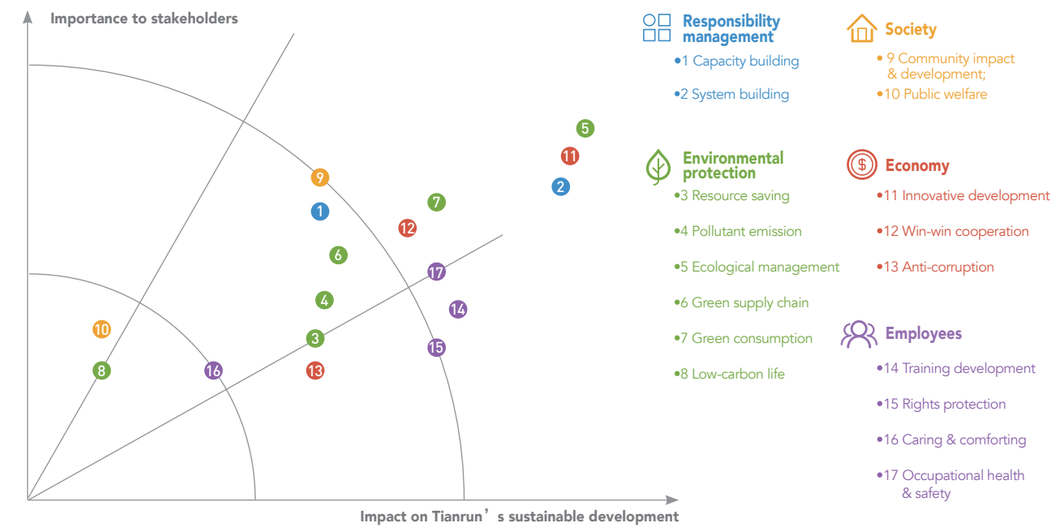
Tianrun's system for driving social responsibility management



Substantial Topics

In order to improve sustainability management, the Company shorted out 17 social responsibility topics in 5 categories based on domestic and international social responsibility standards, in conjunction with the national development plans as well as relevant policies and regulations for the wind farm industry, the social responsibility practices of our peers and the Company's own development strategy for the current stage, in addition to the research conducted on stakeholders, analyzed the key topics from two dimensions—the impact on the Company's sustainable development and the importance to stakeholders, and established a substantial matrix, to lay a foundation for the Company to drive sustainable development in the future.

The substantial matrix for the Company's sustainable development in 2017



Responsibility Studies

In 2017, the Company took a lead in domestic enterprises to adopt IFC's Performance Standards on Environmental and Social Sustainability, developed documents for the "1+9+3" social responsibility management system, compiled the Tianrun New Energy's Special Planning on Quality, Safety, Environmental Protection, and Social Responsibility 2018-2020 and the Environment and Social Responsibility Monthly Report metrics system, and also conducted a self-assessment in accordance with IFC's Environmental and Social Management System Self Assessment and Improvement Guide, to reinforce the integration between social responsibility and business operations.

"1+9+3" social responsibility management system documents

1 newly prepared secondary document	· Social Responsibility Management Policy
9 newly prepared tertiary documents: (1) Management Measures for Environmental and Social Risks	· Management Measures for Consultation with and Participation of Stakeholders · Management Measures for External Communication and Complaining Mechanisms · Management Measures for Labor and Work Conditions · Management Measures for Community Health, Safety and Security · Management Measures for the Sustainability of Biological and Natural Resources · Management Measures for Land Acquisitions and Non-voluntary Relocations · Management Measures for Ethnic Minority Affairs · Management Measures for Cultural Heritages
3 amended secondary and tertiary documents	· Management Policy for Environmental Protection and Soil and Water Conservation · Management Measures for Energy Resources · Supplier Management System

"The corporate social responsibility (CSR) should be integrated into corporate strategies, and every employee should fully understand and fulfill social responsibility at work."
—Xue Naichuan, General Manager, Tianrun New Energy

Capacity Building

In order to promote all employees to embrace social responsibility, in 2017 the Company organized multiple levels of social responsibility training for senior executives, middle-level management personnel, each organization's social responsibility liaisons, as well as people from branch companies, wind farms, project offices and wind farm project suppliers. This helped to increase understanding of social responsibility and allowed them to gradually integrate social responsibility into their own business practice. In 2017, we organized a total of 8 social responsibility training events, benefitting over 350 people.

Employees receiving training

350

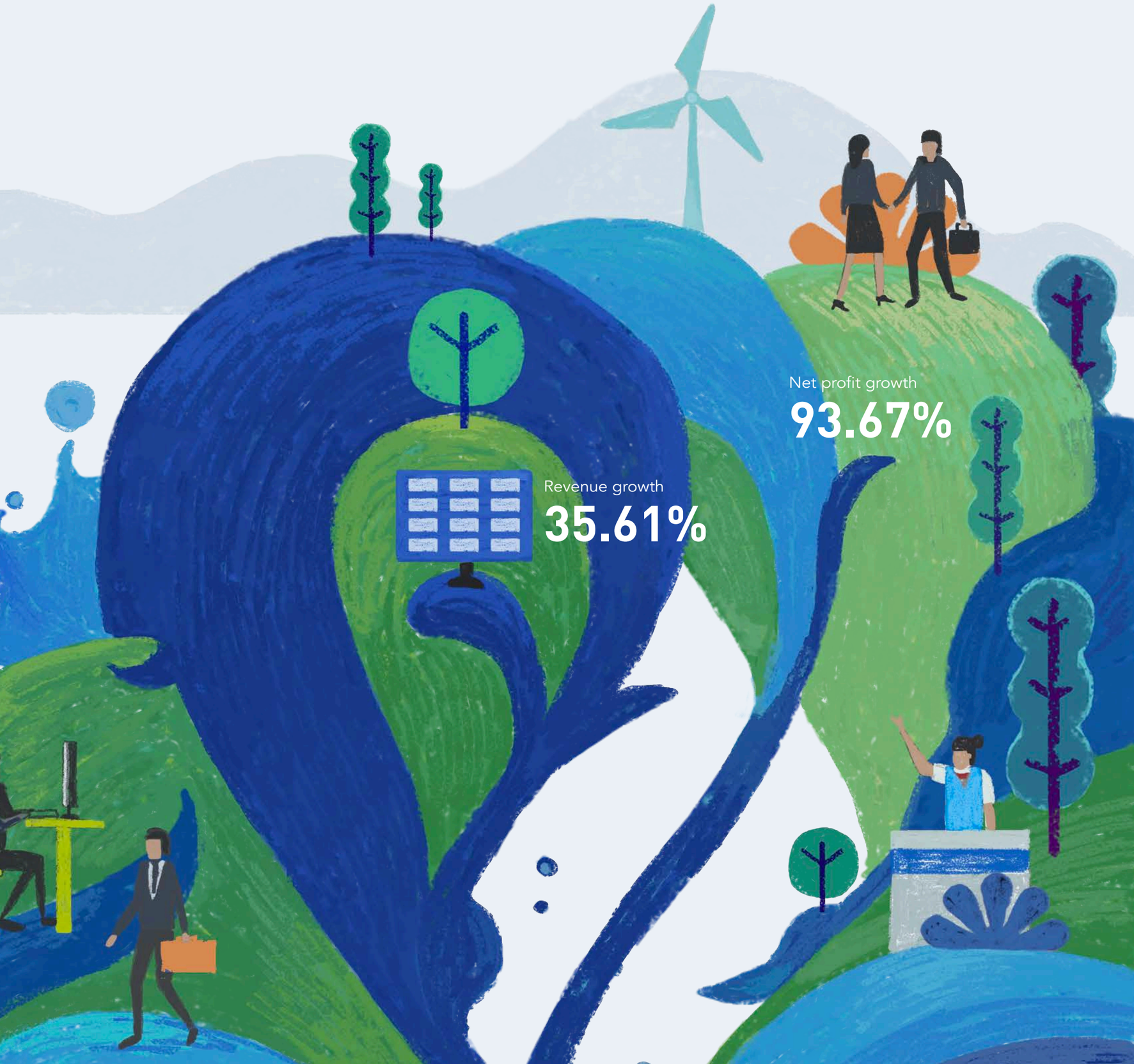
Director Li Zaiqing is providing social responsibility training for employees of a branch company

Responsibility Communication

The Company took the communication with stakeholders seriously, and established multi-level mechanisms for regular communications and conversations. On each site of wind farm projects, the Company assigned a community liaison responsible for liaising and coordinating with communities on a regular basis, to maximize the benefits of our projects for local stakeholders and to minimize the negative impacts.

Stakeholders	Expectations and Requirements	How to Communicate and Respond
Governments and regulators	· Law-based tax paying · Compliant operations · Employment promotion · Green and low-carbon · Development of local industries · Targeted poverty reduction · Intelligent	· Pay the amount of taxes required · Create jobs · Build digital wind farms · Compile the Assessment Standards for Green Wind Farms · Workshops · Work reporting · Participate in community development
Shareholders	· Transformation and development · Solid operations · Lean management · Information disclosure	· Digital products · Workshops · Work reporting · Information submission
Suppliers	· Fair procurement · Honest and credible · Win-win cooperation	· Capacity support · Suppliers conference
Employees	· Rights protection · Career development · Compensations and benefits · Occupational health · Work-life balance	· People at Tianrun · New employee workshops · Employee engagement survey · Workshops for employees working in the field · Regular physical exams · Conference of employee representatives · GM's mailbox · Official WeChat platform
Local communities	· Community development · Helping the poor · Employment opportunities	· "Wind for the Future" charitable project · Community workshops
Customers	· Technical support · Low-carbon development · Quality services	· Innovative products · "Housekeeper-style" electricity selling service · Regular workshops · Mechanism for regular reporting and communication

Increasing Vitality through Innovation



Net profit growth

93.67%

Revenue growth

35.61%

Transformation and Development

Innovation is the driver for the Company to achieve sustainability. Guided by the "shared development" concept, we leveraged our rich expertise in wind farms to drive more entities in the society to work together with us to build a fist-class platform for the sharing of clean energy services.

Our Management

Philosophy

Build a shared platform for products and services across the industry chain focusing on wind farms, and create an ecosystem for the sharing of clean energy services centered on wind farms.

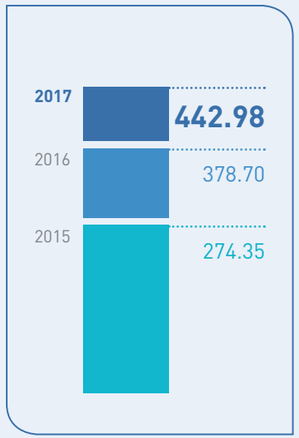
Results

In 2017, the Company's revenue was RMB3.1 billion, growing 35.61% year on year, and net profit was RMB1.4 billion, growing 93.67% from 2016. As of the end of 2017, the Company's cumulative external investments reached RMB24.5 billion, and cumulative tax payments were about RMB420 million. The Company played a role in driving local economic and social development.

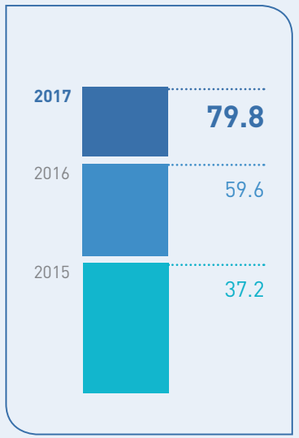
Cumulative external investments RMB

24.5 billion

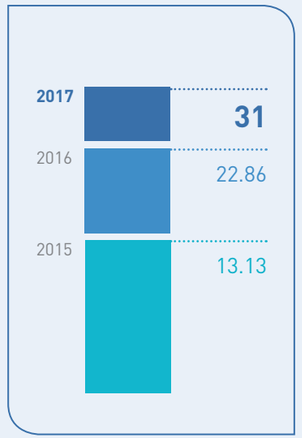
Installed capacity of all wind farms (unit: 10,000 kW)



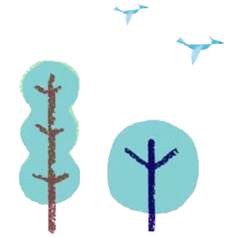
Total power generation of all wind farms (unit: 100 million kWh)



Revenue (unit: RMB100 million)



Shared Development



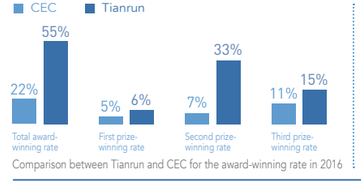
Development of Scale

The Company has been actively increasing the scale of its traditional wind farm business and reinforcing the in-depth exploration of resources. In 2017, the Company established 14 provincial companies with a balanced layout; adhered to the "two-wheel drive" practice of independent development and joint-venture/cooperation, and the newly approved generating capacity for all sizes of wind farms was 2.3359 million kW for the whole year; and innovated with the ability to obtain resources from diverse sources, quickly advanced the distributed wind power business, obtained 7 independent development projects with a capacity of 140 thousand kW and 1 independent development project for distributed photovoltaic business with a capacity of 5.5 megawatts, and had renewable energy mini-grid demonstration projects approved with a capacity of 420 thousand kW. In addition, the Company continued to optimize costs across the value chain and reduce the per kWh cost of electricity.

