



纸张认证:  
 本报告采用环保纸张印刷  
 Paper verification:  
 This report uses environmentally paper.



中國黃金國際資源有限公司 2019 環境、社會及管治報告

# 2019

## 中國黃金國際資源有限公司

China Gold International Resources Corp.Ltd.

### 環境、社會及管治報告

Environmental, Social and Governance Report



中国黄金国际资源有限公司

China Gold International Resources Corp.Ltd.



This report is the tenth corporate social responsibility report (also referred to Environmental, Social and Governance Report) published by China Gold International Resources Corp. Ltd. (the “Company” ). It highlights efforts made by the Company over the past year, including responsible management, energy-conservation and environmental protection, work safety, rights and interests of employees, science and technology innovations, creation of harmonious communities and other initiatives with an aim to strengthen the communication and connection with all interested parties. For the convenience of expression and reading, China Gold International Resources Corp. Ltd. is also referred to as “China Gold International”, “the Company”, “Company” or “we”. China Gold International has two subsidiaries, Tibet Huatailong Mining Development Co., Ltd. (also referred to Huatailong, Jiama Mine or Jiama) and Inner Mongolia Pacific Mining Co., Ltd. (also referred to Inner Mongolia Pacific, CSH Mine or CSH).

## Basis of Preparation

This report is prepared based on Sustainable Development Goals of the United Nations, Guideline on Fulfillment of Corporate Social Responsibility of Central Enterprises issued by the State-owned Assets Supervision and Administration Commission of the State Council ( “SASAC” ), Environmental, Social and Governance Reporting Guide issued by Hong Kong Stock Exchange, Guide on Preparation of Corporate Social Responsibility Reports of Chinese Enterprises (CASS-CSR4.0) published by the Research Center for Corporate Social Responsibility, Economics Division, Chinese Academy of Social Sciences with reference to the practices of the Company.

## Time Period

This report mainly covers the calendar year 2019, and may refer to major events in our history where appropriate.

## Subject Scope

This report covers head quarter of the Company and its subsidiaries.

## Source

This report is designed to give a true view of our proactive practice in economic, social and environmental responsibilities for overall coordinated and sustainable corporate development. All information and data are derived from our official documents, statistics reports and financial statements, as well as the corporate social responsibility practices of the business units that are pooled, summarized and reviewed by our functional departments. In case of any inconsistencies between the financial information and that in the annual report, the annual report shall prevail. Unless otherwise specified, all financial data stated in this report are denominated in Renminbi (RMB).

## Rating Agency

This report has been rated by an independent third party, authorized by the Research Center for Corporate Social Responsibility, Economics Division, Chinese Academy of Social Sciences. The rating results are set out in the appendix hereto.

## Availability

Requests for printed copies of this report should be addressed to the Board Secretary Department of China Gold International Resources Corp. Ltd. This report is also available in electronic version on our website.

## Contact Information

Address: No. 9 An Ding Men Wai Street,  
Dongcheng District, Beijing, China  
Post code: 100011  
TEL: 86-56353622  
FAX: 86-56353622  
Website: [www.chinagoldintl.com](http://www.chinagoldintl.com)  
Email: [info@chinagoldintl.com](mailto:info@chinagoldintl.com)

Address: Suite 660, One Bentall Centre 505 Burrard Street,  
Box 27 27 Vancouver, BC Canada V7X 1M4  
TEL: +1 604-609-0598  
FAX: +1 604-688-0598  
Website: [www.chinagoldintl.com](http://www.chinagoldintl.com)  
Email: [info@chinagoldintl.com](mailto:info@chinagoldintl.com)





# contents

## Corporate Profile-----04

## Responsibility Management---06

Social Responsibility Philosophy-----	06
Responsible System-----	10
Responsibility Topics -----	12
Responsibility Enhancement -----	13
Communications on Responsibilities-----	14
Social Recognition-----	17

## Environmental Protection and Energy Conservation -----20

Energy Conservation and Emission Reduction-----	20
Recycling of Water Resource-----	25
Environmental Protection -----	26

## Work Safety -----30

Safety Investment and Performance-----	30
Safety Supervision -----	31
Identification of Potential Hazards-----	31
Management of Hazardous Chemicals-----	34
Safety Culture -----	35

## Employees' Interests -----38

Profile of Employees-----	38
Protection of Employees' Interests-----	39
Promoting of Employee Development-----	40
Occupational Health-----	45

## Technological Innovation-----46

Investment in Technological Innovation-----	46
Achievements in Technological Innovation-----	47

## Harmony and Win-win -----48

Corporate Governance-----	48
Compliance with Laws and Regulations-----	49
Investor Relations -----	50
Customer Relationship-----	51
Supplier Relationship-----	51
Creditor Relationship -----	52
Communication and Cooperation -----	52
Community Welfare-----	52
Actively Integrating in Overseas Markets -----	56

## Appendix I Supporting Sustainable Development Goals of the United Nations -----58

## Appendix II ESG Reporting Guide Content Index-----60

## Appendix III Social Responsibility KPI of the China Gold International-62

## Opinion Feedback-----69

## 01. About us

China Gold International is a mining company focused on acquisition, exploration, mining and development of gold and other nonferrous resources. It is registered in Vancouver, British Columbia, Canada. China National Gold Group Co., Ltd. (hereinafter referred to "China Gold" "CNG" or the "Group" ) is the controlling shareholder of the Company.

The Company's principal mining operations are the Chang Shan Hao Gold Mine ("CSH Gold Mine" or "CSH Mine" or "CSH"), located in Inner Mongolia Autonomous Region, China and the Jiama Copper-Gold Polymetallic Mine ("Jiama Mine" or "Jiama"), located in Tibet Autonomous Region, China. China Gold International holds a 96.5% interest in the CSH Gold Mine, while its Chinese joint venture ( "CJV" ) partner holds the remaining 3.5% interest. China Gold International began its trial gold production at the CSH Gold Mine in July 2007 and commercial production commenced on July 1, 2008. The Company acquired 100% interest in the Jiama Mine on December 1, 2010. Jiama hosts a large scale copper-gold polymetallic deposit consisting of copper, gold,

molybdenum, silver, lead and zinc. The Jiama Mine commenced commercial production in September 2010. China Gold International's common shares are listed on the Toronto Stock Exchange ("TSX") and the Stock Exchange of Hong Kong Limited ("HKSE") under the symbol CGG and the stock code 2099, respectively. Additional information relating to the Company, including the Company's Annual Information Form, is available on SEDAR at [www.sedar.com](http://www.sedar.com) as well as Hong Kong Exchange News at [www.hkxnews.hk](http://www.hkxnews.hk).

The Company's development vision is: harboring a high sense of responsibility, building itself into a large-scale mining company and a significant player in international capital markets and the global mining industry.



## 02. Company ' s performance

In strict compliance with deployment and requirements made by the Board, the management team of China Gold International and its affiliated companies have advanced various tasks and fulfilled the target of annual production and operation in 2019 by strengthening internal management and rising up to challenges, creating value for shareholders, employees and society.

### 1 Over-fulfilled production target and a stable and sound development trend.

Since the Company is committed to overcoming difficulties in unity and steadily raising production, it has fulfilled budget targets and production volume promised to the market. With Jiama Mine increasing its equipment operation rate, recovery rate and underground mining supply, and CSH Mine stabilizing its business, a solid foundation has been laid for future sustainable and stable production.

### 2 Focus on special projects and a further step toward internationalized operation.

Great efforts made by the corporation in vigorously developing digital mines have striven the application of 3D mining software in geological prospecting, grade control and the organization of mining and production. After platforms for software-sharing were established and a whole set of technical work flow, specification and management for geography, surveying and mining was put into place by Jiama Mine and CSH Mine, modeling of geography, surveying and mining has been updated at all fronts. The 2020 extraction and mining plan is completed with a higher efficiency and of better quality. Capability of international operation and management has been greatly improved.

### 3 Implementation of innovation-driven strategy and fruitful results in R&D.

Under the philosophy of Science and Technology as Priority, the corporation continues engaging well-known research institutes in advancing innovative projects of mining, beneficiation and environmental protection. Close cooperation between CSH Mine with the University of Science & Technology Beijing, the China University of Mining and Technology and the Research Institutes of China National Gold Group Co.,Ltd. has made breakthroughs and the laboratory obtained CNAS certification, enabling the establishment of academician workstation to proceed. Affiliated companies have taken advantage of their own strengths, actively participating in formulating industrial norms so as to strive for initiatives in entrepreneurial development. Jiama Mine played its part in mapping out two national standards of IT cloud services and was awarded Demo Piloting Project for Intelligent Manufacturing and Demo Enterprise for Technology Innovation by the Ministry of Industry and Information Technology for two consecutive years. Another honor presented to Jiama Mine was the Engineering Research Center in Tibet Autonomous Region.

**4 High attention to the governance of listed company and compliance with laws and regulations.**

High attention paid by the Company to the relation between management of market value and investors is revealed in its efforts to produce solution portfolio suitable for corporate real market value that is based on the judgment of market and the reflection of market value management in forms of daily summary of stock market transactions, analysis of product price and weekly report, Q&A, irregular meetings and following visits, etc. In addition, great emphasis has been put on compliant operation by exposing important information to the market according to rules fixed by Exchanges on public companies. It has regularly conducted statistics on and issued early warnings against related transactions, and strictly reviewed contracts in accordance with regulations. Relevant information has been timely disclosed after being reported to and approved by the Board of directors and shareholders' general meeting. To strengthen its all-round communication with shareholders and independent directors, the corporation has not only organized independent directors to visit mine sites and participate in project due diligence, but also held special training to further raise their ability to perform duties and enhance compliance in line with regulations of the Stock Exchange of Hong Kong Ltd., all in an effort to ensure a more efficient, unified and compliant decision-making process.

**5 Endogenous growth and multiple measures maintain a steady growth in resource reserves.**

The Company has invested in geological conferences and research throughout the year. New breakthroughs made by Jiama Mine in both quantity and quality of geological resources have paved the path to ensure resource supply in this 100-year-old mine. Guided by the concept of internal geological prospecting plus possession of external resources, CSH Mine has put geological prospecting under the guidance of scientific research, and integrated regional resources on multiple platforms. The feasibility study on resource exploration and utilization from open-air to underground operation has been officially started.

**6 Adherence to win-win between enterprise and locality, and continuously driving community development.**

Jiama Mine actively carried out the BRI One-on-One Project to help natural villages around the mining area address difficulties for their people and sharpen skills of the poor so as to achieve prosperity. CSH Mine innovated its mindset to better fulfill CSR. Measures introduced to launch prosperous projects that could bring sustainable benefits to resident farmers and herdsman and to built a harmonious mining area and society together are fully recognized by local people and governments at all levels.

**7 Active integration into overseas markets and continuous improvement of international image.**

Besides pursuing economic benefits, the Company takes the initiative to interact and communicate with all sectors of society. By contributing to social welfare events and establishing long-term close contact with Canadian mainstream classes, it has kept building on a positive image and knitting together a smooth communication network. A caring and responsible image has been erected in the international mining industry.