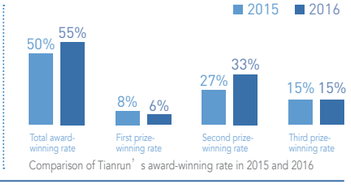
Tianrun New Energy Achieved a Great Result in the Nationwide Competition of Wind Farms

Since 2016, Tianrun New Energy has reinforced the effort to sort out and optimize the management model for its production system, and has been actively driving standardization, lean management, internal benchmarking and incentives (the accountability of wind farm's head), and technology innovation, as well as establishment and application of the EAM and centralized control systems. This has effectively increased the operating efficiency of wind farms, cemented the foundation for work safety, and reduced the cost of production.

In the 2016 competition of nationwide wind farms for the statistical indexes of production and operation announced by the China Electricity Council (CEC) in August 2017, Tianrun's 33 wind farms participated in the benchmarking and competition, and 18 of them won the awards.

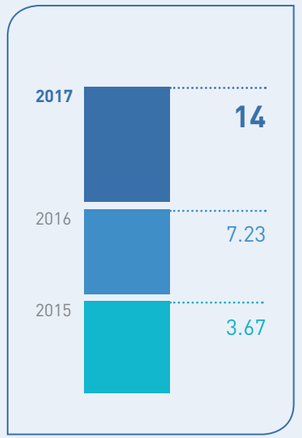


Comparison between Tianrun and CEC for the award-winning rate in 2016

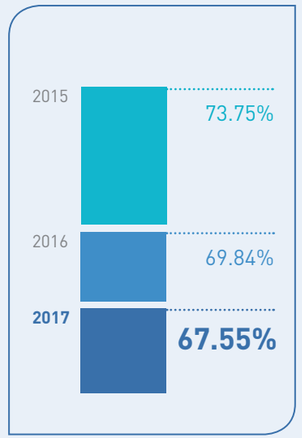


Comparison of Tianrun's award-winning rate in 2015 and 2016

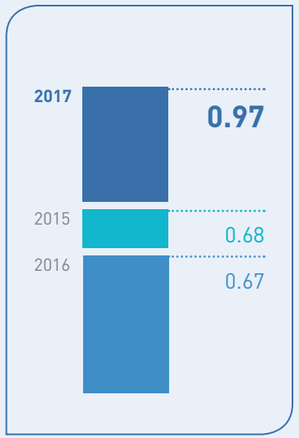
Net profit (unit: RMB100 million)



Debt to assets ratio



Tax payments (unit: RMB100 million)



Innovative Development

Trading of electricity completed in 2017

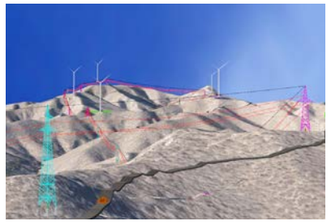
1.921 billion kWh

The Company followed the "shared development" philosophy, leveraged its advantage in the development and construction of wind and light resource projects, in wind farm operation, as well as in project financing etc., and adopted the green standards, to form and deliver products across the value chain from development, engineering, production, operation, sales and technology to financing of clean energy projects focusing on wind farms, to share our service capabilities and accomplishments with a broader range of stakeholders, and to create a bigger green value for the entire society.

Currently, the Company's asset management business has had a clear system for product definition, design and pricing, and has established an integrated service platform centered on "centralized control + regional operation inspection + EAM system". In 2017, the Company managed 4.2813 million kW of its own assets, and signed asset management agreements with external customers for 100 thousand kW of assets.

In addition, the Company also built a comprehensive, multifunctional platform for its electricity market business to meet the need for future development and realize service transformation. In 2017, the Company completed trading of 1.921 billion kWh of electricity with a total value of RMB842 million, signed contracts for selling 650 million kWh of electricity, and locally absorbed 5.2 megawatts of load. The additional power distribution grid of 240 square kilometers in Zhuzhou was approved by the government.

The Company developed the digital system for the wind-measuring tower and the development map



The Company adopted digital design for wind farms

In November 2017, the Company held a ceremony to kick off product incubation for the shared platform of clean energy services, and launched products across the value chain including the green & smart wind farm assets management service and the one-stop low-carbon energy efficiency service.

The Green Smart Wind Farm Asset Management Service

In order to enable more customers to enjoy the more specialized wind farm O&M service, the Company built the "centralized control + regional operation inspection + EAM" management model into a wind farm asset management service. This product uses information technology to realize the unattended operation of wind farms with very few people on duty. It reduced the O&M cost of wind farms and improved management and operation.

Management Improvement

Strategic Management and Control

In 2017, the Company established a closed loop for strategic management, realized the application of strategic management tools in strategic review, business planning and regional development planning, and formed a unified strategic language for Tianrun. The Company created crisscrossed mechanisms for communicating, connecting and empowering, to turn strategies from abstract concepts into concrete steps, and to achieve a strategic consensus to the maximum extent possible. In addition, the Company created a mechanism for breaking down strategic indicators based on a balanced scorecard, to combine the KPIs and key tasks of the annual business plans and statement of targets and tasks with the planning closely together, to ensure that all the strategies are implemented. The Company connected the key aspects of the strategy, organization and performance, and demonstrated the organizational value in the implementation of strategies.

Organizational Transformation

To ensure the implementation of the "shared platform for clean energy service" strategy, the Company created the organizational management and control system starting from strategies, kicked off organizational transformation using the Handbook for Organizational Standardization as a tool, and followed the principle that "the headquarters should grow stronger, the branch companies should do a solid job, and the project teams should be detail-oriented" to move the Company's core internal business capabilities downward to the frontlines, to let the branch companies do a solid job in ensuring accountability in the project-based management system, and to sort out the organizational positioning, organizational responsibilities, management and control interfaces, key management and control processes as well as job criteria of all the centers, departments and branch companies.

In November 2017, all entities of the Company released the Handbook for Organizational Standardization, to make clear the positioning of the headquarters and the branch companies, i.e. the headquarters as the service platform and specialized platform is responsible for providing backend support and specialized guidance for field operations, and takes on the function of empowering field operations and incubating innovative businesses for their development at the frontend; the branch companies as the platform for field operations are responsible for regional business development directly facing markets and customers, to guide personal flow and resource allocation through field operations, to enable the efficient and obstacle-free operation of their organizations, and to lay a sound foundation for building a shared platform for products and services.

Process Optimization

In conjunction with the requirements for strategic transformation and organizational transformation in 2017, the Company comprehensively sorted out, adjusted and optimized the online process of the OA platform in accordance with the Handbook for Organizational Standardization released in 2017 as well as the requirement for process improvement, to ensure the effective implementation of organizational transformation, to increase the efficiency of organizational operation, and to comprehensively increase the Company's competitiveness.

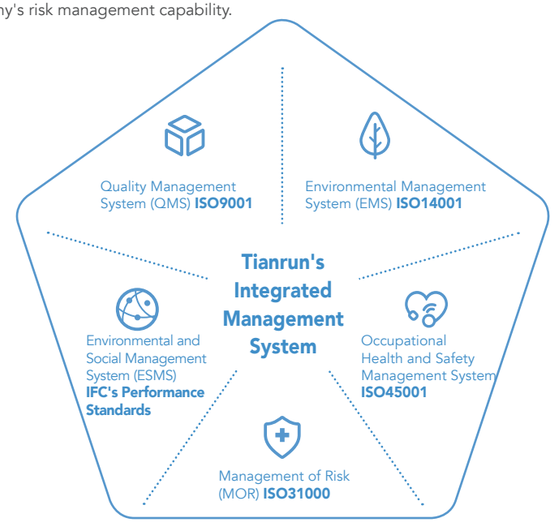
40%

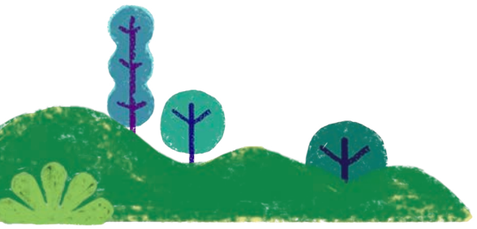
Reduction rate

Comprehensive System Management

In order to meet the need for transformation and development, in 2017 the Company launched the "Integrated Management System Optimization Program", to refine the Company's quality, environmental and occupational health management systems in accordance with the Quality Management System's Requirements (GB/T 19001-2016) and the Environmental Management System's Requirements and User's Guide (GB/T 24001-2016), and adopted IFC's Performance Standards on Environmental and Social Sustainability, to improve the Company's risk management capability.

Through review and optimization, the number of the Company's management documents were reduced from 318 to 188, with a reduction rate of 40%. In order to ensure that the management documents are consistent with the organizational management and control handbook, to carry its content about management and control interfaces, authorization guidance as well as key management and control processes, the Company comprehensively and simultaneously amended the streamlined management documents before releasing them.





Lean management projects completed

35

Economic benefits RMB

> 100 million

Lean Management

In order to cope with the pressure caused by the same price for both electricity from wind farms and electricity from coal-fired plants, and to meet the need for the lifecycle asset management of wind farms in the innovative development process, in 2017 the Company deepened lean management, set up the Company's leadership group for lean management led by the General Manager as well as the group for driving lean management led by the Director for Environmental and Social Responsibilities, appointed the liaison for each center, each organization and each branch company and defined their responsibilities, and compiled The Lean Project Management Measures and The Lean Management Targets and KPIs, to make sure that lean management is integrated into the day-to-day work of each organization.

The Company focused on advancing the precision O&M of wind farms, the monitoring and analysis of energy consumption and loss, the shortening of the construction period of wind farms, the loss management and analysis in project delivery, equipment optimization, tower weight reduction, the management of common quality issues, the prevention of major safety risks, the cost reduction, performance improvement and technical retrofitting of operating wind farms, as well as the improvement of internal management efficiency to reduce cost, to improve performance, and to increase productivity. In 2017, the Company completed 35 lean management projects and 9 lean improvement projects with cumulative direct and indirect economic benefits of over RMB100 million, and achieved 26 results of standard management, with 17 employees obtaining the certificate from the Six Sigma management training.

Hybrid (Steel-Concrete) Tower

The Application of the Multiscale Method in the Site Selection of Wind Farms won the third prize of the 2017 Power Construction Science and Technology Progress Award

Lean Management Project for Increasing the Energy Efficiency and Reducing the Energy Consumption of Wind Turbines

In order to reduce the power consumption of the wind turbines in standby mode, the Company set up a specialized team and proposed the turbine customization concept. The project team initiated the effort to produce the customized designs and drawings for the towers, completed the weight reduction optimization of the towers, and reduced the weight of the towers while meeting the entire tower's fatigue load and ultimate load through strength analysis, fatigue analysis and frequency analysis.

In 2017, the project team completed the calculation as well as the weight reduction designs and drawings of the towers for a total of 10 projects (627MW) and 316 turbines, and the towers of the turbines reduced a total weight of 4,224 tons and saved RMB31.68 million, with each tower reducing weight by 13 tons on average, with the cost being reduced by RMB51 for every kW of electricity, and with a total reduction of carbon dioxide emissions by 10,560 tons during the steel production process.

Innovative Management

In order to facilitate the transformation and development of the wind farm business, the Company has been actively innovating in areas including the development of wind and light resources as well as the design of wind farms, thus to increase its competitiveness. In 2017, the Company spent nearly RMB1 million on product R&D, and for the first time received 21 Notices of Patent Application Acceptance (including 10 invention patents and 11 patents for practical and new products).

In addition, in order to encourage the employees to participate in innovation, in 2017 the Company rewarded individual employees or organizations that had made creative and prominent contributions in accordance with The Group's Incentives for Innovation, and completed and filed for 18 group-level innovations. Meanwhile, in conjunction with the effort to deliver quality projects, the Company obtained 3 provincial and ministerial awards for technology accomplishments and 3 provincial and ministerial awards for management accomplishments.

Tianzhuang Runjin Wind Farm Named One of the "Ten Excellent Clean Energy Demonstration Projects"

The Tianzhuang Runjin Wind Farm follows the "whole-process green and environmental protection" philosophy, and implements "lean management" and "efficiency promotion with technical innovation". It adopted steel-concrete tower and frame design for 18 wind turbines, conducted tests on the 121-meter impeller-bending blades based on the steel-concrete tower, applied the ESS[2] wind farm energy-saving group control system and cluster controller, so as to help the wind farm raise productivity in spite of low wind speed and improve overall energy efficiency management.

In 2018, the Tianzhuang Runjin Wind Farm was named one of the "Ten Excellent Clean Energy Demonstration Projects" by the organizing committee for the 2018 China Clean Energy Week (CCEW2018).

Integrated Design of Wind Turbine's Built-in Box-type Transformers

In order to build environment-friendly wind farms and reduce the occupation of farmlands by wind farms, the Company conducted a study for the integrated design of wind turbine's built-in box-type transformers. Take the 2.0 MW wind turbines with a 2.2 MVA transformer capacity as an example. Adopting the build-in box-type transformer solution can reduce construction cost by RMB123,000 per unit and save the occupation of farmlands by 22 square meters compared to conventional outdoor box-type transformers, and there are also sound environmental and social benefits.

2: ESS:Energy Saver System.

Quality Management

In conjunction with the new requirement of the adjustment of the Company's organizational structural for quality management, the Company integrated and amended the quality management systems, and released four quality management documents of new versions including the Quality Management System. This helped to increase the Company's quality management efficiency.

The Company formulated The Handbook for the Construction Quality and Technical Standards of Wind Farm Projects, and also conducted field benchmarking assessments and organized the "Quality Month" campaign in accordance with The Commissioning Standards and Benchmarking Assessment Standards for Wind Farm Projects, to drive the improvement of the construction quality management for wind farm projects.

In order to meet the need for green transformation, the Company compiled The Assessment Specifications for Straight-A Green Wind Farm Projects based on the lifecycle concept, and formed the assessment metrics for resource selection, microscopic site selection, design, equipment selection, procurement, construction, acceptance, O&M, and economic & social benefits. This made up for the existing acceptance standards as well as the assessment metrics for the industry-level and national-level quality projects, which lean toward quality without an ROI indicator and a social benefits indicator, providing the assessment basis for the Company's green wind farms or quality projects.

Tianrun's quality philosophy for the production activities of power generation

- Regard the best-performers as the benchmark
- Generate as much power as you should
- Repair wind turbines as long as they should be repaired
- If you repair wind turbines, you must ensure that they can work after repairing

Tianrun's quality philosophy for the construction activities of projects

- Do it right once for all
- Deliver a quality project once for all
- Make ongoing improvements
- Adopt advanced KPIs

The Assessment of the Zhaixingshan Wind Farm in Zichuan based on The Assessment Specifications for Straight-A Green Wind Farm Projects

The Xintian Yandun 7C Wind Farm in Hami, Xinjiang received the 2017 China Electric Power Quality Engineering Award, the 2016-2017 National Quality Engineering Award, and the 2017-2018 China Installation Star Award.

Win-win Cooperation

Creating a shared value is the basis for business cooperation. We adhered to the "mutually beneficial and win-win" philosophy, to proactively build a shared platform for cooperation, to leverage all entities' unique advantages, to pursue development together, and to strive to create an ecosystem for the sharing of clean energy services.

Our Management

We champion doing business with integrity, follow the "shared development" concept, and join hands with our partners for a win-win result.

Multiparty Cooperation

Customer Services

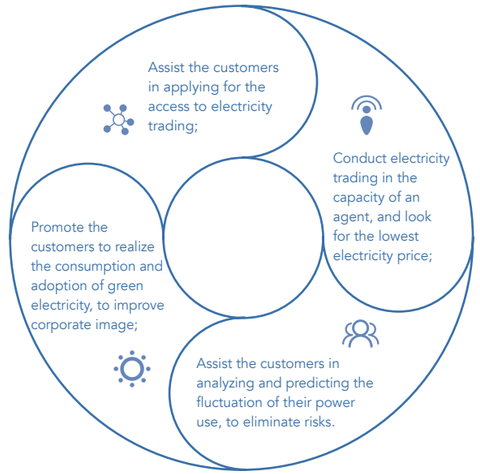
In order to cope with the structural reform of the country's power sector and drive the Company's transformation and development, in 2016 the Company set up the Electricity Market Department, created a complete sales & marketing system across the value chain, and established an electricity selling company called Jinrun Green Energy, which adopts the "tech + finance" service concept for electricity selling, to reduce cost for the users, to reasonably control errors, and to provide a convenient, "housekeeper-like" electricity selling service for the users.

Today, the Company has 6 wholly-owned subsidiaries around the country to sell electricity, and has finished the registration and public announcement at electricity trading centers in 22 provinces and autonomous regions.

金润绿能 JINRUN GREEN ENERGY

Improving Customer Satisfaction

In order to improve customer satisfaction, Jinrun Green Energy created a mechanism for the regular communication with and reporting for the customers, to provide housekeeper-like electricity selling service acting as customer's agent, with the following measures:



Suppliers in total

139

Management of Suppliers

The Company adheres to "sunshine" procurement, proactively treats the suppliers well, and keeps reinforcing the supervision over the environmental and social management performance of the suppliers. As of the end of 2017, the Company had 139 suppliers[3], of which 59 were equipment suppliers and 80 were construction contractors.

In 2017, the Company amended the Supplier Management System, created management KPIs on multiple fronts including R&D capability, after-sales service system, as well as quality, safety and environmental management capabilities, and gave priority to purchasing from suppliers that obtained the Green Supply Chain Certification and had a sound social responsibility management system under the same conditions. In addition, the Company also prepared the Principle for Handling the Negative Behaviors of Suppliers, to suspend or cancel purchases from suppliers that had problems in safe and civilized production or in integrity and credibility, or were found to hire child labors, to have forced labors, or to have major risks with the safety of their employees, so as to reduce risks from the suppliers.

Supply Chain Financing

The Company pursues the concept for a coordinated value chain and innovates with the financing model. We leveraged the sound credit rating established during the trading between Goldwind Sci & Tech and upstream suppliers to expand the financing channels for the suppliers. The Company provided a loan of RMB188.9003 million to Runshida Engineering Co., Ltd., which is an upstream general EPC (engineering, procurement and construction) contractor for the Tianshi Wind Farm Co., Ltd. in the Pinglu District of Shuozhou City, to enable the supplier to get a loan faster and at a lower cost, and to support its development.

Shanghai Stock Exchange's First Green Asset-backed Securities (ABS) Launched

On August 26, 2016, the "NONG YIN SUI YING-Goldwind Sci & Tech Securities Backed by the Green Assets of Income from Charges Collected by Wind Farms" was launched on the Shanghai Stock Exchange. This program is the first green debenture of the Shanghai Stock Exchange accredited by two famous international green accreditation organizations: Det Norske Veritas (DNV) providing the green certification, and International Finance Corporation (IFC) providing the green performance evaluation.

This deal securitized the income from the charges collected by the 5 wind farms of Tianrun over the 5 years in the future as the basic assets. According to the estimation, during the 5-year term of the program, the green electricity generated by the 5 wind farms could reduce the greenhouse gas emissions by about 2.4 million tons, equivalent to the saving of 858,000 tons of standard coal.

ABS Launch Ceremony

[3]: They are all Chinese companies.

Assessment of project financing

IFC's Performance Standards on Environmental and Social Sustainability

Cooperation with Banks

The Company has established strategic partnerships with numerous renowned financial institutions, and has also been actively exploring diverse financing models such as the lease of equipment through financing, supply chain financing, and industrial fund. The Company gradually adopted IFC's Performance Standards on Environmental and Social Sustainability in the assessment of project financing, to take economic, environmental and social factors into consideration, thus to ensure that the environmental and social risks of the projects financed are controllable.

Cooperation with Peers

We adhered to the philosophy of "leveraging the advantages of each other to pursue mutually beneficial and win-win results", to collaborate extensively with domestic and international companies, to improve our operational capability, and to drive the development of China's wind farm industry.

Tianrun New Energy and Wind Magics Formed a Strategic Partnership

On November 15, Tianrun New Energy and Wind Magics signed an agreement for strategic partnership. Under the agreement, the two companies will utilize their respective advantages on the value chain to develop quality wind resources and provide wind farm consulting and designing services, to increase the market share and achieve synergy and a win-win result.

Driving Growth through Green Operations

Spending on environmental protection and water and soil conservation RMB

51.1513 million

Zero-carbon wind farm on Tianpai Mountain

NO.1

Climate Change

Increasing energy efficiency and reducing carbon emissions is the inevitable choice for addressing climate change. Starting from ourselves, we reinforced the effort to drive the low-carbon transformation, and leveraged our own advantage in the industry to lead people from all walks of life to practice the low-carbon concept and seek sustainability together.

Our Management

Philosophy

Consider the low-carbon factor throughout the lifecycle, and join hands with partners to build a low-carbon society together.

Cumulative reduction of carbon dioxide

27.38 million tons

Performance

In 2017, the Company's overall energy consumption per unit of output value was 0.01225 ton of standard coal/RMB10,000, and the amount of new energy used was 207 million kWh. As of the end of 2017, the Company had reduced carbon emissions by 27.38 million tons since it was founded.

The Performance of Wind Farms in Increasing Energy Efficiency and Reducing Emissions in 2017

Sulphur dioxide emissions reduced (unit: 10 thousand tons) **0.47**	**Reforestation (unit: 10 thousand cubic meters)** **446.3**	Emissions of nitrogen oxides reduced (unit: 10 thousand tons) **0.64**
Power generation (unit: 100 million kWh) **79.8**	Carbon dioxide emissions reduced (unit: 10 thousand tons) **817**	Soot emissions reduced (unit: 10 thousand tons) **0.15**
		Standard coal saved (unit: 10 thousand tons) **283**

The Company's Energy Consumption in 2017

Gasoline (unit: 1000 liters) **466.3**	**Total energy consumption (unit: 1 ton of standard coal)** **3797.9**	Diesel (unit: 1000 liters) **51.5**
Natural gas (unit: Cubic meter) **973**	Electricity (unit: 10 thousand kWh) **2617.4**	LPG Kg **5301**

The Company's Greenhouse Gas Emissions in 2017 (Unit: Ton)

Scope of Carbon Emissions	Energy Type	Carbon Dioxide Emissions	Total
Scope One	Gasoline	1048.46	1271.86
	Diesel	192.76	
	Natural gas	15.14	
	LPG	15.5	
Scope Two	Electricity	19135.65	19,135.65
Total			20,407.51

Low-carbon Development

The Company applied the low-carbon and environment-friendly concept, which seeks the harmonious coexistence with the nature, in the entire lifecycle of its projects, to refine the energy-saving and emission-reduction system on an ongoing basis, and to fulfill the low-carbon responsibility starting from itself. The Company took energy-saving measures from multiple aspects such as the utilization of project's wind resource, the selection of turbines, the layout plan, the selection of equipment, the construction plan, and the energy-measuring instruments to maximize the reduction of energy consumption. In addition, the Company used the electricity generated by its wind farms first, worked hard to increase efficiency and reduce consumption, and tried to reduce the reliance on traditional energy. In 2017, the Company implemented a total of 4 projects for increasing efficiency and reducing consumption, which saved 2.6328 million kWh of energy.

The Extension of Wind Turbine's Blade Tip

Since it was put into operation in 2013, the Yungaisi Wind Farm in Pinglu had been ranked No.1 in Shanxi for four consecutive years in terms of the number of hours utilized each year. In order to better increase the power generation efficiency, the wind farm implemented a retrofit project called "E-farm" to extend the blade tip. The diameter of the wind turbine's blades was increased from 822 m to 87 m, the swept area was increased by 660 m², and the power generation efficiency of each unit was increased by 5-8% under the same wind speed. This retrofit can maximize the power generation efficiency with minimum investment, reduce resource waste caused by the replacement of blades, and increase the utilization rate of wind resource.

The Use of Low-carbon Materials

The Company advocated green procurement, gave priority to using products with environmental symbols as well as those identified as "energy-efficient products to benefit the people" in the construction of wind farms, and gave priority to using low-carbon equipment and materials in glass, cement, transformer and other products. This is our way to deliver on our commitment to low-carbon development.