**Key Economic Indicators (unit: USD)**

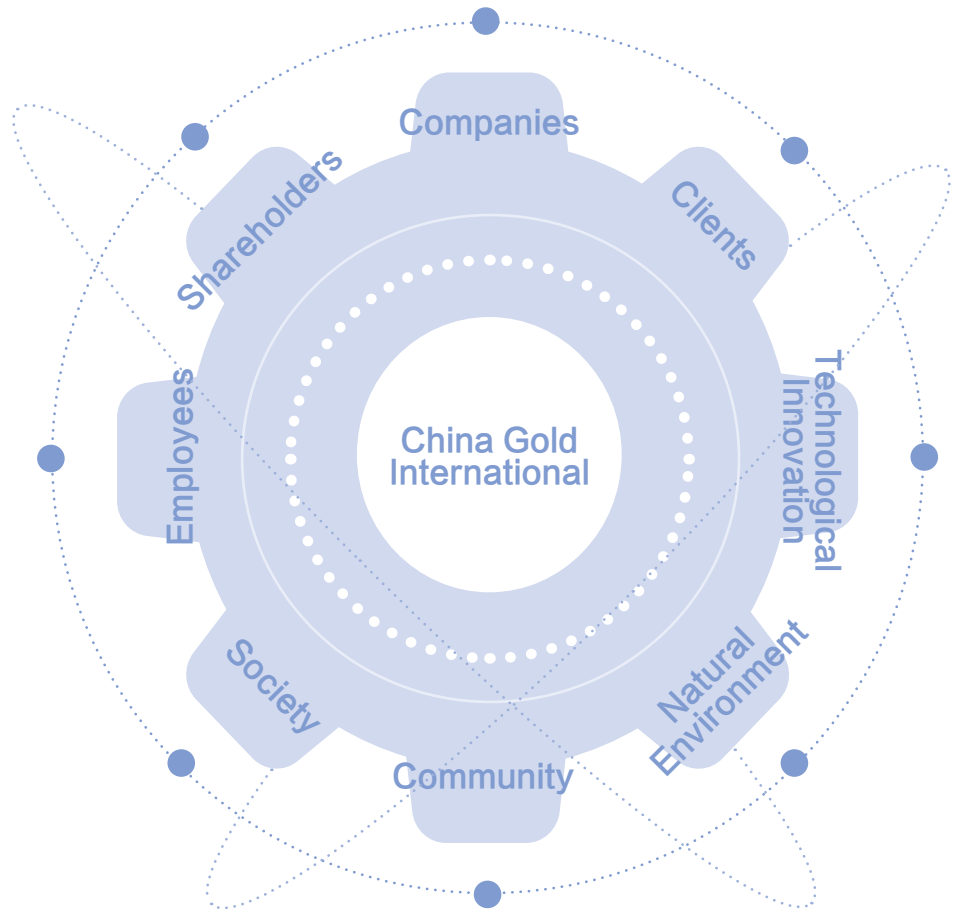
Item	UNIT	2019	2018	2017	2016	2015
Total Revenue	Million USD	657	571	412	339	340
(Loss) income from operations	Million USD	(3)	43	79	34	39
Net (loss) profit	Million USD	(32)	(4)	64	(12)	(7)
Basic earnings per share	Cents	(8.28)	(1.22)	15.93	(3.36)	(2.07)
Total asset	Million USD	3197	3216	3230	2967	2781
Total non-current liabilities	Million USD	818	1301	1324	737	971

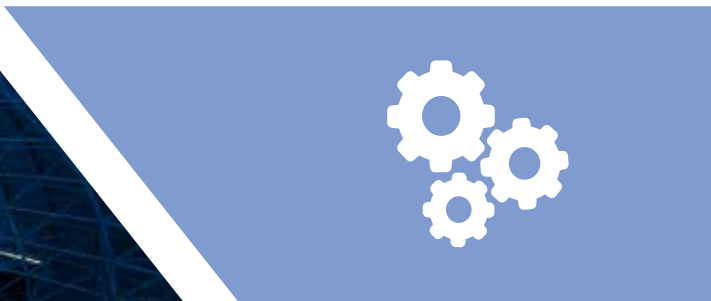
# RESPONSIBILITY MANAGEMENT

## Social Responsibility Philosophy

### 01.Social responsibility vision

Our social responsibility vision: carry out all businesses in an ethic and sustainable way, protecting and advancing the interests, health, safety, benefit and individual development of employees directly and indirectly serving China Gold International; operate in an environmentally responsible manner, seeking to solve the technical bottlenecks through innovative development; and become a part of the international community and take opportunities to promote the development concept of China Gold International so as to ensure a sound image as a dedicated performer of social responsibility in the global mining sector.



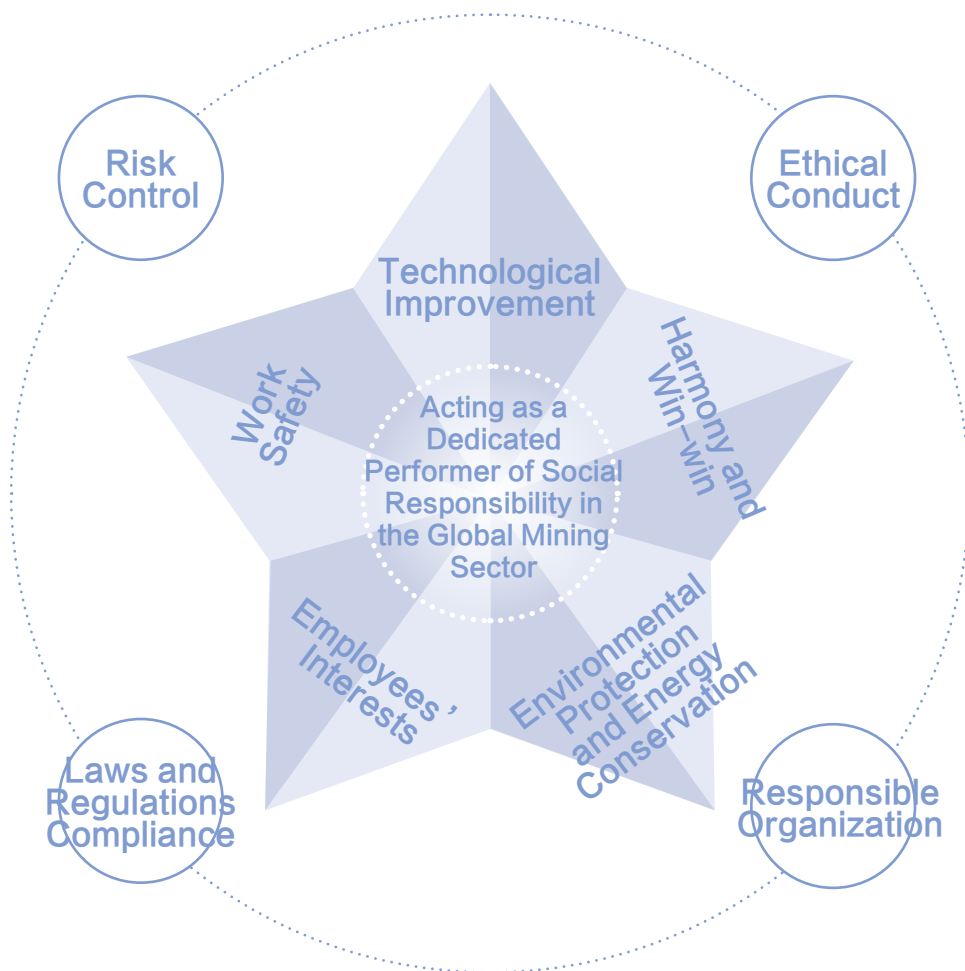


## 02.Social responsibility model

Aiming at "acting as a dedicated performer of social responsibility in the global mining sector" , China Gold International takes initiatives covering accountability, risk control, compliance and business ethics to achieve core values such as environmental protection, energy conservation, work safety, employees' interests, technological progress, harmony and win-win.

We keep in mind that an enterprise should effectively manage the impacts of its business on the stakeholders and natural environment in performing its core social function to pursue economic benefit, seeking to maximize corporate, social and environmental benefits for harmonious mutual development with its stakeholders.

The process is illustrated in the model below:





### 03.Social responsibility values



Adhere to the fullest, rational and scientific principle in exploitation and utilization, to promote scale exploitation and comprehensive utilization of gold and nonferrous metallic mineral resources.



Never carry out gold production wherever compromising ecological environment.



Create spiritual wealth as well as material wealth instead of merely pursuing gold as a monetary token, attach importance to environmental protection and reasonable exploitation and utilization of resources, and live up to social responsibility and obligations.

### 04.Core responsibilities



#### Environmental protection and energy conservation

Seek to establish a resource conservation and environment-friendly enterprise. Minimize the consumption of natural resources and environmental impact in efficiently exploiting and utilizing mineral resources.



#### Work safety

Seek to create a safe production and operation environment. Incorporate the work safety culture across all production and operation processes, strengthen the management framework and system construction for safety, and build up a sound and longstanding safety mechanism.



#### Employees' interests

Adhere to the "human-oriented and give full scope to the talents" concept to fully protect employees' interests, provide them a good platform for growth and inspire their enthusiasm and creativity, thus achieving mutual development between the Company and employees.



#### Technological progress

Adhere to the concepts of "Science and technology are primary productive forces" and "Leveraging the leading technologies to serve the country", actively participate in the national researches on the difficulties in processing and refining of gold and complex polymetallic ore; and actively make industrialization attempts to tackle the technical difficulties in processing and refining low-grade gold ore and increase the utilization efficiency of gold and nonferrous resources.



#### Harmony and win-win

On the premise of "business integrity for win-win and multi-win" and the mutual respect and benefit principle, promote extensive cooperation with the stakeholders; continuously improve customer services, strengthen supplier management, and carry forward strategic cooperation with local government, suppliers, creditors, enterprises and public sectors and other entities; consider the interests of local people, create more employment opportunities, and strive to achieve win-win with the stakeholders.

## 05.Social responsibility performance scorecard

A: Target achieved (>95%) B: Proceed as scheduled C: Failed

Scope of responsibilities	Social responsibility targets for 2019	Completeness of target
 <b>Responsibility management</b>	Set up an internal social responsibility management framework that covers all functions, tier-two business units and major production enterprises, as well as sound communication channels.	A
	Provide multi-level social responsibility training and workshops to improve social responsibility awareness of management personnel and employees.	A
	Publicize legal knowledge, provide anti-corruption training, deepen efficiency monitoring, and nurture the business concept of compliance.	A
 <b>Economic performance</b>	Benchmark to the domestic best-in-class practices, improve resource reserve system and marketing service system, and strive to achieve the strategic transformation.	A
	Strengthen business management and realize asset preservation and appreciation.	A
 <b>Safety performance</b>	Enhance the control over premium resources, increase resource acquisition capability and promote capital operation.	B
	Strengthen work safety and build up a sound management model of safety production to cater for strategic transformation.	A
	Advance the safety standardization management system construction, effectively monitor major hazard sources, and improve the emergency rescue system, aiming at zero fatality in work safety and minimizing the occurrence of other accidents.	A
	Strengthen the safety management information system and the safety education and training framework to continuously improve safety performance.	A
	Accelerate safety-oriented technological renovations in processes and equipment, strengthen R&D, and leverage technological innovations to achieve safety management.	A
 <b>Caring to employees</b>	Strictly follow the national laws and regulations to protect legitimate rights and interests of employees.	A
	Provide on-the-job training and reinforce the career ladder for employees.	A
	Build up a sound occupational safety and healthcare system for employees.	A
	Fulfill the responsibilities for employees, and gradually improve the compensation packages as planned.	A
 <b>Environmental performance</b>	Assist the employees in need to overcome difficulties.	A
	In respect of energy conservation and emission reduction, standardize fundamental management and target management, press forward monitoring, inspection and assessment to meet the preset goal.	A
	Increase environment investment, uplift innovation capability in environmental technologies, promote application of energy conservation technologies, and improve comprehensive utilization of renewable resources, aiming at the domestically leading and internationally advanced performance.	A
 <b>Social performance</b>	Develop mineral resources in a scientific way, and improve comprehensive utilization of resources, recycling of remnant ore and reuse of wastes.	A
	Increase the support for public welfare, and help the impoverished areas through multiple means.	A
	Support community education, improve health survey and build up community infrastructure to achieve mutual development of the enterprise and the community.	A
	Increase local procurement and achieve employment localization to promote economic growth of the community.	A
	Observe business ethics and fight against commercial bribery to create a fair competitive market.	A

# Responsible System

## 01. Administrative authorities

The Company gradually builds up a sound corporate social responsibility management system. The social responsibility strategic issues are decided and managed by the Nominating and Corporate Governance Committee, Audit Committee, Compensation and Benefits Committee, and Health, Safety and Environmental Committee of the Board of Directors (the "Board") of the Company and its subsidiaries, and implemented by the management of the Company.