Green Consumption

As a shared platform for clean energy service, the Company is actively advocating green consumption, and is also leveraging its own expertise in green and low-carbon operations to provide comprehensive and specialized services to the outside for saving energy, for reducing carbon emissions, and for environmental protection, working together with various parties to build a low-carbon society.

Green electricity certificates sold in total

135

Trading of green electricity completed

220 million kWh

Green Electricity Certificate Trading

The Company is conducting green electricity certificate trading as a regular and institutionalized work, to reach out to and influence the stakeholders and surrounding communities through various forms and channels, and to encourage more businesses and individuals to join the action to use green electricity. As of the end of 2017, the Company had sold a total of 135 green electricity certificates.

The Company is pushing forward the collaboration with major MNCs such as Solvay, Walmart,IKEA, Budweiser, and Nike to drive green production and increase the application range of renewable energy together. In 2017, we completed the trading of green electricity of about 220 million kWh.

Tianrun and Apple Collaborate with Each Other on Green Energy

On December 7, 2016, Tianrun New Energy and Apple signed an Equity Transfer Agreement, under which the Company will transfer 30% of the equity in the 5 wind farms run by 4 companies it held to Apple, to drive the development of green electricity together.

Apart from equity collaboration, the Company will further seek green electricity trading with Apple's suppliers and work together with them to build a "green energy" business chain.

Xiyangtang Wind Farm in Qiaojia

Tianrun New Energy Attended the China Green Electricity Summit Forum

On July 1, 2017, the National Energy Administration, the National Development and Reform Commission, and the Ministry of Finance jointly organized the Conference for Promoting the Voluntary Subscription to the Green Electricity Certificates and the First China Green Electricity Summit Forum. The Taohuashan Project in Shishou applied by Tianrun New Energy completed the online trading as one of the first green electricity certificates.

Tianrun New Energy and DX Wind Completed the First Green Electricity Certificate Deal

> "We're a company specialized in the recycling of waste resources. The unique nature of our industry has determined that we have a higher requirement for environmental management. Tianrun provided services for our company in areas including greenhouse gas emissions accounting, energy efficiency management, as well as product's carbon footprint. This enabled us to have a comprehensive understanding of our own carbon footprint and energy utilization, and helped to improve our environmental management level."
>
> —Wei Qiong, Deputy General Manager of GEM Co., Ltd.

Carbon Trading

The Company has been conducting carbon trading ever since its inception, to turn our wind farms into carbon reduction projects through the carbon trading mechanisms, i.e. the Clean Development Mechanism (CDM) and the Chinese Certified Emission Reductions (CCER) mechanism. As of 2017, the Company had successfully registered 45 CDM projects and filed for 25 CCER projects, and at the same time, nearly 50 projects had completed the CCER review procedure and been filed with various levels of the Development and Reform Commission.

Green Plants

The Company introduced a series of products and services covering areas including energy saving and energy efficiency, general environmental protection, as well as carbon assets management and trading, to boost the green transformation of multiple companies by actively responding to the government's requirement for building a green manufacturing system, with its own advantages in energy, environment, and low-carbon areas.

Low-carbon Communities

Building low-carbon communities is an effective way to encourage the public to pursue low-carbon work, low-carbon life, and low-carbon mobility. The Company is contributing to the society's low-carbon transformation by providing green, low-carbon, smart city, smart campus and smart community services.

北京光合加科技有限公司
Beijing Green Plus Technology Co., Ltd.

Low-carbon Community Renovation

In November 2017, considering the status quo and uniqueness of the Bofeng Community in Fukang City, the Company provided a set of customized KPIs, development goals and development routes for building a low-carbon community to Bofeng.

This solution will implement low-carbon renovation to Bofeng with respect to green buildings, low-carbon transportation, rooftop photovoltaic panels, the sponge community initiative, comprehensive waste treatment, and smart mini-grid, to guide the entire community development process of Bofeng based on the low-carbon concept, to build low-carbon infrastructures such as charging poles for electric vehicles (EVs) and accessible roads, to adopt low-carbon property management, to create the carbon emissions management system and information management system for the community, to build a low-carbon culture and low-carbon lifestyles, and to create a beautiful and livable community environment.

Low-carbon Life

Low-carbon behaviors in everyday life

36

As a provider of green energy, we compiled and released the Handbook of Low-carbon Life for the Employees based our own practice, to provide a table for the fast calculation of carbon emissions in our everyday life, and introduced 36 low-carbon behaviors related to what we wear and eat, where we live, how we travel, and what we use in our everyday life, to make low-carbon life a daily habit for the employees.

Tianrun New Energy Held a Tree Adoption Ceremony at the Temple of Earth Park

In April 2017, Tianrun New Energy held a tree adoption ceremony and the 10th anniversary celebration of the Company at Beijing's Temple of Earth Park. This was part of the Company's effort to deliver on its mission to provide clean energy, to share a green life with the public, and to celebrate the Company's accomplishments over the past ten years.

On the site of the event, the Company adopted two ancient trees in the Temple of Earth Park, solemnly read The Company's Call to Action for a Low-carbon Life to All the Employees, distributed the Handbook of Low-carbon Life for the Employees, and also hung the signs to the ancient trees adopted by individuals.

Handbook of Low-carbon Life for the Employees

Group Photo at the Ancient Tree Adoption Ceremony in the Temple of Earth Park

Green Operation

Green operation is the foundation for the Company to achieve sustainable development. The Company adhered to the principle of "putting prevention first and combining prevention and treatment together", to engage in environmental management based on the lifecycle concept, to deepen the implementation of the "three at-the-same-times" system for construction projects in environmental protection and water/soil conservation, and to leverage its own advantage to drive the supply chain companies to seek green transformation.

Our Management

Environmental Philosophy

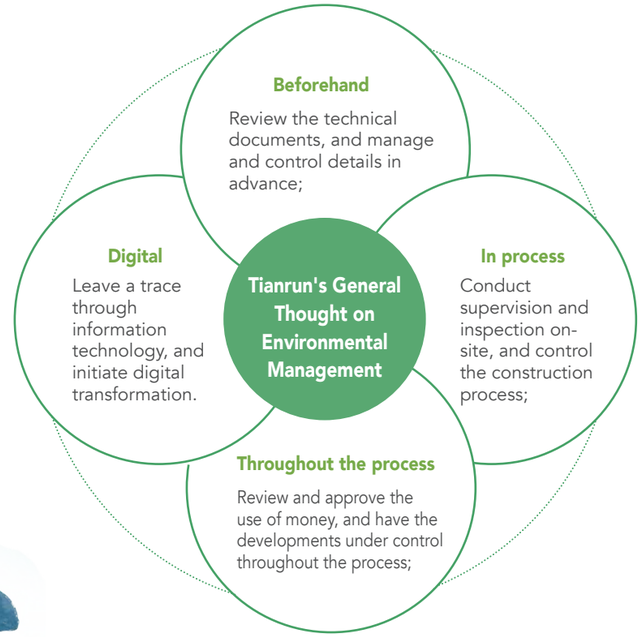
Protect the ecosystems can create value, and engage in green development is living up to our mission.

The Company proposed and compiled the Handbook of Environmental Protection as well as Water and Soil Conservation Standards in the Construction of Wind Farm Projects for the first time in the wind farm industry

System Management

In 2017, the Company upgraded its environmental management system based on the requirement of the Environmental Management System's Requirements and User's Guide (GB/T 24001-2016), established an integrated management system covering environment, occupational health and safety, quality, social responsibility, and risk control, and formed an environmental risks management system and emergency mechanism covering the early development, design and construction, and commissioning and operation of wind farm projects.

In order to ensure the implementation of the safety and environmental management systems, each year the Company would sign the Statement of Safety and Environmental Protection Goals and Responsibilities with the head of each organization, to ensure that safety and environmental management is integrated into the Company's day-to-day operations.



Construction Began for the First Green Wind Farm and the Preparation of the Assessment Standard Green Wind Farms Kicked off

In 2017, the Company kicked off the preparation of the assessment standard Green Wind Farms, to set clear technical requirements and assessment standards for wind farms in development, design, procurement, construction, commissioning, and operation stages on four dimensions: saving, environment-friendly, low-carbon, and healthy. Application will be made for this standard to become the group standard of the China Electric Power Construction Association (CEPCA) first, which will then become the national standard for the energy industry after a transitional period.

In addition, the Company also kicked off the construction of the first green wind farm (the Sangongshan project in Zongyang) as a pilot project, to make sure that it meets the assessment standard Green Wind Farms.

Education and Training

The Company was reinforcing the improvement of the environmental awareness for all the employees, and had this demonstrated in the day-to-day work of wind farm projects. In 2017, the Company organized multiple levels of lectures and training on environmental protection as well as water and soil conservation knowledge, to make sure that the knowledge is adopted in various business systems including development, engineering, and production. The Company provided more than 10 training sessions on environmental protection as well as water and soil conservation throughout the year, covering 335 employees.

Increase of spending on water and soil conservation compared to that in 2016

5.83 times

Environmental Performance

In 2017, the Company increased spending on water and soil conservation, and the spending in the whole year reached RMB51.1513 million, 5.83 times[4] more than the spending in 2016. In addition, the total value of projects related to environmental protection as well as water and social conservation for which the Company already invited for bid and/or signed the contract exceeded RMB150 million.

> "Environmental protection, water and soil conservation, and social responsibility are at the core of Tianrun's strategy. We should plant them into the DNA of the Company and let the fulfilment of our environmental and social responsibilities become the common action of all the employees."
> —Xue Naichuan, General Manager of Tianrun New Energy

The Environmental Management Conferences

In 2017, the Company reinforced environmental management and its implementation at work by holding two conferences on this. All the executives of the Company including General Manager Xue Naichuan attended the conferences. At the conferences, the attendees studied the basic knowledge about environmental protection as well as water and soil conservation in addition to the latest legal requirements, and came up with the specific solutions for the Company's environmental protection as well as water and soil conservation issues at the current stage, making sure that they would be implemented.

General Manager Xue Naichuan Is Speaking

[4]: In 2016, the Company's strategic focus shifted toward Eastern China and Southern China. The topography of the local regions is mostly mountain, and building wind farms caused certain changes to the natural landscapes and environments of the regions. Besides, these regions had higher requirements for the environmental protection as well as water and soil conservation measures of construction activities such as the construction of wind farms. Therefore, in 2017 the Company's spending on environmental protection as well as water and soil conservation increased significantly.

Environmental Protection

Water

The water used by the Company and its wind farms is from the municipal water supply, underground water, and delivery by water trucks. In 2017, the Company's consumed 31.3 thousand tons of water in total. In order to increase the utilization rate of water resource, in connection with the local reality of the wind farms, some wind farms of the Company had facilities for the reuse of the recycled water. In 2017, the Company reused 932.38 tons of recycled water.

In terms of sewage disposal, during the construction stage of wind farms, it is mainly construction waste water and domestic waste water containing mud or sand, which, after classification and treatment to meet the required standard, is used to water the construction sites and roads as well as the plants in the surrounding areas. During the operation stage of wind farms, it is mainly domestic waste water, which after integrated treatment to meet the required standard, is used to water the plants within the wind farms. In 2017, the Company, the branch companies, and the wind farms discharged a total of 19,300 tons of domestic waste water, which was discharged to the environment or the municipal sewage pipelines after being treated to meet the discharge standard.

The Company's Water Use in 2017 (unit: 10 thousand tons)

Resource Type	Usage
Municipal water supply	0.94
Underground water	0.84
Delivery by water trucks	1.35
Total	3.13

Pollutants in the waste water discharged by the Company in 2017 (unit: ton)

Type		Amount Discharged
Waste water discharged	Suspension	1.35
	COD	1.93
	Ammoniacal Nitrogen	0.29

The waste water treatment facilities of wind farms

Turning Cooking Fumes into Useful Substances

n order to ensure a healthy working environment for the employees, based on the booster station's environmental requirement, the Dashantai Wind Farm in Pinglu renovated the cooking fumes collection system. This system consists of the exhaust pipe and the oil barrel (containing soil in it). It is a semi-closed structure. The collected fumes leak into the soil within the barrel, and the oil-soil mixture formed, after buried to ferment for a period of time, can become an organic fertilizer.

Cooking Fumes Collection System

Waste Gases

During the construction stage of wind farms, main air pollutants are the dust produced in construction and transportation. The Company required the construction organizations to prepare a dust management plan on the construction sites and assign a dedicated person to take charge of this. No construction is allowed without such a plan. During the operation stage of wind farms, main air pollutants are exhaust fumes from employee canteens. By installing the purification device on the rooftop of canteens, we could ensure that the elimination rate of exhaust fumes is over 60% (small scale), to meet the discharge limits required in the Discharge Standard for Exhaust Fumes in the Catering Industry (GB18483-2001). In 2017, the cumulative amount of waste gases discharged by the Company's operating wind farms was 15.8684 million cubic meters.

Noises

The noises during the construction stage of wind farms are mainly from the operation and use of vehicles, machines, and tools as well as bumps and impacts. The Company adopts the Environmental Noise Emission Standard for Construction Sites (GB12523-2011) and ensures to meet this standard. The noises during the operation stage of wind farms are mainly from the operation of wind turbines. The Company studied different types of wind turbines to appropriately select turbine locations and set the distance for avoiding noises. It also adopted noise reduction and technical renovation measures to ensure that noise emission meets the standard.

Noise Control

The Wind Farm in Southeast Yandun, Kumul worked hard to implement technical retrofitting, to reduce the impact of wind turbine's noise. A muffler was installed at the generator's outlet and at the generator's water-cooled fan; a serrated trailing edge was installed at the turbine's blade; zero-pressure yawing test was conducted to the turbines, and yaw bearings were cleared on a regular basis to reduce the noise from turbine yawing; and each year a monitoring organization was hired to do a noise test, to ensure that the turbine's noise level is within the range allowed by the standard.

Muffler Is Installed at the Outlet of the Generator

Serrated Trailing Edge Is Installed to the Blade

The Solid Wastes Discharged by the Company in 2017 (unit: ton)

Type	Amount Discharged
Construction wastes	1449.59
Kitchen wastes	115.43
Domestic wastes	86.57

Solid Wastes

The Company collected solid wastes in centralized mode and transported them to the locations designated by the local environmental protection authorities in a timely fashion. The recyclable building materials generated in construction were separately collected and given to the relevant organizations for disposal.

Other Environmental Topics

In view of the need to transport oversized or overweight equipment during the construction of wind farms, the Company prepared a special transportation plan and followed the "closer" principle to choose a factory closer to the construction site, so as to reduce the transportation distance. The Company usually arranged the transportation of large parts at night, to reduce the impact on traffic. In addition, the Company required that transportation organizations ensure that the tires of their vehicles must be washed clean before being allowed to leave factory for operations.

For electromagnetic radiation, during the site selection stage of wind farms, the Company would conduct a study on electromagnetic radiation, to ensure that the requirement of Electromagnetic Environmental Control Limits (GB 8702-2014) is met, to avoid impacts on surrounding residents, environment and communications systems.

For the flickering light, the Company would conduct a study on this during the site selection stage of a wind farm, to calculate the impact range of the shadow based on the sun's elevation angle in the place where the project is located as well as the blade's length and height, so as to minimize the impact of the flickering light.

For the impact on the landscapes, the Company would give full considerations to the surrounding landscapes as well as the impact on them when selecting the location and layout of the turbines, and would proactively consult with the local communities to build wind farms in conjunction with local industrial plans and layouts, to ensure that the impact on the landscapes is minimized.

Ecological Management

In the construction process of the Longgui Wind Farm, the Company took measures to restore the vegetation on the upper side slope of the excavation cross-section of the maintenance road in a timely fashion by planting grass on it using the "suspended net plus air-blast spraying" technique for sowing grass seeds.

Ecological Protection

Regarding land intrusion by wind farm projects, the Company strictly followed the Standard for Preventing Water and Soil Loss in Development and Construction Projects (GB50434-2008), to strictly control construction activities within the project sites, and to control the area of land temporarily occupied to the minimal level, to avoid the unnecessary damage to the vegetation.

For the vegetation damage caused by a wind farm project, the Company would prepare a detailed engineering repair plan and vegetation restoration plan prior to construction, to have the plans accepted by the local community, and to restore the vegetation in a timely fashion after the construction work is finished by planting appropriate crops in accordance with the growing season's characteristics of the local area.

In 2017, by adopting a strict access standard as well as by being rigorous across the board and throughout the process, the Company ensured the implementation of the "three at-the-same-times" system for environmental protection as well as water and soil conservation projects, and 8 projects passed the environmental protection as well as water and soil conservation acceptance appraisal upon completion.

Biodiversity Management

The Company was trying to reinforce the environmental risk management awareness, and would conduct a biodiversity survey even during the site selection stage of a wind farm, to provide a management plan, and to proactively approach local authority in an effort to avoid the construction activities of the wind farm project from affecting the survival of endangered animals and plants as well as the risk of possible collision with birds and bats caused by the selection of turbine locations.

Installing Anti-bird Spikes to the Jiangjiaping Wind Farm in Pinglu

To ensure the harmonious coexistence with birds, the Jiangjiaping Wind Farm was installed with the anti-bird spikes. This device is a product used to prevent birds from building nests on power transmission towers. They are mainly installed in the upper part of the power transmission towers' horizontal bar. Each device consists of 24 steel wires, which spread out, to effectively prevent birds from fighting with each other, staying or building nests right above one of the porcelain insulator strings, to ensure that the transmission lines are obstacle-free, and to reduce power outages. The product performs well in repelling birds and preventing damage caused by birds.

Anti-bird spikes

Green Supply Chain

The Company is committed to improving the green management level across the value chain. It kicked off the compilation of the Green Supplier Management System, to drive the green assessment for suppliers, and to improve the management of them with respect to low-carbon, energy consumption and environmental performances based on the result of the assessment.

In 2017, the Company conducted the research on the technical method for the assessment of "zero-carbon wind farms", and developed the Technical Standard for the Accounting of the Greenhouse Gas Emissions from the Supply Chain of Wind Power Companies in cooperation with the China Building Material Test & Certification Group Co., Ltd., to conduct comprehensive surveys and audits on the greenhouse gases generated by the equipment and services of suppliers with the Tianpaishan project in Quannan as a pilot site. Through the implementation of carbon neutralization, the Tianpaishan Wind Farm in Quannan became China's first "zero-carbon wind farm". In addition, the Company already made an application together with its partner to have the result of this study recognized as the industry standard, to lead the development of green supply chains in the wind power industry.

Providing Support for Suppliers in Green Transformation

On China Wind Power 2017, Beijing Tianrun New Energy Investment Co., Ltd. and Jiangsu Huapeng Transformer Co., Ltd. signed the Agreement for Strategic Cooperation on Green Manufacturing Technology Service.

The agreement-signing ceremony

Under the agreement, Tianrun New Energy will leverage its own expertise and experience to provide a range of energy efficiency solutions for carbon assets development and management, energy and energy-efficiency management, system development management, green assessment, and environmental risk management to Jiangsu Huapeng, to help the supplier reduce carbon emissions and energy consumption, and to provide support for its green transformation.

Demonstrating the Value through Sharing

Spending on safety
RMB
39.2631 million

Spending on social contributions
RMB
2.921 million

Caring for the Employees

Employees are the most valuable wealth of the Company. We cherish the principle of trust, fairness and respect. We have created a cultural atmosphere that cherishes people, respects people and cares for people. We have built a platform for fair competition to ensure the development of the employees, and have created a harmonious working environment for them.

Our Management

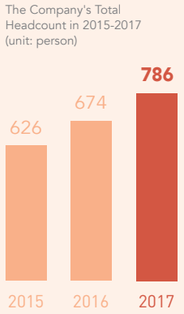
Philosophy

We adhere to the philosophy of "being upright and credible, daring to take responsibility, encouraging teamwork, and working happily". We want to build a high-performance team and strive for excellence.

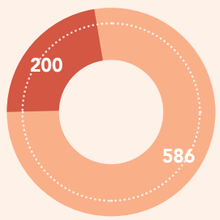
Performance

As of the end of 2017, the Company had 786 employees, with female managers accounting for 15% of all managers of the Company.

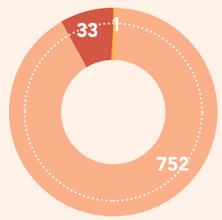
The Company's Total Headcount in 2015-2017 (unit: person)



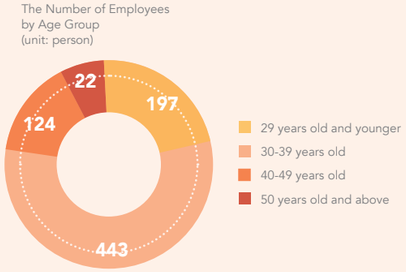
The Number of Employees by Gender (unit: person)



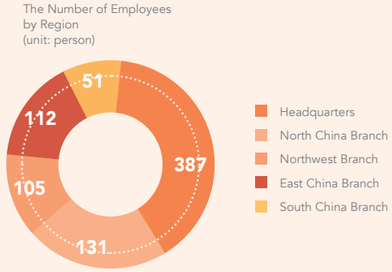
The Number of Employees by Employment Type (unit: person)



The Number of Employees by Age Group (unit: person)



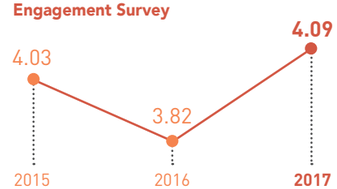
The Number of Employees by Region (unit: person)



Rights Protection

Tianrun's Employee Handbook

Tianrun New Energy's Employee Engagement Survey



The Company strictly abides by the country's applicable laws and regulations. We have provided a fair working environment for the employees. We are keen to protect the privacy of the employees. We prohibit the hiring of child labors and forced labors. We don't have any discrimination against our employees based on their ethnicity, gender, religion or age.

The Company has established a competitive compensations and benefits system, and have compiled the Employee Handbook. We provide full protection for the interests of the employees, and our employees are 100% covered by various required insurance policies. In addition, the Company has prepared the Management Measures for Labor Use, to ensure that part-time workers, temporary workers and outsourced workers enjoy the same compensations and benefits as well as the same career development opportunities as those enjoyed by Tianrun employees. In 2017, 100% of the Company's employees signed the employment contract.

The Company has been improving the communication mechanism between the management and the employees on an ongoing basis, and has created multiple formal and information communication channels including the Employee Representatives Conference, the General Manager's Mailbox, and the New Employees Workshop, to make sure that every employee can express their concerns. Recommendations provided by the employees will be transferred to the specialized organizations for making improvements, so as to increase the employee satisfaction.

The Compensations and Benefits System of Tianrun Employees

Statutory benefits

- Pension plan
- Health insurance
- Unemployment insurance
- Work-related injury insurance
- Maternity insuranceHousing fund

The Company's basic benefits

Health & care benefits
- Commercial health insurance
- Healthcare fund

The Company's subsidies
- Lunch subsidy
- Business travel subsidy
- Paid leaves
- Driver's subsidy
- Subsidy for high temperatures
- Reimbursement of the travel cost for visiting family members and relatives

Benefits as employee services
- Household registration records management
- Working and living permits in Beijing

Benefits as the Company's care for the employees

Labor protection benefits:
- Employee's labor protection
- Annual physical examinations

Benefits as team building expenses and gifts
- Team building budgets
- Gifts for the employees

Union's benefits

- Incentives & punishments
- Distribution of the annual team awards from the Group and the Company

Other benefits

- Wedding gifts、Childbirth gifts、Funeral gifts
- Birthday gifts
- Holiday gifts、
- Cultural & sports benefits

Workshop for Field Employees

In order to enable field employees to have a better understanding of the Company's strategy for transformation and development, in 2017 the Human Resources and Administration Center organized a series of lectures. They went to the branch companies, the wind farms and the project offices, to explain the Company's new systems, new cultures and new strategies, to learn the status quo of field employees, to answer questions of interest to them, and to deliver the Company's care to them.

Bai Caifeng, Head of the Human Resources and Administration Center, Went to the Field to Hold Talks with the Employees

The Meeting with the New Employees and the Monthly Birthday Party

Staff Growth

Staff Recruitment

In 2017, the Company was actively widening the recruitment channels and stepping up the effort to attract the best people. The Company recruited 250 new staff throughout the year. In addition, the Company's wind power business was growing rapidly, thus to create tens of thousands of jobs each year in the upper stream and lower stream of the industry.