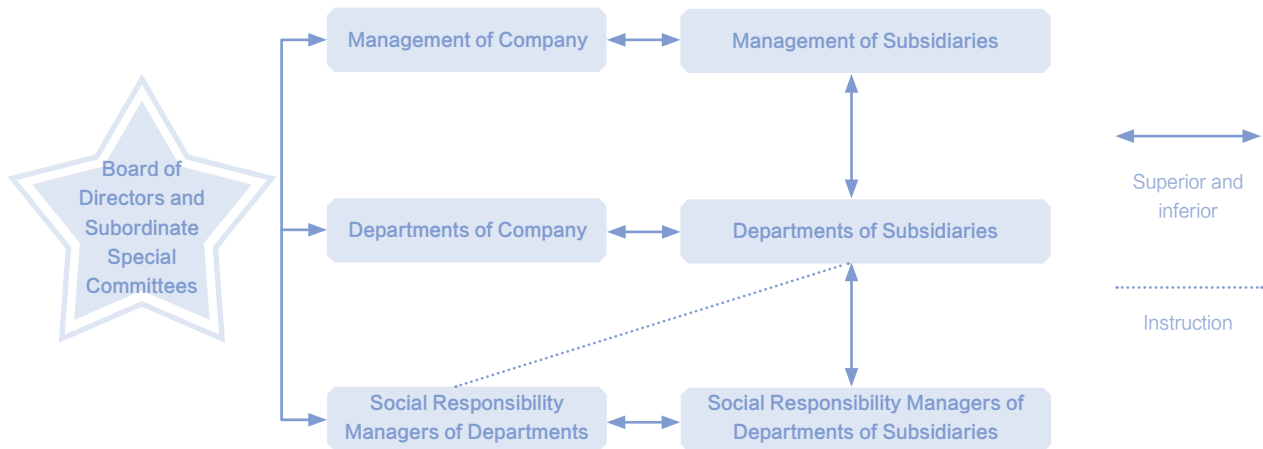
Social responsibility team, including major management from the subsidiaries, is responsible for decision-making and management of their social responsibility issues.

## 02. Daily management bodies

At relevant departments of the headquarters and the subsidiaries (branches), management bodies, posts and personnel, responsible for carrying out social responsibility work, are deployed covering safety management, energy conservation, emission reduction and environmental protection, compensation and benefits, occupational health, technological innovations and employees' interests.

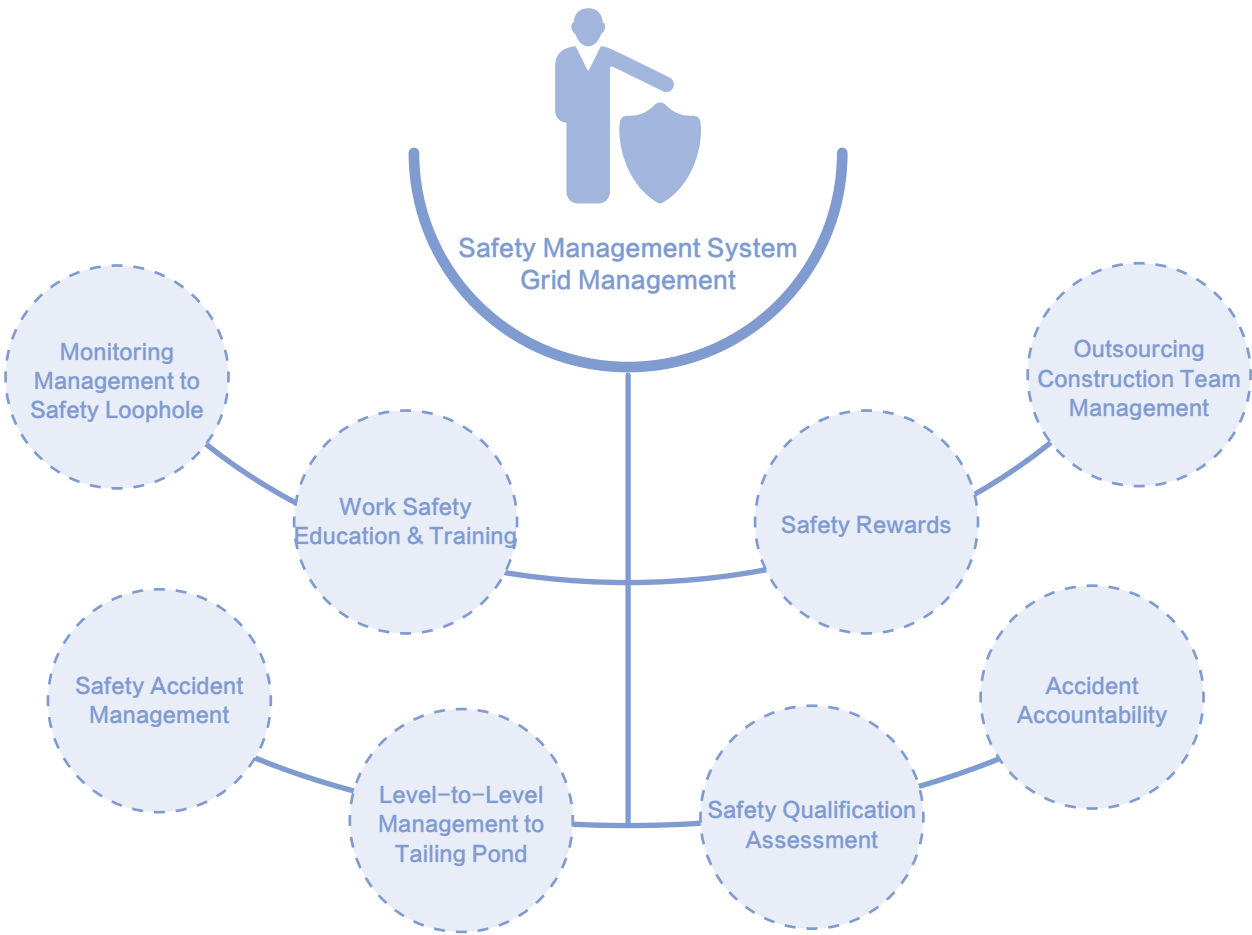
The General Office is responsible for disclosing corporate social responsibility information, as well as responding to inquiries of investors, regulatory authorities and other stakeholders on corporate social responsibility issues.

## 03. Organization structure



## 04. Specific safety management system

China Gold International always puts safety, health and environmental protection first, increasing the investment in safety and eco protection in recent years. Following safety and eco protection provisions of China and the Company, the Company requires its two subsidiaries to improve regulatory system and to improve the capacity of work safety. In 2019, China Gold International made all efforts to implement "dual responsibilities on one position", urged its subsidiaries to implement the system of safety and eco protection management, and carried out special rectification movements for safety and environmental protection. China Gold International and its two subsidiaries have adhered to the three bottom lines of "safety, eco protection and stability", increasing the investment in safety and environmental protection. We have optimized the safety to improve intrinsic safety in accordance with relevant regulations of the Government and Company.



## 05. Specific environment management systems

Attaching great importance to environmental management systems, the Company has established the Health, Safety and Environmental Committee with organization and environmental professionals staffed at the headquarters and the subsidiaries under three well-established environmental management systems.

### Organizational management system

The subsidiaries and branches are required to set up definite environmental administrative authorities, and establish corporate environmental management system consisting of persons in charge of the subsidiaries, environmental management departments, heads of workshops and workshop environmental officers. By strengthening the leadership, addressing project implementation and funding and exercising strict monitoring and management, the systems are designed to improve self-environmental management capabilities of the units, ensuring them to meet the emission reduction targets for major pollutants.

### Statistic and monitoring system

The subsidiaries and branches are required to staff dedicated environmental monitoring inspectors, who are responsible for formulating and implementing the plans for regular monitoring of major and typical pollutants, ensuring normal operations of pollutant treatment facilities, and establish the pollution source monitoring database.

### Reward & punishment system

Environmental management structure, environmental management systems, environmental records management and control for major pollutants in the subsidiaries and branches are included into performance evaluation. Environmental protection responsibility system has been established and implemented.

# Responsibility Topics

In order to fulfill its social responsibilities, the Company attaches importance to building a sound participation mechanism for its stakeholders. The Company draws upon the social responsibility standards and the best practices of other enterprises, with reference to its development goal and strategy, industrial characteristics and the expectation and requirements of the stakeholders, to identify the social responsibility topics in a rational manner.

## 01.Process to identify social responsibility topics

- Confirm objective of social responsibility confirm social responsibility objective regarding the CSR standard and the best responsibility practice.
- Understand expectation of interested parties actively communicate with interested parties to understand the significant topics they care about.
- Select major topics select and put in order the topics according to the concern of interested parties and the influence of the topics on the Company.
- Formulate work plan and put into practice formulate work plan and put into practice, draw up the action plan, confirm scope of participation and provide action resources.
- Feedback of interested party assess the implementation effect of the planning through internal and external communication
- Summary and improvement summarize the experiences and improve continuously



## 02.List of social responsibility topics

### Responsibility performance

Concept establishment, organization setting, strategic planning, the integration of concept into operations, communications and surveys in respect of social responsibility.

### Market performance

Financial performance, investor relations management, customer relationship management, product quality management, responsibility for procurement, business integrity and fair competition.

### Social performance

Compliance with laws and regulations, implementation of national policies, protection of employees' interests, equal employment, occupational health management, employee training and development, work safety, localized operations, charity and public welfare, volunteer activities.

### Environmental performance

Environmental management system, responses to climate change, development and application of environmental technologies and equipment, energy and water conservation, development of circular economy, remnant ore recovery, emission reduction of waste gas, water and slag, tailing treatment and ecological protection at mining area, conservation of land resources, reduction of waste emission.

# Responsibility Enhancement

Effective social responsibility management is a cornerstone for corporate sustainable, steady and harmonious development. To proactively improve its social responsibility enhancement management system, China Gold International communicates with the stakeholders through a range of means to continuously improve its social responsibility performance.