Staff Turnover Rate by Gender in 2017

Male employees	Female employees
21.16%	11.50%

Staff Turnover Rate by Age Group in 2017

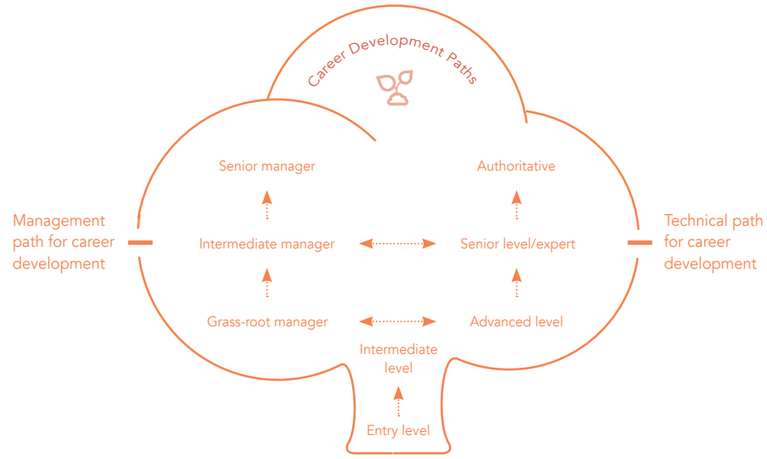
29 years old and younger	18.78%
30-39 years old	16.03%
40-49 years old	30.65%
50 years old and above	4.55%

Staff Turnover Rate by Region in 2017

Headquarters	24.81%
North China Branch	16.79%
Northwest Branch	10.48%
East China Branch	6.25%
South China Branch	21.57%

Career Paths

The Company created two paths for career development: management path + technical path. On the management path, the Company adhered to the fair, transparent and effective principle, adopted a mechanism for people to compete with each other internally to get certain positions, and built various leadership models such as the "three-dimension-and-four-capacity" competency model, the "zigzag rising path" model, and the "90-day turnaround for leaders" model. Throughout the year, the Company completed the inventory taking for 3 batches of management personnel, to provide support for the stockpiling and development of managers. On the technical path, the Company examined the qualifications of the employees and built a learning map to improve the competency of the employees. Throughout the year, the Company organized 8 training events for the employees to obtain the qualifications required for their positions, certified 4 positions, and built 7 knowledge trees for development, joint-venture and cooperation etc.



The Most Lovely Wind Farm Guys

The Alxa Wind Farm is located 45 km from the Aobao Township in the Alxa Right Banner of the Alxa League, 300 km from the Alxa Left Banner. The wind farm's employees are those born in the 1980s and 1990s. They are the new-generation workers who have devoted their youth to the new energy cause and the Gobi desert. They are away from home, creating benefits for mankind and protecting the natural environment on the Gobi desert. In 2017, The Alxa Wind Farm won the "May 1st Labor Award" of the Alxa League from the Alxa Right Banner's union and the Alxa Right Banner's economic & information commission.

Staff Training

The Company created the Training Management System, established the training system for the management personnel and the technical personnel respectively, and formed a two-level training system at the company level and the level of each organization respectively covering four types of training—new recruits training, leadership training, special skills training, and general training.

In 2017, the Company spent a total of RMB2.43 million on training, completed 21,222 classes of training, and provided 7,075 person-times of training for the staff.

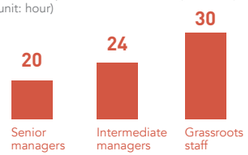
In 2017, the Company reinforced the effort to build the team of both full-time and part-time instructors, had the full-time instructors certified by course, and developed the Management Measures for Internal Trainers targeting the part-time instructors. Today, the Company has 68 internally certified instructors, teaching more than one hundred courses.

The Company Developed the "Training Treasure" Software, and Offered 69 Courses.

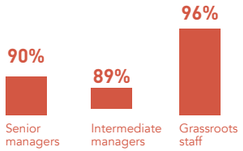
Performance Evaluation and Incentives

The Company developed the Performance Management System, to drive performance management from two aspects—the KPIs and the management system—guided by the strategic goals, and to peg the result of performance evaluation to remunerations, bonuses and career development. In addition, in the performance management process, the Company established the performance communication and feedback mechanism, to provide feedback and coaching for the employees to improve their performance, and to realize the development for both the employees and the Company.

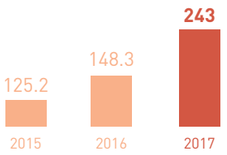
The Per Capita Number of Training Hours by Level in 2017 (unit: hour)



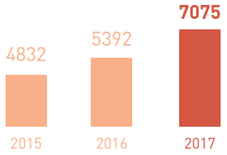
The Percentage of Staff Who Received Training in 2017 by Level



The Training Spending in 2017 (unit: RMB10 thousand)



The Person-times of Training Provided in 2017 (unit: person-time)



Safety and Health

Our Management

Philosophy

Be people-oriented, respect rules, put prevention first, and pursue intrinsic safety.

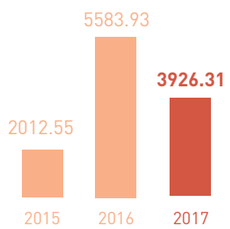
System Management

In 2017, the Company upgraded the original safety management system to develop nearly 20 safety management policies including the Safety Management System and the Management Measures for the Analysis and Control of the Typical Risks of Wind Farms. Since the Company received the occupational health and safety management system certification in 2013, as of 2017, the certificate had been valid.

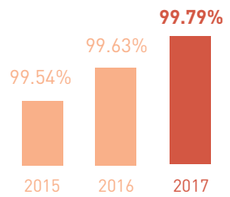
Performance

The Company always put work safety first, and our safety record was relatively higher in the industry. In 2017, the Company spent a total of RMB39.2631 million on project facilities and safety management and didn't have any safety accident, neither had any incident where an employee died at work, and the number of lost days of work due to work-related injuries was 0 for the employees.

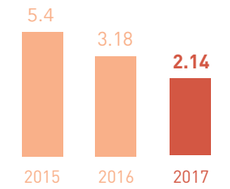
Safety spending during 2015-2017 (unit: RMB10 thousand)



Availability of wind turbines



Failure rate of wind turbines (unit: time/unit-year)



Safety Production

In 2017, the Company enhanced the effort to develop safety standards, and produced guiding documents such as the Handbook of Work Safety Standards for Wind Farms, which was newly created for the operating wind farms, the Handbook of Standards for the Safe and Civilized Construction Operations of Wind Farm Projects, which was amended in conjunction with the reality of the construction sites, and the Handbook of Safety Management of Craning Operations, which was compiled in accordance with the wind power industry's characteristics, to further standardize the Company's safety management. In 2017, the Company was free from any major equipment accident or general equipment accident.

In order to reinforce routine safety management, the Company created a mechanism for scrutinizing safety risks, and also made clear the principles for identifying risks, the requirements for making improvements, as well as the mechanisms for recording, reporting and submitting information. In 2017, the Company discovered a total of about 4,500 safety risks, and over 98% of them were solved.

The Company set up an emergency leadership group led by the General Manager, created a three-level emergency management system, compiled the General Contingency Plan for Emergencies, and also prepared the specific contingency plans for fires, natural disasters, power grid incidents, falls from heights, and traffic accidents in accordance with the characteristics of the wind power industry, to form a complete system of contingency plans. In 2017, the Company conducted a total of 204 emergency drills, which had a total of 1,826 participants.

Ensuring Operation Safety

In order to fully ensure the operation safety of employees on site as well as environmental safety, the Qingfeng Wind Farm in Puyang provided overalls and labor protection items for workers on site. In order to improve the operating environment, air conditioners and electric heaters were installed in the control room for the day-to-day production operation. In the production area, safety warning signs were provided and access control locks were installed, to prevent people from entering the area by mistake to get hurt. In the key equipment area, safety alert devices were provided, and in case something goes wrong, alerts will be generated before people enter the area, to ensure the safety of operators and operating environment from the source.

Emergency Safety Management at the Liulonggou Wind Farm

The Liulonggou Wind Farm was strict in safety management by creating a network map for the three-level work safety assurance system, establishing the fire safety system, providing the emergency assembly points, and drawing an emergency evacuation map for the rooms. In their everyday work, the wind farm reinforced safety training for the staff and tried every effort to find and eliminate safety risks in a timely fashion. This ensured the safe operation of the wind farm.

Emergency Assembly Point

Safety warning signs

Ensuring safety of craning operations

Psychological Intervention Counseling for Employees

In 2017, the North China Branch administered the Eysenck Personality Test and the SCL-90 Mental Health Test to the first batch of 15 employees. The tests could help the employees have a clearer understanding of their physical and mental conditions, to lay a foundation for correcting the unsafe mentality in the future.

Health Care

The Company created the Labor Protection Item Management System and the corresponding management measures, to provide labor protection items meeting the national standards or the industry standards for the employees. Each year the Company would arrange occupational health examinations for employees before, during and after they take their position, and create the occupational health records for them. If someone is found not appropriate for his/her position during the examination, he/she would be transferred to a different position in a timely fashion.

In the protection against occupational diseases, each year the Company would invite experts to monitor the hazardous factors of occupational diseases for employees who need to take physical examinations, and would assess the occupational disease hazards once every three years, to take protective measures for the problems found in a timely fashion to ensure that the employees will not suffer from occupational diseases. In 2017, the Company didn't have an incidence of occupational diseases, the percentage of employees in related positions taking the occupational health examinations was 100%, and the percentage of those taking the physical examinations was also 100%.

Safety Culture

The Company was keen to improve the safety awareness of employees, compiled the Implementation Plan for Building a Safety Culture and the Assessment Standard for Building a Safety Culture (for trial use), created a three-level safety education system, carried out the Work Safety Month campaign on an ongoing basis, and organized activities to promote the safety culture on multiple media platforms including safety posters, safety display boards, safety flip charts, and WeChat account for safety, to improve the safety awareness of people working in the field. In 2017, the Company organized 669 training classes for 4,355 employees, including 61 full-time and part-time safety engineers.

Implementation Plan for Building a Safety Culture

A poster for wind farm safety knowledge

Employee Care

Group photo

Visiting Employees in the Field

Prior to the 2017 National Day and Mid-Autumn Festival, the Company paid visits to the employees in the field, to create a sound atmosphere where "the entire company is a family", and to really deliver the Company's care to every employee.

General Manager Xue Naichuan is paying a visit to the field employees of the Zhangqiu project

Caring for Employees in the Field

Most wind farms are located in remote areas with harsh conditions. In order to ensure good working conditions for employees in the field, the Company formulated the Procurement Quota for Production Preparations, and constructed living and entertainment facilities including dorm, activity room, dining hall, kitchen, and basketball court with a high standard for employees on each wind farm, to ensure that the employees have comfortable working and living conditions.

The Company developed the Rules for the Union's Work. On every holiday, senior officials would take the lead to visit employees working in the field and express care for them. In 2017, the Company paid 83 visits to 1,235 employees working in the field and spent RMB162 thousand on this.

Wind farm's employee dormitory

Wind farm's employee activity room

Tug of war

Helping Employees with Difficulties

The Company set aside a budget in the "Run Fund" to help employees with difficulties. As of the end of 2017, the Company had provided help for 11 employees with difficulties, spending over RMB300 thousand on this.

Work-Life Balance

The Company encourages a simple and happy workplace atmosphere, and is keen to improve the quality of life for employees. Tianrun set up multiple cultural organizations and sports leagues, to help create a positive and healthy cultural atmosphere.

Fun Game for the Employees

In order to enrich the life of employees after work, to enhance their awareness of teamwork, and to promote interactions between old and new employees, on November 17, Tianrun Union, together with the HR and Administration Center, put together a fun sports game called "Fighting for You—Celebrating the 10th Anniversary of Tianrun". Over 100 employees at headquarters participated in the game. Various competitions requiring both physical and mental strength took place, to challenge their physical limits, and to demonstrate the strength of collective wisdom.

Relay challenge

The "Run Fund"

Tianrun New Energy created an internal charity fund called "Run Fund" in 2014. Externally, the purpose of the "Run Fund" is to undertake social responsibility, to participate in charity programs, to donate to education, and to help with disaster reliefs; internally, it is designed to help employees who encounter financial difficulties and need assistance due to disasters, serious diseases or other reasons. As of the end of 2017, the "Run Fun" had spent more than RMB2.4 million.

Cumulative investment RMB

> **2.4** million

Social Contributions

Promoting the development of our company as well as the society has been the goal pursued by Tianrun New Energy. In developing wind farm projects, we were fulfilling our philosophy of "building a site to benefit the locals". In the decision-making process for projects as well as in practice, we proactively took the interests of stakeholders into consideration, to be a responsible corporate citizen, and to do our part in promoting local economic and social development.

Our Management

Philosophy

Build a site to benefit the locals.

Performance

As of the end of 2017, the Company's spending on social contributions reached RMB2.921 million.

Spending on social contributions RMB

2.921 million

Community Development

We proactively fulfilled the requirements set forth in IFC's Performance Standards on Environmental and Social Sustainability, and internalized it into our day-to-day management system. In wind farm projects, we proactively integrated into local communities, striving to construct wind farms in step with local community development.

Local Industrial Development

While constructing and operating wind farms, we were actively implementing the localized policies, to choose local suppliers and hire local employees first, and to connect wind farm construction with local government's industrial development plan to promote local economic and social development.

Promoting Local Industrial Development

The Longgui Wind Farm was actively implementing a policy to drive industrial development. After consultation with the local government, the wind farm built an observation deck near Turbine No. 11. Leveraging the magnificent view of the wind turbines and the local tea planting business, the local government would hold an annual event called "watching the wind turbines, enjoying the azaleas, tasting the great tea" in May each year, to drive local tourism industry, and to promote local economic growth.

The "watching the wind turbines, enjoying the azaleas, tasting the great tea" event

> "The wind farm did a good job in reutilization of the lifting platform and the transportation road. For us at Renhe as a mountainous area, land is very precious, and farmers who are contractors of the land could utilize the platforms built during the construction process to grow crops again. This is a good thing for them, as it can increase their income from growing crops."
> —Yang Ping, Party Secretary, Pingdi Township, Renhe District, Panzhihua City

Land Management and Restoration

Land management and restoration is an important part in the development of wind farms. When managing land intrusion, we would choose the right time to talk with local governments and communities, to protect biodiversity and ecosystems as far as possible, to take the interests of local residents into consideration as well, and to maximize the overall economic, environmental and social values.

Land Restoration

In the construction process of the Ganbazi Wind Farm in Panzhihua, following the principle of growing trees, fruits or grass as appropriate, we gave the backfills from the surrounding areas of wind turbines during the construction stage to local farmers to plant crops such as tobacco. This not only restored water and soil, but also increased farmlands and incomes for the locals. It's a win-win situation for the wind farm and the local community.

Planting crops such as tobacco

Community Safety

We took the safety of communities in the surrounding areas of our wind farms seriously. By enhancing routine inspection patrols and putting up safety warning signs on the site of the equipment areas etc., we are proactively informing local residents of possible safety risks.

Promoting Community Safety

The Runjin Wind Farm in Tianzhuang is located on a plain, where all the turbines, box-transformers and power transmission lines are within the farming areas. In order to ensure personal safety of the local residents during farming and harvesting operations, the wind farm put up safety warning signs in the power transmission equipment area, and also collaborated with the local government to promote safety knowledge, to distribute power safety posters to residents in the surrounding communities, to put up power safety posters on the village committee's billboard, and to educate residents on power safety knowledge in an effort to drive home the safety risks to every resident.

Putting up safety warning signs in the equipment area

Distributing power safety posters to residents in the surrounding communities

In protecting wind farm's security, our wind farms in Xinjiang were equipped with the anti-terror gears according to the local government's requirement, enhanced the screening and training effort for security personnel, and made sure that the security personnel don't have a criminal record and can appropriately use security devices in case of emergencies.

For snow & ice thrown out from the rotating blades during rainy or snowy days, the Company provided an anti-icing program on the turbines in addition to an alert threshold, and also put up a warning sign in the surrounding areas of the turbines, to warn nearby villagers, and to make sure that they will not get hurt.

Community Security Management

The Liyuan Tianye Wind Power Generation Co., Ltd. in Altay, Xinjiang was equipped with anti-terror devices such as bludgeons, explosion-proof helmets, shields, U-shaped steel forks, visitor management system, road blockers, anti-ram barriers, and one-button alarms in accordance with the local requirement for reinforcing public security and maintaining stability, and also established joint emergency teams with a nearby village committee, two nearly shops (one called Lianmei and the other Dongmei), and one nearby mosque. When any one of the parties sends out a signal for help, all the other parties would come to rescue within 10 minutes.

An anti-terror drill

A safety warning sign

Rights and Interests of Ethnic Minorities

When constructing wind farms, it was our practice to respect the customs, habits and cultural traditions of the ethnic minorities in the surrounding areas. We created a routine communication mechanism with representatives of the local ethnic minorities, and communicated with them in a way that conforms to their culture. We were keen to listen to what they had to say, to avoid the negative impacts of our projects, and to maximize their interests.

Respecting the Rights and Interests of Ethnic Minorities

The Ganbazi Wind Farm in Panzhihua is located in a place of the Yi people. In order to get better integrated into the local community, we conducted a community survey and found that the local villagers have a tradition of worshipping the sun on a mountain called Laojunshan. With this in mind, the wind farm spent RMB400 thousand to paint the P19 turbine into the totem of the Yi people, and also built a worshipping platform. In addition, the wind farm produced bilingual safety warning signs in both Chinese and the Yi language, to provide convenience for the locals.

A bilingual safety warning sign in both Chinese and the Yi language

Platform for the Yi people to worship the sun

Wind turbine with the totem of the Yi peopleWind turbine with the totem of the Yi people

Protection of Cultural Heritages

In selecting the sites for building wind farms, we proactively screened the sites for cultural heritages, to avoid wind farm projects from causing significant negative impacts on cultural heritages. In the operation stage of wind farms, we strictly followed the requirements of the cultural heritage protection laws and regulations and enhanced consultation with local governments and communities, to ensure that the cultural heritages receive the protection they deserve.

Relics of the ancient Great Wall

Protecting the Relics of the Ancient Great Wall

The Jiangjiaping Wind Farm strictly followed national and local laws/regulations for the protection of cultural heritages, to provide a setback distance in the construction of the wind farm so as to avoid causing unfavorable impacts on the relics of the ancient Great Wall.

In the day-to-day operation, the wind farm proactively approached the local cultural heritage protection authority, to define the protection scope and responsibility, to delineate the protection area, and to truly carry out the protection by reinforcing the education for the employees and stakeholders as well as by enforcing the routine inspection patrols.

Public Welfare

We are enthusiastic about public welfare activities. Backed up by the "Run Fund", we were fulfilling our philosophy of "building a site to benefit the locals", to make donations to schools, to plant trees, to care for children in poverty from local rural elementary schools, and to do our part in helping improve local economic conditions.

Making Donations to Schools

Following the belief that "helping with the education of the poor should come before helping them financially", we are dedicated to improving the education level in undeveloped areas, to help improve the local teaching environment as well as the learning conditions of local students by providing education and training, organizing volunteer activities, and donating teaching facilities etc.

The "Wind for the Future" Rural Teacher Training Program Launched

In order to support education in the poverty-stricken rural areas around the wind farms, in 2017, Tianrun joined hands with Goldwind Sci & Tech to launch the "Wind for the Future" rural teacher training program. A total of 40 rural teachers from 8 ethnic groups in 18 provinces across the country received training on teacher's ethical education, curriculum development, teaching reform, child psychology, and new energy industry development etc. The trainees also went to renowned organizations such as China Central Television (CCTV), Coca-Cola, and Tsinghua University, to broaden their vision and their mind.

Teachers are interacting with each other

The "Riding on the Wings of Wind" Volunteer Team

The Company has been actively practicing the volunteer spirit of "dedication, friendship, mutual aid, and progress". Since 2013, the North China Branch has been providing volunteer services for 5 consecutive years, including visiting seniors, visiting herdsmen in their homes, planting trees, caring for the disadvantaged groups and left-behind children, and making donations etc. As of the end of 2017, the branch company had launched 14 volunteer service programs, participated in 116 person-times of volunteer services, and provided a total of 45 hours of volunteer services. The programs covered 8 regions, providing help for 287 people from the disadvantaged groups.

Tianrun employees are accompanying the left-behind children to visit a museum

"Since October 2014, we have been organizing the "Riding on the Wings of Wind" program in cooperation with the Tianrun North China Branch. For over three years, we have been joining hands with the volunteers to deliver love and hope to every soul and soil in need. Congratulations to the North China Branch for being named the "Caring Enterprise" in 2017 by our association."
—The Volunteers Association of Fengzhen City

Targeted Poverty Reduction

In view that most wind farms are located in poverty-stricken areas, when planning and building wind farms, we fully took the needs of the local communities into consideration by building roads, schools and other facilities to improve the living standard of local residents.

Building Community Roads

In order to improve the life of the locals, to make it convenient for them to travel, and to relieve congestions on rural roads, during the construction period, the Taohuashan Wind Farm spent RMB1.3 million to build a 1.1km road at Hongxingqiao (meaning the Red Star Bridge in Chinese) to connect with the Grade 2 provincial road in cooperation with the local government. This helped to accelerate the construction of rural road networks, and played a positive role in promoting regional economic growth and improving the living standard of the farmers.

Community road connection line

The Tianrun Middle and Elementary School named by the Company

Multipurpose teaching building built with donations from Tianrun

Improving Education in Poverty-stricken Areas

Ledong Township is located in the southwest border area of Chongyi County in Ganzhou City, Jiangxi Province. The teaching conditions in the local school were harsh, teaching resources were in short supply, and there weren't a lot of after-school activities for students. When it was set up, Tianrun's Longgui Project Office in Chongyi donated RMB200 thousand to the Ledong Middle and Elementary School for improving the teaching conditions, and also named the school "Tianrun Middle and Elementary School". In addition, Tianrun employees donated various items including the multifunctional digital copiers, the two-door freezers, and the mattresses in addition to various sports and school supplies such as schoolbags, soccer balls, basketballs, and badmintons to the school. This dramatically improved the teaching conditions of the school and enriched the after-school activities of students.

Environment-related Social Activities

As a provider of green energy, we are dedicated to promoting the green and environment-friendly concepts, to let the public learn more about green electricity and use more green electricity, and to live a low-carbon and environment-friendly life through our own action.

Providing Help for China's First Green Marathon

At the kick-off ceremony of the 36th Beijing Marathon, Tianrun New Energy officially handed over the Green Electricity Certificate to the organizers of the marathon. After making an assessment according to the assessment standard for green electricity consumption, China General Certification as a third-party organization granted the certificate for 100% green electricity consumption to the organizers of the Beijing Marathon.

The handover of the Green Electricity Certificate indicates that the electricity used during the 36th Beijing Marathon was completely from Tianrun New Energy's wind farms, and that the Beijing Marathon officially became China's first marathon 100% using the green electricity.

Granting the Green Electricity Certificate and the Green Electricity Consumption Certificate to the organizers of the Beijing Marathon

Disaster Relief

The Company has been actively participating in disaster relief actions. "When one person is in difficulty, all others will come to his/her rescue." We want to do whatever we can to provide help for those affected and spend the difficult time together with them.

Sparing No Effort to Help with Flood Relief in Southern China

In early July 2017, due to continuous rainfalls, the Sanmen Township in the city of Zhuzhou was affected by serious floods. The Company made a response as soon as possible. A team led by Deputy General Manager Hu Jiang went to the disaster-stricken area the same night, and delivered 25 tents, 65 blankets, 75 cases of instant noodles, 300 boxes of bottled water, and 80 boxes of mosquito coils to the people affected by 10pm, July 22, to meet their urgent needs.

Deputy General Manager Hu Jiang is visiting people affected by the floods

Looking Forward

The year 2018 marks the beginning of a new decade for Tianrun. We will stay true to our original aspiration, keep our mission firmly in mind, and keep moving on. We will continue to deepen the integration of IFC's Performance Standards on Environmental and Social Sustainability with various business systems of our wind farm projects, to operate the Company's social responsibility management system comprehensively and effectively, to drive the extensive application of green energy in economic and social sectors, and to promote the harmonious coexistence between man and nature.

We will

Continue to drive innovation and increase our vitality. We will explore the complementary use of multiple types of energy, energy storage, mini-power grids, distributed wind farms and maritime wind farms, and distributed photovoltaic power generation on top of our traditional wind power business, to keep increasing the scale of our assets, to create more services and products based on the advantage of our own business, and to enable more wind power partners to benefit from the development of Tianrun.

We will

Deepen the green transformation, to fuel the Company's growth. Starting from the compilation and release of the Assessment Standard for Green Wind Farms, we will create a green wind power production system across the value chain, to drive the low-carbon operation of supply chain companies through the Green Electricity Certificate, green electricity and one-stop low-carbon energy efficiency services, and to lead the industry's sustainable development.

We will

Share the results of our own development with others and demonstrate the value of our brand. Based on the creation of a charity fund, we will conduct charity programs in a way that is more professional, to form a permanent working mechanism, to enable our charity programs to be better integrated into our wind farm business, and to let Tianrun's wind farms bring hope to as many people as possible.