## 01. Formulating management system

With the system, regulations and processes for corporate social responsibility management in place, the Company has established a longstanding mechanism for corporate social responsibility management and practices. Preparation and publishing of annual reports on corporate social responsibility have effectively ensured the implementation of our social responsibility work. Through preparing and publishing this report, we deepened our understanding of social responsibility indicator system based on better comparison of information and statistics, and the identification of “weakness” in social responsibility management will play a vital role in improving our social responsibility management system and capabilities.

## 02. Launching specific training programs

The Company continues to enhance training for its employees on safety, legal issues and human rights and environmental management, laying a solid foundation for specific social responsibility management.

## 03. Upgrading specific work

Pushing ahead its social responsibility management, the Company seeks to focus on thematic practices as a breakthrough, where appropriate, to infiltrate the social responsibility concept into all functions and business units for upgrading and optimization of the existing working model.





# Communications on Responsibilities

The Company conducts in-depth research on stakeholder concerns, attaches great importance to communication with stakeholders, and translates relevant claims into corporate social responsibility actions and objectives. And we effectively strengthen our capacity building, disseminate the Company's responsibility concept and practice to stakeholders through various channels, and strive to meet expectations of interested parties.

## 01.Participation of Interested Parties

	Governments	SASAC
Description	Chinese and local governments	An investor on behalf of the state
To the expectation of Company	Proactively implement the state's macro control, promote consolidation under the national industrial reviving plan, strengthen supervision on work safety, protect the environment	Achieve preservation and addition of state-owned assets, improve corporate governance, focus on principal business, uplift competitiveness, proactively implement the state's energy conservation and emission reduction policies, achieve green operations
Communication Means	Plans and proposals, attendance of meetings and special reports, statistic statements and visits	Rules and regulations, business targets, assessment criteria, work reports, statistic statements
Key Indicators	Total tax, headcount	Principal operating revenue, total profit, return on net assets, preservation and addition ratios of state-owned assets
	Business partners	Investors and creditors
Description	Suppliers, contractors, financial institutions, research institutions, consulting agencies, etc.	Holders of shares and bonds of the Company and its subsidiaries
To the expectation of Company	Observe business ethics and laws and regulations, establish long-term cooperation to achieve mutual benefit and win-win	Continuously enhance corporate value, reduce risk, continue as a going concern, satisfy debt service as scheduled, pay dividends
Communication Means	Negotiations on strategic cooperation, high-level meetings, bidding, day-to-day business relationship, regular visits	Accurate and timely information disclosure, regular visits, annual reports, general meetings
Key Indicators	Execution of contracts and agreements	Credit rating, minority interests

	Employees	Customers	
	All members in the Company's organizational structure	Customers that purchase products or services	Description
	Protect employees' interests, assure stable employment opportunities and compensation, improve career path, provide safe and healthy work environment	Keep promise, provide cost-efficient products and quality services, achieve mutual benefits	To the expectation of Company
	Labor unions at various levels, regular employee representative conferences, smooth internal communication channels	Close communications with customers, strict execution of contracts, extensive information about products and services	Communication Means
	Employment contract signing ratio, social insurance coverage ratio, employee loss ratio, training investment, number of proposals at employee representative conferences	Execution of contracts and agreements	Key Indicators
	Community and the public	Non-government organizations	
	Local society where we operate	International organizations, industry associations and local groups	Description
	Promote sustainable development of community economy, support public welfare, protect the community's environment, achieve common prosperity	Support social groups and organizations, fulfill the charters, improve disclosure of operational information, support environmental and other public welfare undertakings	To the expectation of Company
	Agreement on co-development, participation in community projects, regular communications, joint celebration events	Active participation in meetings, continuous improvements, advice and suggestions	Communication Means
	Investment in community development, total donation to community welfare	Attendance to relevant meetings, investment in public welfare	Key Indicators



## 02.External communication

The Company effectively communicates with its stakeholders through many ways to satisfy their needs for information disclosure.



Case of precision poverty alleviation titled Love on the Plateau Boosts the Development and Prosperity of Tibet from Jiama Mine was collected into the Blue Book for Poverty Alleviation of Chinese Enterprise 2019.



Independent directors of China Gold International visited CSH Mine

## Social Recognition

While creating economic benefits, China Gold International continues to deepen its understanding of its social responsibility and earnestly fulfills its corporate social responsibility, and has received positive recognition from the public.

Honors for China Gold International from 2017 to 2019			
Company	Year	Honors	Granting unit
Jiama Mine	2019	Second Prize for Green Mining Science and Technology in Research and Application of Key Technologies for Overall Management in Intellectual Cloud Mining Project	Zhongguancun Green Mine Industry Alliance
Jiama Mine	2019	Second Prize for Integrated Key Technology and its Industrial Application in Overall Efficient Recovery of Refractory Copper in Polymetallic Mine	China Nonferrous Metals Industry Association
Jiama Mine	2019	First Prize for Key Technology of Continuous and Integrated Mining on High-level Thick Ore Body in High Altitude Environment	China Gold Association
Jiama Mine	2019	First Prize for Process Optimization and Technology Application of Copper and Molybdenum Separation in Jiama Complex Copper and Molybdenum Ore in Tibet	China Gold Association
Jiama Mine	2019	Second Prize for the Research on Key Technology to Provide Graded and Partitioned Support to Broken Rock Roadway	China Gold Association
Jiama Mine	2019	Second Prize for the Research and Technology of Comprehensive Recovery of Nankeng Oxidized Copper, Lead and Zinc Mine in Jiama Mining Area of Tibet	China Gold Association
Jiama Mine	2019	Third Prize for Research and Application of Beneficiation Technology on Copper and Molybdenum Deposit in Jiama Complex Refractory High-sulfur Hornstone at High-altitude of Tibet	China Gold Association
Jiama Mine	2019	Special Prize for Process Optimization and Application Technology of High-efficient Separation in Jiama Copper and Molybdenum Concentrate	China National Gold Group Co., Ltd.
Jiama Mine	2019	Reward on Rational Suggestions and Refined Application of Self-made Slag Rotary Sieve for Ore Pulp in Production	China National Gold Group Co., Ltd.
Jiama Mine	2019	Technology Innovation Expert	China National Gold Group Co., Ltd.
Jiama Mine	2019	LIMS System in Large Copper Polymetallic Mines at High-altitude Cold Environment, SOE Management and Innovation Achievements of State-owned Enterprises	China Enterprise Management Research Institute, China Institute of Fiscal Science, Innovation World Weekly, State-owned Enterprises Management Committee
Jiama Mine	2019	China Innovation Demonstration Enterprise for the Cooperation among Industry, University and Research Institute (2019)	China Industry-University-Research Institute Collaboration Association
Jiama Mine	2019	China Innovation Award for the Cooperation between Industry and Research Institute (2019) Innovation Reward for the Cooperation among Industry, University and Research Institute (2019)	China Industry-University-Research Institute Collaboration Association
Jiama Mine	2019	China Craftsmanship Spirit Award for the Cooperation among Industry, University and Research Institute (2019) Reward of Craftsmanship Spirit in Innovation and Progress for the Cooperation among Industry, University and Research Institute (2019)	China Industry-University-Research Institute Collaboration Association
Jiama Mine	2018	Research and application of key technology for efficient utilization of complex low-grade copper ores First Prize of Science and Technology Award	China Non-Ferrous Metals Industry Association
Jiama Mine	2018	Key technology and industrialization considering the comprehensive utilization of complicated copper ore First Prize of Science and Technology Award	China Association of Circular Economy
Jiama Mine	2018	Research and application of simultaneous shaft-sinking with medium-length hole in plateau mine First Prize of Scientific and Technological Achievements for Frontline Workers	China Gold Association
Jiama Mine	2018	Application of self-made slag removal of ore pulp First Prize of Scientific and Technological Achievements for Frontline Workers	China Gold Association
Jiama Mine	2018	Innovation on sealing and dust prevention of flotation cell	China Gold Association

Honors for China Gold International from 2017 to 2019			
Company	Year	Honors	Granting unit
Jiama Mine	2018	Second prize for the SOE Management and Innovation Achievements of State-owned Enterprises (2018)	China Enterprise Management Research Institute, China Institute of Fiscal Science Innovation World Weekly, State-owned Enterprises Management Committee
Jiama Mine	2018	The 11th National Advanced Equipment Management Unit	Chinese Association of Plant Engineering
Jiama Mine	2018	Pilot Demonstration Enterprise of Intelligent Manufacturing by Ministry of Industry and Information Technology (2018)	Ministry of Industry and Information Technology
Jiama Mine	2017	Excellent Collective for Supporting and Helping Village (community) Labor Unions in Lhasa city in 2016	Trade Union of Lhasa City
Jiama Mine	2017	Worker Pioneer	Trade Union of Lhasa City
Jiama Mine	2017	Second Prize of Innovation Achievement Award in the 23rd National Enterprise Management Modernization	National Enterprise Management Modernization Innovation Results Review Committee Office
Jiama Mine	2017	Second prize for the SOE Management and Innovation Achievements of State-owned Enterprises (2017)	China Enterprise Management Research Institute, China Institute of Fiscal Science, Innovation World Weekly, State-owned Enterprises Management Committee
CSH Mine	2019	Excellent Enterprise	China National Gold Group Co., Ltd.
CSH Mine	2019	Second Prize in Knowledge Competition of Remember the Original Aspiration and Mission for Development under the Party Leadership	Working Committee of Non-public Economic Organizations and Social Organizations of Urat Zhongqi Committee
CSH Mine	2019	Advanced Unit for the Application of Study for a Powerful Country	Publicity Department of Urat Zhongqi Committee
CSH Mine	2019	National Advanced Unit of News Publicity in Gold Industry 2018	China Gold Association
CSH Mine	2019	Banner of Youth Civilization of Urat Middle Banner	Communist Youth League of Urat Zhongqi County
CSH Mine	2019	Youth League Branch for May Fourth in Bayan Nur City	Communist Youth League of Bayannur City
CSH Mine	2019	2018-2019 Youth Civilization Group of Urat Zhongqi County	Communist Youth League of Urat Zhongqi County
CSH Mine	2018	2018 Advanced Enterprise for Fighting Against Drought	People's Government of Bayannur City
CSH Mine	2018	May Fourth Red-banner Youth League	Communist Youth League of Urat Zhongqi County
CSH Mine	2018	2017 Advanced Enterprise for Safety Production	Administration of Worker Safety of Bayannur City
CSH Mine	2018	2017 Advanced Workshop for Work Safety (processing and smelting plant)	Administration of Worker Safety of Bayannur City
CSH Mine	2017	2011-2015 Excellent Collective for Law Popularity and Governance by Law	Urat Middle Banner Committee of the Communist Party and the Urat Government

## CSH Mine awarded CNAS certificate

In 2019, the testing center of CSH Mine successfully obtained the CNAS laboratory accreditation certificate through on-site assessment and follow-up inspection by CNAS (China National Accreditation Service for Conformity Assessment) and ranked among the national gold testing laboratories in one fell swoop.

CSH Mine Testing Center has started CNAS laboratory certification work since January 2018, including the preparation and release of documents (quality manuals, procedure documents, quality records, etc.), standard and system document publicity, internal auditor training, statistical training, internal audit, management review, laboratory ability verification, and submission of CNAS application materials, on-site assessment and on-site assessment rectification. In preparing these certification work, all staff of the testing center were strict in their work and implemented the testing standards and other operating materials of each position, ensuring "safety first, science and accuracy, objectivity, efficiency and high quality, continuous improvement". CSH Mine Testing Center was established in 2009. As the important role in the company's production, it has been responsible for sampling, sample preparation and laboratory analysis of raw ore, intermediate products, finished products, water quality, and purchase of raw materials in the company's mining area. After years of operation and improvement, it has been built into a laboratory with strong technical force, a considerable number of modern equipment and instruments, and talents with various professional skills. The acquisition of CNAS accreditation signified that CSH Mine Testing Center reached international levels in hardware facilities, software equipment and testing capabilities, which would accelerate the company's establishment of an international first-class quality management system.



CNAS certificate of CSH Mine

## Jiama Mine was honored as Autonomous Regional Engineering Research Center

Jiama Mine attaches great importance to the construction of technological innovation platform. In 2014, it successfully declared the Tibet Autonomous Region Technology Center. In 2016, the company won the certification of the CNAS laboratory, passed the assessment of the "Integration of information technology and industrialization" management system of the Ministry of Industry and Information Technology. It also successfully declared the national high-tech enterprise both in 2015 and 2018, a national-level technological innovation demonstration enterprise in 2018, and was rated as a smart manufacturing pilot demonstration (Gold Digital Mine) in 2018. In 2019, it declared the Autonomous Region Engineering Research Center and passed the third-party expert review and defense. And at the end of 2019, it became the first batch declared by the Autonomous Region Development and Reform Commission. It indicated that scientific research capabilities of Jiama Mine have been further improved, establishing its high-tech brand image and technical strength.



Jiama Mine was identified as Autonomous Regional Engineering Research Center.

# ENVIRONMENTAL PROTECTION AND ENERGY CONSERVATION



There is a long way to go before we achieve green development. Guided by the conviction that lucid waters and lush mountains are invaluable assets, China Gold International Resources Corp. Ltd. has been committed to fighting the battle of pollution prevention and control and making our sky blue again. With a commitment to safety-based, clean, conservation-oriented and harmonious development, the Company insists on pursuing mutual development between environmental protection and economic growth. We dedicate ourselves in environmental protection and treatment activities, focusing on treatment of waste gas, water and slag, energy conservation and emission reduction, greening and landscaping. Great efforts have been taken in promoting low-carbon economy under a green development model featuring low energy consumption, pollution and emissions.

Our subsidiaries has strictly implemented their own responsibilities in environmental protection and management, always ensured the equipment and facilities of environmental protection in good condition. We have regulated the discharge of waste water and waste gas, disposed and stored solid waste based on standards, enabling the discharge of pollutants to reach standards. In addition, the Company has strengthened production source control and given priority to environmentally friendly production processes, clean energy and energy-saving equipment to reduce pollutants and energy waste.

## Energy Conservation and Emission Reduction

Global climate change has become an important concern worldwide. The Company actively responds to the country's calls to fulfill its corporate social responsibility. Targeting "low consumption, low emissions and high efficiency", the Company leverages technological innovations to vigorously develop circular economy and improve development and utilization of resources in a scientific and efficient manner, seeking to maximize the benefits from resource consumption.

### 01. Jiama Mine

Jiama Mine performs the following laws and regulations: Environmental Protection Law of the People's Republic of China, Environmental Protection Regulations of the Tibet Autonomous Region, Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Law of the People's Republic of China on Prevention and Control of Radioactive Contamination, Integrated Wastewater Discharge Standard, Emission Standard for Industrial Enterprise Noise at Boundary etc., and has specific rules on control and management of various pollutants, requiring that facilities for prevention and control of noise and solid wastes shall be installed, which have been accepted by the Environmental Protection Department of Tibet Autonomous Region, and discharge of relevant atmospheric and water pollutants shall meet the standards.

**In 2019**

Jiama Mine produced **377,482,200** kWh of power consumption, **31.83** kWh of comprehensive energy consumption per ton for mineral processing, **1.175** ton of water consumption per ton of ore.



### Key Indicators for Environmental Protection Performance of Jiama Mine

Item	Unit	2019	2018	2017	2016	2015
Total energy consumption	Ton of coal equivalent	64,282.25	57,053.8	29,379.6	14,008.6	14,213.7
Sewage emission	Ton	58,400	58,400	58,400	32,850	32,850
COD(chemical oxygen demand) emission	Ton	4.1	14.732	3.6	3.84	3.097
Newly added water	10,000 tons	208.18	41.06	40.56	38.63	38.07
Circulating water	10,000 tons	1,813.08	358.07	399.65	418.63	443.75
COD emission reduction	Ton	0.2	0.2	0.2	0.2	0.2
Residue emission	10,000 tons	1,197.5	772	172.98	172.98	172.98

#### a. Prevention of air pollutant

Jiama has been following the above laws and regulations. Currently, the air pollutant refers to the dust discharged out of the exhaust funnels of the processing plant, which is discharged organically after the treatment of three pulse bag dust collectors installed at the crushing section. Based on the environmental monitoring of Sichuan Radiation Detection & Protection Institute of Nuclear Industry as authorized, the dust discharged meets the standards, without any pollution problem.

#### b. Prevention of greenhouse gases and noise

As for the greenhouse gases, there is no organized emission of such gases based on the Greenhouse Gas Inventory. Solar energy is being used for heating, without any emission of greenhouse gases like carbon dioxide. Noise reduction measures are taken strictly in accordance with the environmental impact assessment requirements, without any noise pollution generated. The topsoil and vegetation taken out during the production and construction are piled and preserved in the company's reclamation back-up soil storage site and vegetation preservation area.

#### c. Prevention of solid wastes

Jiama Mine has always been aiming to 'develop a mine without any harm to the environment' and taking reduction of discharge of mine production wastes, mainly the tailings, as the top priority.

The solid wastes mainly consist of the domestic garbage, which is transported to Maizhokunggar County Refuse Landfill by the company's garbage trucks on daily basis and disposed under the agreement signed with the Refuse Landfill. The waste rocks are piled in the outdoor dump. The tailings are stored in the tailings ponds, or are filled into the pit through filling system in two ways, cemented filling with full tailings and non-cemented filling with full tailings. In 2019, with the cooperation of Beijing General Research Institute of Mining & Metallurgy, Jiama Mine updated four slurry filling systems and cement blanking, which has greatly improved filling quality, efficiency and stability. Backfill area reached 237,600 cubic meters in total.

**In 2019**

Jiama Mine produced **67.2853** million tons of harmless wastes, including **11.97** million tons of tailings, **35.3153** million tons of waste rocks. And the harmless wastes per ton of ore was **2.76**.

Based on the National Hazardous Waste Inventory, the major hazardous wastes of the company include the used lubricants from the processing plant and machine repair workshops, the medical wastes from the clinic and the containers of acid substances from the laboratory and processing plants, of which all the medical wastes and the containers of acid substances are recycled by a third party under the relevant agreement signed; the used lubricants are separately stored at the temporary waste oil storage site with proper anti-seepage measures. In the meantime, the company is dealing with Lhasa Municipal Environmental Protection Bureau, Lhasa Municipal Hazardous Waste Disposal Center and Tibet Shenglutong Logistics Information Co., Ltd. with regard to the waste oil transportation and disposal procedures.

Hazardous Waste Discharge Amount of Jiama Mine					
Type	2019	2018	2017	2016	2015
Medical wastes (ton)	0.24	0.25	0.24	0.22	0.21
Used lubricants (ton)	27.95	15	19	3	3
Containers of chemical agents (ton)	1.66	3.46	0.5	0.5	0.45
In total(ton)	29.85	18.71	19.74	3.72	3.66
Harmful waste per ton of ore(g/ton)	2.41	1.79	1.89	0.35	0.35

#### d. Treatment of domestic wastewater

Adhering to the principle of water recycling in ore-processing, Jiama Mine regularly replenished fresh water and realized zero discharge of domestic wastewater. The company has a domestic wastewater treatment station, which was put into operation in May 2017. The treatment station is designed with a daily processing capacity of 480 cubic meters, which can meet the domestic sewage treatment needs at Jiama Mine. The treated water is used for road watering to reduce dust and plant greening. In 2017, the company built and put into use the Sibugou acid water treatment plant with designed maximum water treatment capacity of 18,000 cubic meters per day, which could treat the maximum acidic water in rainy seasons. Sibugou backwater plant is being built, which aims to transfer the treated water to the ore-processing plant II through the pipeline and pump house, realizing the reuse of water resources.

## 02.CSH Mine

Strictly in accordance with the Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Law of The People's Republic of China on Water and Soil Conservation, Grassland Law of the People's Republic of China, Mineral Resources Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Sand, Law of the People's Republic of China on Land Administration, Law of the People's Republic of China on the Protection of Wildlife, Law of the People's Republic of China on Promoting Clean Production, Measures for Administration of Environmental Protection Acceptance of Completed Construction Project, Integrated Wastewater Discharge Standard, Integrated Emission Standard of Air Pollutants, Standard of Environmental Noise of Urban Area and Emission Standard of Air Pollutants for Boiler, CSH Mine has authorized Bayannur Jiehua Environmental Test Company to carry out monitoring for domestic sewage, underground water, boiler fume, soil, TSP and noise at boundary every quarter, so as to strictly control the emission of pollutants and meet the standards.

Key Indicators for Environmental Protection Performance of CSH Mine						
Item	Unit	2019	2018	2017	2016	2015
Total energy consumption	Ton of coal equivalent	18,650.38	19,601.19	22,576.82	22,050	22,640
Sewage emission	Ton	0	0	0	0	0
COD(chemical oxygen demand) emission	Ton	0	0	0	0	0
Newly added water	10,000 tons	118	128	232	170	200
Circulating water	10,000 tons	5,657	6,513	6,687	6,556	5,992
COD emission reduction	Ton	0	0	0	0	0
Residue emission	10,000 tons	6,826.60	6,785.82	9,138.39	9,269.16	9,633.75

In 2019, CSH Mine produced 97,960,000 kWh of power consumption. Water consumption per ton of ore was 0.098. Comprehensive energy consumption per ton for mineral processing was 7.51 kWh.

### a. Prevention and control of air pollution

The pollutants produced by CSH Mine include sulfur dioxide, nitrogen oxides, fume, carbon dioxide and industrial dust. During the mining operation, measures such as dust collection and wet-type dust reduction are taken for dust control and reduction of drilling equipment; compression and pre-splitting blasting is adopted to reduce dust; 16 sprinklers are used for 24-hour watering to control the dust on the transportation road, so as to meet the relevant requirements. Each link in the crushing workshop is closed. 16 composite bag dust collection systems, 29 sintered plate dust collectors and 27 watering points are installed, with specialized personnel assigned for maintenance and repair of the dust collectors and watering points to ensure their normal operation. All the dust gathered by the collectors is transported by a screw conveyor to the belt and returned to the process, which will not be discharged out. All the boilers in the production area are equipped with XTD-10 ceramic multi-cyclone dust collectors and wet-type desulfurization dust collectors (automatically adding whitewash for desulphurization). Each shift adds sodium hydroxide on time based on the pH value of the doctor solution. Inspection and maintenance will be carried out for the boilers every year after heating is stopped to make sure normal operation of boilers and dust collectors. The boilers in the living area are equipped with XTD-4 ceramic multi-cyclone dust collectors and wet-type desulfurization dust collectors to make emission of pollutants such as SO<sub>2</sub> and fume meet the standards.