We will

Creating a better life and sharing the benefits of development is our unwavering pursuit. With the goal of building a first-class shared platform for clean energy services, we will keep creating value, strive to do better, and pursue excellence. We will work hard to build a great company trusted and recognized by people from all walks of life.

Index of KPIs

Environmental, Social and Governance Reporting Guide, HKEx

Disclosure KPIs		Location	Disclosure KPIs		Location
A.Environmental			Operating Practices		
Aspect A1: Emissions	General Disclosure	P22,40,45	Aspect B3: Development and Training	General Disclosure	P57
	A1.1	P41,47-49		B3.1	P58
	A1.2	P41		B3.2	P58
	A1.3	不适用	Aspect B4: Labor Standards	General Disclosure	P55
	A1.4	P47-49		B4.1	P55
	A1.5	P40-51		B4.2	P55
	A1.6	P47-49	Aspect B5: Supply Chain Management	General Disclosure	P36
Aspect A2: Use of Resources	General Disclosure	P22,40,45		B5.1	P36
	A2.1	P40		B5.2	P36,51
	A2.2	P47	Aspect B6: Product Responsibility	General Disclosure	N/A
	A2.3	P40-44		B6.1	N/A
	A2.4	P47		B6.2	N/A
	A2.5	不适用		B6.3	P33
Aspect A3: The Environment and Natural Resources	General Disclosure	P22,40,45		B6.4	N/A
	A3.1	P40-51		B6.5	N/A
B.Social			Aspect B7: Anti-corruption	General Disclosure	P20-21
Employment and Labor Standards				B7.1	P20-21
Aspect B1: Employment	General Disclosure	P54		B7.2	P20-21
	B1.1	P54	Community		
	B1.2	P56	Aspect B8: Community Investment	General Disclosure	P64
Aspect B2: Health and Safety	General Disclosure	P59		B8.1	P10-11,64-71
	B2.1	P59		B8.2	P10-11,64-71
	B2.2	P59			
	B2.3	P59-61			

Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises of the Chinese Academy of Social Sciences (CASS-CSR4.0)

KPI#	Location	KPI#	Location	KPI#	Location	KPI#	Location
P Preface		M2.4	P32-33	S2.6	P55	E1.7	P42-43
P1.1	P1	M2.6	P33	S2.9	P55	E1.11	P40
P1.2	P1	M2.7	P30,33	S2.10	P55	E1.12	P44
P1.3	P1	M2.8	N/A	S2.11	P59-61	E2.1	P8-9,46,48,50
P2.1	P4-5	M2.9	N/A	S2.12	P55,59-63	E2.2	P8-9,41
P2.2	P4-5	M2.10	N/A	S2.13	P61	E2.3	P8-9,41
P3.1	P6-11,24	M2.11	P35-37	S2.14	P58	E2.4	P40-41
P3.2	P6-11	M2.12	P42-43	S2.15	P58	E2.5	P40
P4.1	P14-15,19	M2.13	N/A	S2.16	P57	E2.6	P40-41
P4.2	P16-17,21	M2.14	P35	S2.17	P62-63	E2.7	P40
P4.3	P12-13,18,30, 35,43	M2.15	N/A	S2.18	P63	E2.8	P45,47
P4.4	P12-13,16-17, 28-29,54	M2.16	N/A	S2.19	P55	E2.9	P47
P4.5	N/A	M2.17	N/A	S2.20	P56	E2.10	N/A
G Responsibility Management		M2.18	P35	S3.1	P59	E2.11	P40-41,44-45,48
G1.1	P14-15	M3.1	P35-37	S3.2	P59	E2.12	P40,48
G1.2	P22	M3.2	P35-37	S3.3	P61	E2.13	P45,47
G2.1	P23	M3.3	P35-37	S3.4	P61	E2.14	P47
G2.2	P24	M3.4	P14-15,30,35-37	S3.5	P59	E2.15	P49
G2.3	P24,32,37, 45,64-71	M3.5	P33	S3.6	P59	E2.16	P49
G2.4	P10-11	M3.6	P8-9,14-15, 24,30,33,42-43,45-46,51,70	S3.7	P59	E2.17	P8-9,40-45,48
G3.1	P23-24,46	M3.7	N/A	S4.1	P24,64-69	E2.18	P8-9,40-45,48
G3.2	P22-24	M3.8	P36,51	S4.2	P64	E2.19	N/A
G3.3	P22-24	M3.9	Not disclosed	S4.3	N/A	E2.20	N/A
G4.1	P24	M3.10	P24,36,51	S4.4	P64	E2.21	P49
G4.2	P24	M3.11	P36	S4.5	P64-69	E2.22	P48
G4.3	P22-24	M3.12	Not disclosed	S4.6	P64,68-71	E2.23	P8-9,40-44
G5.1	P24	M3.13	Not disclosed	S4.7	P63	E2.24	P8-9,40-44
G5.2	P24	M3.14	Not disclosed	S4.8	P10	E2.25	P40
G6.1	P25	M3.15	P24	S4.9	P10-11	E3.1	P8-9
G6.2	P24-25,57	M3.16	Not disclosed	S4.10	P69	E3.2	P8-9
G6.3	P44,51	**S Social Performance**		S4.11	P69	E3.3	P50
M Market Performance		S1.1	P20-21	S4.12	P70-71	E3.4	P50
M1.1	P20-21	S1.2	P20-21	S4.13	P70-71	E3.5	N/A
M1.2	P21,23	S1.3	P28-29	S4.14	N/A	E3.6	P70
M1.3	P20-21	S1.4	P28-37	**E Environmental Performance**		**A Report Appendix**	
M1.4	N/A	S1.5	P54,56	E1.1	P45	A1	P72-73
M1.5	N/A	S1.6	P56	E1.2	P45	A2	P28-29,40-41,46-47,49,54-59,64
M1.6	P28-29	S2.1	P54	E1.3	P46,48,51	A3	P9,13,29,33,69
M1.7	P28-29	S2.2	P55	E1.4	P40-41	A4	P76
M1.8	P28-29	S2.3	P55	E1.5	P44,46	A5	P74-75
M2.1	N/A	S2.4	P55	E1.6	P51	A6	P77
M2.2	P34	S2.5	P54	E1.7	P41-43		
M2.3	N/A	S2.6	P55	E1.8	P46		
M2.4	P32-33	S2.7	P55	E1.9	P8-9,40-44		

Report Rating

中国企业社会责任报告评级专家委员会
Chinese Expert Committee on CSR Report Rating

Upon the request of Beijing Tianrun New Energy Investment Co., Ltd, Chinese Expert Committee on CSR Report Rating invited experts to form a Rating Team. The rating team rated Tianrun New Energy 2017 Sustainability Report as follows (hereinafter "report").

Rating Criteria

Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 4.0) and Rating Standard on Corporate Social Responsibility Reporting for Chinese Enterprises (2018).

Rating process

1.The process assessment team interviewed members from the social responsibility department and viewed the relevant materials involving the preparation of the report on site.
2.The rating team evaluates the management process and the information disclosed in the report and draws up the rating report.
3.The Vice chairman of the Chinese Expert Committee on CSR Report Rating and the leader of the expert rating team sign the rating report together.

Rating results

Process Management (★★★★★)

The Company set up a leading group and a working group on social responsibility, and the environmental and social responsibility management department took the lead to form a report preparation team; the General Manager was responsible for the review of main contents and key issues of the Report, as well as the examination and approval of the draft and final versions of the Report. The Company established a complete report preparation management system. The material issues were determined in accordance with corporate development strategy, industry benchmarking indicators, general guidelines and standards, stakeholder survey, and so on. The Company planned to hold a special release conference for the Report, which will be presented in various forms including electronic and printed versions, Chinese and English versions, H5 version, and video-based version. It achieved outstanding performance in the aspect of process.

Materiality (★★★★☆)

The report systematically discloses key performance issues on its industries such as "Use green energy" "Green supply chain management" "Reduce emissions" "Safety production" "Employee rights protection" "Tackling climate change" etc. with detailed description .The report has leading materiality.

Completeness (★★★★☆)

The report systematically discloses key information on "Increasing Vitality through Innovation" "Driving Growth through Green Operations" "Demonstrating the Value through Sharing" etc. With 80.3% of core indicators disclosed on its industries. The report has leading completeness.

Balance (★★★★☆)

This report discloses negative information on "Failure rate of wind turbines" "risks" "safety risks" "Staff Turnover Rate" "Major equipment accidents "etc. The report has leading balance.

Comparability (★★★)

This report discloses date on 13 key performance indicators of at least three consecutive years, including "Revenue" "The Company's Total Headcount" "Net profit" "Availability of wind turbines" "Safety spending" and compared "Annual power generation", "Projects under construction", "the level of safety standard" etc.to industry data. The report comparability remains to improve.

Readability (★★★★☆)

Taking "Sharing the Growth" as the theme and centering on innovative, green and sharing development, the Report featured distinct topics and focused points. The cover design and the opening of each chapter have integrated into elements of main business of the Company by using cartoons and other forms, vividly highlighting the industry characteristics and enhancing the unique features of the Report. The design style was fresh and elegant, and the pictures and colors were generous and harmonious, which not only corresponded to the logo symbol and brand of the Company, but also improved the adaptive reading of the Report. It achieved leading performance in the aspect of readability.

Creativity (★★★★☆)

Taking the three features of "Staying True to the Original Aspiration after Ten Years of Ups and Downs" "Smart Technologies, Green Offices" and "Helping the Locals through the 'Tianrun China Charity Initiative'" as the opening chapters, the Report focused on highlights of corporate practices, demonstrating the characteristics of the Company in performing social responsibility and its value pursuit. The Company formulated the "Tianrun New Energy's Special Planning on Quality, Safety, Environmental Protection and Social Responsibility 2018-2020" and "Environmental and Social Responsibility Monthly Report metrics system" and other indicator systems, remarkably enhancing the social responsibility management capability. The testimonies of stakeholders improved the creditability and the power of persuasion. It achieved leading performance in the aspect of innovation.

Overall Rating (★★★★☆)

Through evaluation and deliberations, the rating team agreed to rate Tianrun New Energy 2017 Sustainability Report as leading by giving four and a half-star rating to it.

Suggested improvements

Add disclosure of the vertical key date to improve the comparability of the report.

Rating team

Team leader: Wang Zhi Xuan, member of leading party group and full-time vice chairman of China Electricity Council

Team Members: Zhang En, Vice Director of Research Center for Corporates Social Responsibility, Chinese Academy of Social Science.

Process Evaluators of Center Wang Zhimin

魏紫川 — Vice Chairman of the Chinese Expert Committee On CSR Report Rating

王志轩 — Team leader of the expert rating team

Date of Issuing: April 14, 2018

CSR 中国社会科学院经济学部企业社会责任研究中心
Research Center for Corporate Social Responsibility Chinese Academy of Social Sciences

Scan QR code to view rating files of Tianrun New Energy

Reader's Feedback Form

Dear readers,
Thank you very much for taking time to read our report. We sincerely hope that you can comment on this report and offer your valuable opinions, so that we can keep improving our CSR practice as well as our ability and skills to fulfill our social responsibility.

1. Which type of Tianrun New Energy's stakeholders do you belong to:

☐ Shareholder ☐ Employee ☐ Supplier ☐ Customer ☐ Government
☐ Community ☐ Financial institution ☐ Academic institution ☐ Other (please specify)

2.Your rating for Tianrun New Energy's Sustainability Report 2017 is:

Report structure:	☐ Very good	☐ Good	☐ Fair	☐ Poor	☐ Very poor
Quality of information:	☐ Very good	☐ Good	☐ Fair	☐ Poor	☐ Very poor
Wording:	☐ Very good	☐ Good	☐ Fair	☐ Poor	☐ Very poor
Layout:	☐ Very good	☐ Good	☐ Fair	☐ Poor	☐ Very poor
Overall rating:	☐ Very good	☐ Good	☐ Fair	☐ Poor	☐ Very poor

Your recommendations for this report and your interests in this report:

Your advice on Tianrun New Energy's CSR practice:

Please leave your information if you want to:
Name:
Organization:
Tel:
Email:

Please send the above form to csr@tianrun.cn or mail it to: Beijing Tianrun New Energy Investment Co., Ltd./Environmental and Social Responsibilities Management Dept, F22, Zhongjian Fortune International Center, No. 5 Anding Road, Chaoyang District, Beijing. We will fully consider your opinions and recommendations. We will also promise to properly protect your personal information provided above and make sure that they won't be obtained by third parties.