### b. Prevention of greenhouse gases and noise

Only carbon dioxide produced by CSH Mine is a kind of greenhouse gas, and there is no methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. In order to meet the provisions of the Emission Standard of Air Pollutants for Boiler (GB13271-2014), CSH carried out desulfurization modification for the boilers in the living area in 2015, additionally installing desulphurization facilities for 4 boilers in that area, after which the discharge of all the pollutants meet the standards as monitored by the Bayannur Environmental Monitoring Station.

### c. Prevention of solid wastes

Non-hazardous waste at CSH is mainly waste rock, most of which are stored in waste rock yard. And flood intercepting trenches are built with these rocks to prevent water and soil loss. Some rocks are used for paving in CSH mining area to prevent land occupation and protect the environment. Boilers at CSH Mine produces about 2,000 tons of ashes and cinders annually, all of which are used as building materials or for paving. The company will strictly control coal consumption, purchase coal with low ash content to reduce ashes and cinders.

## In 2019

CSH produced 68.266 million tons of non-hazardous wastes, most of which were waste rocks. And the non-hazardous wastes per ton of ore was 6.01.

In accordance with Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and National Hazardous Waste Inventory, hazardous wastes produced by CSH Mine are the used mineral oil. CSH stores the used mineral oil at a separate place and regularly transports them with approval. Besides, CSH sets up clear symbols for hazardous wastes and improves management account for used mineral oil. In strict accordance with the Regulation on Hazardous Wastes Manifests, CSH signed with Wuhai Tongyang Energy Technology Co., Ltd to sell and transfer the used mineral oil.

Hazardous Waste Discharge Amount of CSH Mine					
Type	2019	2018	2017	2016	2015
Medical wastes (ton)	0	0	0	0	0
Used lubricants (ton)	16.08	6.4	6.30	6.46	6.25
Containers of chemical agents (ton)	0	0	0	0	0
In total(ton)	16.08	6.4	6.3	6.46	6.25
Harmful waste per ton of ore(g/ton)	1.23	0.640	0.320	0.289	0.295

### d. Sewage treatment

The water for production of CSH is mainly the water used for dripping on the dump leaching site, through which all the electrolytic washing water in the gold smelting workshop can be collected and recycled, without any wastewater generated and discharged during the production. Meanwhile, the company has invested in building an underground domestic sewage treatment station, with a daily capacity of 720 cubic meters, for disposing the water by contact oxidation method. The company assigns specialized personnel to carry out inspection, repair and maintenance on a regular basis and add pharmaceuticals to ensure the normal operation of the sewage treatment facilities. The water quality after treatment complies with the Grade II of the Integrated Wastewater Discharge Standard, which can be used for watering for road dust reduction or plant greening.



### 03.Awareness campaigns for energy conservation and emission reduction

#### CSH Mine held the World Environment Day

CSH Mine held the 48th World Environment Day series. The company widely carried out environmental protection work, made environmental protection publicity posters, distributed environmental protection tips and brochures to all staff, actively promoted the conviction that lucid waters and lush mountains are invaluable assets, strengthening environmental protection awareness of all staff in the company.



CSH Mine held the World Environment Day

#### Jiama Mine launched Work Safety Month activity

Jiama Mine was committed to implementing the requirements of the China Gold's "Work Safety Month", raising the safety awareness of the company's employees and ensuring long-term safety in production. On June 1, 2019, the Work Safety Committee of the company carried out a signing activity of "Work Safety Month" in front of the company's office building. It was aimed at building a safety climate where everyone who concerned and desired safety. The Work Safety Department was responsible for ordering safety brochures, banners and publicity boards and distributing them to other departments by June 1. Among them were 147 interpretation manuals of safety concept, 4,388 portable interpretation manuals of life-saving terms and harm-free terms, 520 mouse pads with safety concept printed, 53 banners and 40 boards. All of them were designed to promote safety culture and enhance employees' safety awareness.



Jiama Mine employees signed at the safety banners

## Recycling of Water Resource

Water is an important natural resource for living and production. As population growth and production development, water is increasingly scarce, however. China Gold International actively uses new technology, new process and equipment to upgrade existing production systems to reduce water consumption; while the Company actively recycles water pouring from the mines and domestic sewage, which is treated for industrial production. That is how the Company achieves recycling of water resources to build a water-saving enterprise.

Indicator		2019	2018	2017	2016	2015
Water consumption	Newly added water (in 10,000 ton)	326.18	169.06	272.56	208.63	156.76
	Circulating water (in 10,000 ton)	7,470.08	6,871.07	7,086	6,974	8,602
Water consumption per RMB10,000 output		7.2	27.09	22.84	26.33	27.63
Water consumption per ton ore (ton)		0.14	0.08	0.31	0.24	0.25

### Jiama Mine invested in building water treatment plant

Adhering to the eco philosophy of “lucid water and lush mountains are invaluable assets”, Jiama Mine persists in the new industrialization model of “striking a balance between production and ecology, regarding governance and development as a whole”. The company invested RMB 72 million in the Sibugou water treatment plant and operated in scientific way, reducing the effects of high concentration of aquatic acid as well as controlling process parameters strictly. Endeavored to increase the level of integrated resource utilization and environmental protection, the ultimate goal was to ensure all of the water indicators meeting design requirements and discharge standards. At the same time, based on the Maizhokunggar county EPA inspection, laboratory quality monitoring and online monitoring, the water treatment plant was strengthened on patrol intensity and frequency, and implemented full process control over the production, thus effectively mitigating and controlling environmental pollution of acid water.



Jiama Mine invested in building Sibugou water treatment plant.

# Environmental Protection

Green development journey has a long way to go. China Gold International thoroughly implements the vision of “lucid water and lush mountains are invaluable assets”, resolutely wins the critical battle of pollution prevention and control and makes our skies blue again. Our subsidiaries strictly implement the responsibility of environmental management to ensure proper operation of environmental equipment and facilities. We standardize the discharge of waste water and waste gas, treat and store solid waste according to regulation to ensure the compliance with pollutant discharge. We further prioritize environmentally friendly production processes, and adopt clean energy and energy-efficient equipment to reduce pollutants and energy waste from the source. Furthermore, the Company speeds up building green mine according to the standard of building national green mine in the gold and non-ferrous metals industry,.

In June 2019, CSH Mine invested a total of RMB 443,800 million in plant restoration in the southwestern waste dump, which had been stopped its dumping. The coverage was 48,126 cubic meters by sowing 600 kg of grass seeds, with the restoration area reaching 77,908 square meters

The company's project was divided into two phases. The first phase of the total investment recorded RMB 2.76 billion, of which RMB 180 million was invested in environmental protection, accounting for 11.7% of the total investment, and RMB 54.8484 million was invested in water and soil conservation. In the second phase, the total investment reached RMB 4.98 billion, including RMB 280 million in environmental protection, amounting to 5.6% of the total investment of the project, and RMB 93.0939 million in water and soil conservation. The total investment in environmental protection of the first and second phase recorded RMB 460 million, the investment in water and soil conservation posted RMB 147 million. And the investment in environmental protection in 2019 stood at RMB 45 million, of which RMB 37 million was invested in Sibugou water treatment plant.

## 01. Implement level-to-level administration for environmental protection

The Company implements level-to-level administration for environmental protection. We seek to improve environmental management system and establish a governing body which is responsible for inspecting and managing eco work. All departments of the Company, according to respective duties, take charge of environmental protection by division of labor. The subsidiaries take charge of the environmental problems in the area where it operates. The eco protection work of the company is managed uniformly.

## 02. Strengthen the environmental awareness

The Company attaches great importance to environmental awareness, formulating and implementing annual environmental initiatives and training programs to publicize environmental knowledge and advocate the environmental culture. Through such initiatives and training programs, the Company strives to improve the environmental awareness, work ethic and methodology of the heads of subsidiaries and branches, standardize environmental management, fulfill environmental responsibilities of corporate undertakers, and play its leading role in the micro environmental management.



The plant restoration at the dump of CSH Mine



Slope afforestation at dump site of Jiama Mine



CSH Mine held voluntary activity to pick up the garbage on the grasslands.



Jiama Mine employees planted trees.

### 03.Environmental technology innovation

The Company places priority on environmental research. Therefore, the environmental innovation and system integration provides a technical support for pollution prevention and eco management.

#### Jiama Mine actively conducted ecological restoration

During the mine construction period, Jiama Mine conserved and transplanted the plants stripped at the construction site, greening area covering 121,000 square meters in core library, water source area, ore highway and mining area. When it put into production, the company afforested the park at the production area, ore-dressing area, Niumatang heavy metal water treatment plant and the mining road, covering 240,000 square meters. The company mainly grew local Tibetan plants such as sea-buckthorn and alfalfa. Among them, there were 2.1 million sea-buckthorns and over 500 kilogram of other grass seeds. Since 2018, the company has started technical research on soil spray sowing and bottom reconstruction. And Jiama Mine, with the cooperation of five scientific institutes such as Tibet University and Tsinghua University, studied the ecological restoration technology of bottom reconstruction suitable for the ecological restoration on the plateau, which would provide technical support for mine ecological restoration in the future.



Experimental base for eco restoration of Jiama Mine

### 04.Green and environmental operation

The Company actively promotes the green office campaign. Given its cross-region operations, messaging tools such as OA, teleconference system, WeChat and WeChat Work, are widely used in the Company's routine to improve efficiency of green office. Actively promoting clean production, the Company places emphasis on environmental management across the entire production process, aiming to continuously improving on-site clean production performance.

### 05.Green procurement

The Company actively implements the Opinions on Government Procurement of Environmentally Labeled Products of the PRC to prioritize environmentally labeled products, and select manufacturers with leading technologies of environmental protection and energy conservation as its major equipment suppliers, aiming to minimize pollution from the source.

## 06. Protection of regional ecological environment

In strict compliance with the Exploitation and Utilization Scheme for Mineral Resources, the Environmental Protection and Restoration Scheme for Geological Environment of Mines and the Land Reclamation Scheme for Mines, the Company insists on the basic environmental protection principle of “people-oriented, environmental, prevention-oriented, clean production, energy conservation and emission reduction”. The Company adheres to “paralleled mining and reclamation” across the design and mining processes for mineral resource development, seeking to restore vegetation continually, prevent soil erosion and preserve biological diversity.

The Company strictly complies with the national environmental laws and regulations. The new investment projects recorded 100% fulfillment rate for both “environmental impact assessment” and the “three simultaneous” requirement, thus strengthening environmental management on new projects from the source. The Company has zero environmental pollution accident since its establishment.



### Jiama increased the greening to provide more comfortable and beautiful working surroundings for the employees

Over the years, Jiama has been committed to “build a mine to green the community”. In 2019, by signing spray-sowing agreement, the company worked with six corporations to increase the greening on both sides from Phase I tailing pond to 4490 ore highway, seeding 9,000 kilograms, planting 600,000 sea buckthorns and 500 willows, which greened 60,000 square meters and cost RMB 270,000.



Transplantation of vegetation at Jiama Mine

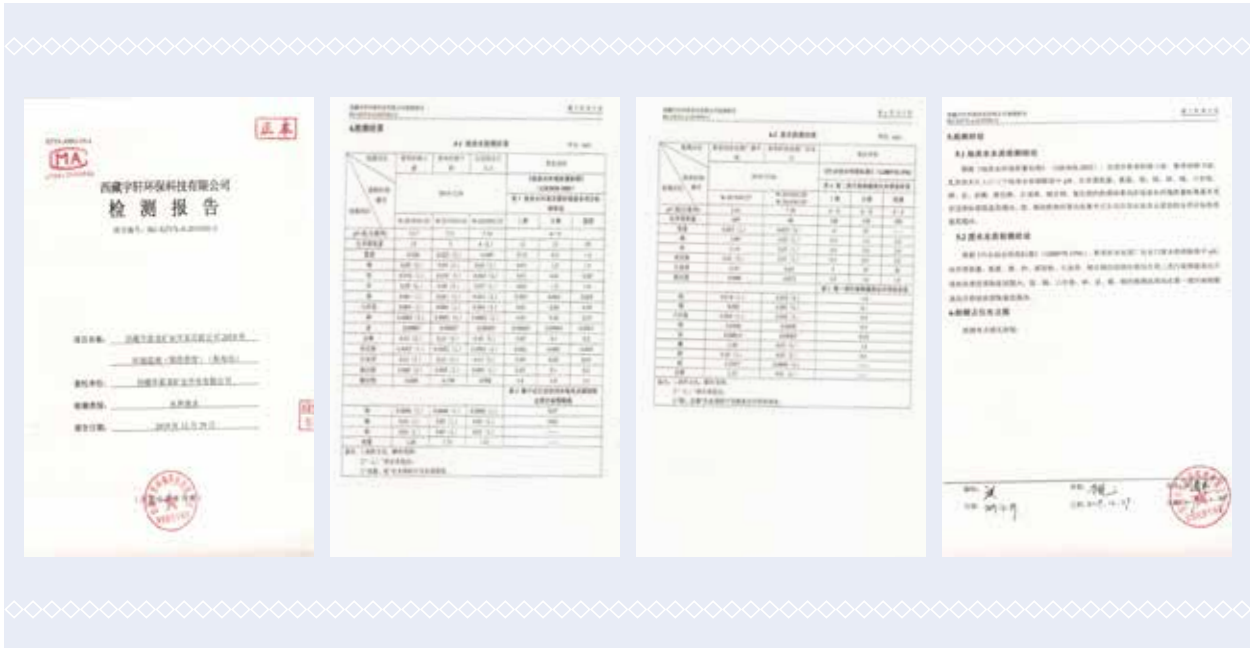
## 07. Green business

The Company has firmly upheld the concept of “building an enterprise into an environment keeper”, adhering to the principles of “spur the environmental protection during pursuing development and promote economic growth while working for the environment” and “rely on the scientific and technological progress, develop the circular economy and construct the green mines”. The Company has afforested the mines to improve the ecological environment so as to better promote the mining development and environmental protection.

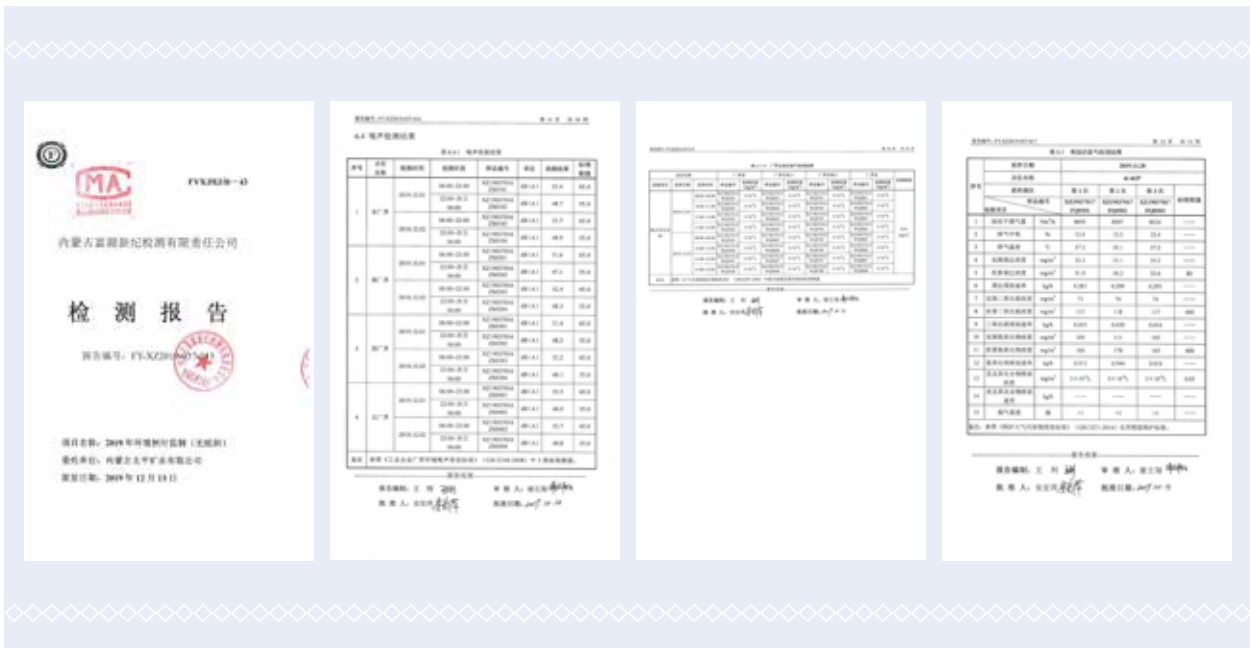
## 08. Monitoring of regional ecological environment

According to the requirements of environmental monitoring work, China Gold International actively entrusts the relevant monitoring units to carry out the environmental monitoring work of the mining area. The monitoring items include groundwater, surface water, domestic sewage, climate, noise, efficiency of dust removal of the plants. The internal monitoring is conducted by quality inspection center of the Company in accordance with the monitoring program on time.

Two subsidiaries of China Gold International monitored domestic sewage and exhaust gas each quarter, and all results reached standards in line with national laws and regulations.



Environmental monitoring report of Jiama Mine



Environmental monitoring report of CSH Mine

# WORK SAFETY

China Gold International is committed to improving intrinsic safety through assigning personal responsibilities and pushing ahead safety confirmation system. Also, we hold safety training and emergency rehearsals to promote all employees' awareness that everyone is a safety officer.

Fully aware of the long-term, arduous and complex nature of work safety, we adhere to the safety concepts of "No unavoidable accidents" and "Human-oriented and safety-based operation" which are closely aligned with our strategic transformation. In accordance with the approach of "safety foremost, prevention first and comprehensive management", we press ahead with safety system, starting with employee training, software improvement and hardware upgrading, so as to upgrade the fundamental and intrinsic safety capabilities of the Company as a whole to lay a solid ground for safe and harmonious mines.

Complying with state laws and regulations like Labor Contract Law of the People's Republic of China, Labor Law of the People's Republic of China and Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, and local rules and regulations like Regulations on Work Safety in the Tibet Autonomous Region and Regulations on Urban Workers' Maternity Insurance in the Tibetan Autonomous Region, Jiama Mine achieves compliance operations.

Based on the requirements of the national occupational health, safety and environmental protection laws, regulations, rules and standards, CSH Mine updates and releases in a timely manner every year. Laws, regulations and rules applying to CSH Mine are introduced into the company's rules so that they can be followed effectively in the course of production and operation activities of the company.

## Safety Investment and Performance

In 2019, the Company invested a total of RMB 196.1 million in safety, focusing on onsite management and system construction, to ensure its operation. The Company recorded zero fatality rate for million-ton production, zero major equipment accident rate, zero major fire and explosion accident rate, and zero major traffic accident rate, demonstrating sound performance of safe and stable operations.

### CSH Mine removed backward equipment in open mine

CSH Mine issued Notice on Matters Relating to Enhance Vehicles Safety to screen all vehicles of the company and phase out vehicles with incomplete procedures such as pickup trucks, commute cars, and freight cars. The company also bought two dedicated vehicles for explosive goods to replace the originals and bought two dedicated mine cars for carrying workers with mine safety marks, which have been put to use now.



CSH mine cars exclusively for carrying workers



CSH vehicle exclusively for explosives



## Safety Supervision

The Company has participated in the development of Interim Provisions on Work Safety Accident Accountability of China Gold and has strictly complied with it. And we have established safety system to strengthen management and carry out accountability.

**Remuneration-linked** The number of fatal accidents and casualties are linked to performance-based annual bonus of executives of the enterprises.

**Administrative penalties** The "veto for one vote" mechanism is adopted for work safety issues, including accidents, non-compliance with laws or regulations or policies on safety production, delay in safety production activities, weak rectification to significant potential safety hazards. For any business unit being a subject of the veto, all its annual general honorary titles and individual awards will be revoked, and the head, dedicated executive, relevant manager and the person with directly responsibility will lose their qualifications for any recognition, selection and promotion in the year.



Jiama Mine examined safety rules on spot check.

## Identification of Potential Hazards

Throughout its management over safety, the Company always gives the highest priority to major hazard sources, key areas and key processes. Under a strengthened framework, the Company reinforces specific inspections, supervisions and rectifications to preclude any accidents. In 2019, our special equipment inspection rate and qualified rate both reached 100%, sustaining the high level of safe operations.



Jiama Mine held a rehearsal for blasting-fume poisoning in the pit.



Jiama Mine held a rehearsal for overtopping the phase II tailing pond.



Jiama Mine held a fire rehearsal in the pit.





CSH Mine held a rehearsal for explosives blasting.



CSH Mine held a rehearsal for sodium cyanide poisoning.

### CSH Mine built water-holding dam at dump area

In July 2019, CSH Mine built water-holding dam with complete drainage facilities at its dump area. This project effectively solved the problem that water seeped into mines through the bottom of the dump, which was caused by the lack of flood prevention facilities at catchments area in the northeast of dump. In the end of October, the company built slags-holding dam, which improved the safety facilities in the northwest of the dump. The two projects equipped the dump with complete safety facilities, enabling safety facility design at open mine of Phase II expansion program pass the safety check as well as the subsequent acceptance.



Water-holding dam built by CSH Mine



CSH Mine held a rehearsal for electric shock at ore-dressing plant.

### CSH Mine monitored the slope stability through radar and drones

During the safety check on slope at open mine, CSH Mine used drones to inspect local steps of east and west open mine where workers could not reach, achieving the full coverage of the whole slope. And based on realities, the company timely adjusted and located the optimum monitoring position with two monitoring radars to monitor key areas of the slope, and adopted partition management in monitoring area to confirm the optimal pre-warning parameters at different areas. By effectively utilizing the function of safety early warning of slope monitoring radars, the company further improved work safety at open mine.

### Jiama Mine launched thorough safety checks according to actual work

Jiama Mine valued work safety. The company's Safety Committee organized thorough safety check each month while the Department of Work Safety carried out daily safety check, special inspections and safety check on holidays to supervise the rectification of potential hazards. In 2019, the company carried out thorough safety checks and holiday safety checks for 11 times, and issued 135 notices of rectification of potential hazards, totaling 763 items. The company also organized 13 special inspections such as flood control, fire prevention in winter, electricity safety and occupational health, and issued 117 notices of rectifying potential hazards, totaling 450 items. When it came to daily safety checks, the company issued 174 notices of rectifying potential hazards, totaling 343 items. At the same time, the company set up dual prevention mechanism to ensure continuous and stable work safety. The company identified 94 positions with high risk and compiled informing cards about these positions, clarifying their harm, injury types, cause to accidents and risk control measures. The company also made four-color map concerning different safety risk and set up risk boards and informing cards about working position.



Jiama Mine had thorough safety checks at open dump



CSH Mine's drones monitored slope.



Slope radar at open mine of CSH Mine



## Management of Hazardous Chemicals

The Company's hazardous chemicals mainly include explosives, sodium cyanide, sulfuric acid, etc. To ensure safety, stringent protective measures are developed in the storage, transportation, application and other processes. As of 2019, the Company recorded zero loss or serious spill accident of explosives and hazardous chemicals.



### Jiama Mine held emergency drill for hazardous chemicals

The company built explosive warehouse to store its hazardous chemicals. The explosive warehouse was built in the middle of the hillside, utilizing the hill as a natural barrier to stay away from office and living areas, ore-dressing plant. The explosive warehouse was surrounded by fire trenches, fire walls and installed with lightning-proof system, fire protection system and electronic monitoring system. In addition, the company commissioned Chongqing Scientific Research Institute on Work Safety Co., Ltd. to prepare Safety Status Assessment Report for Civil Explosive Warehouse of Jiama Mine, and submitted it to the superior safety department timely.

The company carried out the fire emergency drill, emergency response drill, emergency flood prevention drill and electricity emergency drill in the area near the explosive warehouse and explosive equipment warehouse separately. Through above drills, the company checked the ability of employees to control and rescue emergencies, verified the feasibility and practicability of contingency plan, and meanwhile enhanced the employees' safety awareness and ability to evacuate, escape, rescue.



Jiama held emergency drill for hazardous chemicals

# Safety Culture

Safety culture is highly valued in the Company. Through safety education, training and propaganda, we seek to shift the awareness of "safety requirement" to "safety initiative". We take efforts to foster a sound cultural atmosphere featuring "safety production by us", "safety for production and production upon safety" and so on.



Jiama Mine held safety contest.



CSH Mine held safety contest.

## Jiama Mine built safety culture system

In accordance with the plan of building safety culture system, Jiama Mine, with the cooperation of expert panel from Zhong Gang-Jin Bang Company, completed safety culture building in 2019. Lectures and meetings on safety culture were held regularly and various safety publicity activities were carried out. In this year, Jiama Mine improved and carried out 34 safety rules and 11 occupational health rules. The first trial of "Safety Conduct Code for Overhaul Construction of Jiama Mine" by ore-processing plant I received praise from the company. It was then carried out throughout the company. A safety visualization scheme was made and implemented in the pit, open mine, ore-processing plant, tailing processing plant and other departments. Through a year of dedicated guidance and inspection, the work related to the zero-harm system became normalized. The establishment of Jiama Mine's safety culture system was advanced.



Jiama Mine invited teachers from Zhong Gang-Jin Bang Company to have the training lessons on building safety culture.

Jiama Mine proactively carries out safety education and training, conscientiously implementing the Notice on Further Strengthening Work Safety of Enterprises issued by the State Council ([2010] No. 23) and the Provisions on Safety Training of Production Work Units (State Administration of Work Safety, Order No. 3). Jiama Mine actively participates in training sessions with regard to managers, safety deputy managers, technicians and mine managers, which are held by China Gold. In 2019, the company carried out 137 safety education and training sessions, with total participants of 9,253 persons. As of 2019, the safety education and training rate for the company's employees had been 100%.



CSH Mine launched safety training for all employees.



Jiama Mine launched safety training for external construction team.

	Unit	2019	2018	2017	2016	2015
Number of safety education sessions	Times	137	126	89	231	217
Total training participants	Persons	9,253	7,901	10,205	14,454	8,928
Safety education and training rate for employees	%	100	100	100	100	100

### Jiama Mine introduced VR technology for safety training

Jiama Mine constantly creates new models of safety training, taking advantage of VR safety training system which enables new staff to feel the three-dimensional shape of the mine and has a good understanding of mine safety norms, thus achieving a good training effect. Based on the multimedia computer system, VR safety training system combines with real time computer image generation, database, artificial intelligence and physical simulation method to construct a realistic SD space environment for mine engineering where new miners can simulate real production. They are trained in cognition and perception through man-machine interaction,



Jiama Mine introduced VR technology for safety training.

roaming and participating in activities. Moreover, they can operate the simulation equipment so as to improve their abilities of the real spatial judgment, analytical decision-making and emergency response as well as enhance consciousness of danger avoidance and safety hazard identification, which can realize the goal of safety education and technical training for miners. Based on the outline of Pre-Service Safety Training Materials, the training system was produced strictly in accordance with the materials, ensuring the accuracy of the training knowledge. The virtual scenes of the system consist of roadways such as Jiama 4490, 4610, 4450, observation deck, open pit mining and office square. And its main courses included cognition and treatment of altitude sickness, general safety knowledge of production site, cognition of safety signage, wearing instructions of safety protective equipment, cognition and treatment of underground emergency situation as well as cognition and rehearsal of escape routes. Meanwhile, the system could examine automatically and print score and security training file. The training course was characterized by vividness and immersiveness, making it easier for miners to learn and master safety training knowledge. The system reduced the workload of the training staff by about 85% and greatly improved the enthusiasm of the training staff, yielding favorable economic and social benefits.

In 2019, 3,817 newly recruited employees of the company accepted the training, including 175 new employees of Jiama Mine and 3,642 employees of external construction team. The company built a two and three-level safety training supervisory ledger and did regular supervision in training classes and at construction areas. In order to enable more workers to hold special operator's permit, the company held special training lessons, helping 493 workers obtain the permit.

### CSH Mine enhanced safety education in the Project Department of China Railway 19th Bureau Group Mining Investment Co., Ltd

To improve safety education in the Project Department of China Railway 19th Bureau Group Mining Investment Co., Ltd, CSH Mine asked the Project Department to set up dispatching rooms equipped with training hardware such as audio facilities. The company provided professional technicians to offer safety training, which produced great results with strong pertinence and practicability. 40 employees accepted safety training in blasting, 637 in vehicle driving; 45 in vehicle overhaul and 36 of construction team in punching and blasting. The safety awareness and operation skills of employees were improved by optimizing software and hardware facilities.



CSH Mine launched safety training for employees from China Railway 19th Bureau Group Mining Investment Co., Ltd.

In addition, CSH Mine attached great importance to safety training. In 2019, 5,723 employees accepted training. Among them, 1,056 new employees who accepted three-level safety training were qualified through examination; 423 employees accepted the safety education before work resumption after the spring festival; 193 employees accepted special operation training; 954 employees accepted safety re-education and 831 employees accepted fire safety education; 90 employees of the company accepted the Work Safety Law training from the parent company and 317 employees accepted emergency drill training; 1,101 employees watched the safety films during the Work Safety Month; 40 employees accepted blasting training and 637 employees accepted vehicle driving; 45 employees accepted vehicle maintenance safety training and 36 employees of construction team accepted punching and blasting safety training.

# EMPLOYEES' INTERESTS

The talent development concept of "Talents are the primary resource" has been firmly established in the Company. We adhere to the human-oriented philosophy, taking employees' growth, provision of equal development opportunities and mutual growths between employees and the Company as an integral part of our corporate social responsibility. We take efforts in improving talent structure, quality of talent and incentives for talents to build harmonious employment relationship, aiming to build up a professional team of talents with integrity and caliber, reasonable structure, team spirit and aspiration and a high sense of responsibilities.

The Company adheres to the "human-oriented and grow-to-potential" concept to fully protect employees' interests and provide them a good platform for growth, striving to inspire their enthusiasm and creativity.

## Profile of Employees

As of 2019, a total of the Company employees has been 2,085, including 444 female workers and 440 ethnic minority workers. And there are 476 primary, intermediate and senior managements, including 118 female managements. Our employees are from 27 provinces, municipalities and autonomous regions such as Tibet Autonomous Region, Jilin, Henan, Sichuan and Liaoning Province.

### Employees birthplace and turnover rate in 2019

Item	The number of employees	The turnover rate of employees
Tibet	318	4.79%
Jilin	370	6.71%
Inner Mongolia	286	10.1%
Henan	223	12.17%
Liaoning	167	9.06%
Others	721	12.39%

Item	2019 年	2018	2017	2016	2015
Percentage of female employees	21%	25%	21%	19%	19%
Percentage of ethnic minority employees	21%	26%	22%	21%	27%

### The number and the turnover rate of employees at different ages in 2019

Item	Under 16 years old	16-24 years old	25-40 years old	41-59 years old	Over 60 years old
The number of employees	0 人	80 人	1136 人	869 人	0 人
The turnover rate of employees	N/A	13.75%	10.65%	7.94%	N/A

### The number and the turnover rate of front-line and support employees in 2019

	Front-line employees		Support employees	
	Male	Female	Male	Female
The number of employees	1147	239	494	205
The turnover rate of employees	8.89%	7.53%	11.13%	12.68%



## Protection of Employees' Interests

In strict compliance with national labor laws and regulations, we adhere to business ethics to strengthen the management on employment contracts, constantly improve the employment system, and pay full attention to employees' right to know, so as to protect their legitimate rights and interests. In 2019, both the employment contract signing ratio and the social insurance coverage ratio of the Company reached 100%.

We adhere to equal pay for equal work to men and women, decent work, non-discrimination on race, gender, age or any other factors, prohibition of child labor, and fighting against forced labor. We give full play to the role of employees in democratic management and supervision, setting up labor unions at all levels under the primary democracy system including employee representative conference and transparency of plant affairs. Thus, we have built up sound democracy organizations, with various forms for transparency of plant affairs as well as smooth channels for reasonable proposals. The labor unions at all levels vigorously stage employee democratic participation and democratic management activities to seek real benefits for employees.

In strict compliance with employee recruitment procedures, we carefully checked the identity of new employees, organized physical examination and carried out pre-service training. And we filled in employee resumes and signed labor contracts with them in accordance with the Labor Contract Law. Abiding by provisions of the state regarding working hours, rest and vacation, we prepare the centralized leave or regular leave system and practiced annual vacation with pay. No misuse of child labor or forced labor had appeared. We would immediately stop their work in case of child labor events and send them to a hospital for medical examination to ensure that their health is not affected. And we would send them home with adequate salary, guaranteeing that they live with their guardians. By investigating the events seriously, we would punish negligent persons in accordance with relevant regulations to prevent the recurrence of similar incidents.



Workers representatives of CSH signed Collective Wage Contracts with enterprise representatives to protect labors' interests.

### CSH Mine held the employees' representative conference to serve their staff better

In 2019, CSH Mine held three employees' representative conferences where employee representatives and enterprise representatives signed Collective Wage Contracts, which safeguarded the legal rights and interests of employees. At the conferences, the trade union committee were supplemented to improve trade union management for better staff service; and the Measures for the Management of Professional and Skilled Workers of CSH Mine (Trial) and Implementation Plan of Stabilizing Employment of CSH Mine were approved, which can answer the hot issues of workers, provide timely explanations to their incomprehension, and monitor and urge the implementation of relevant decisions by the company.



CSH Mine held the employees' representative conference, answering the hot issues of workers.







# Promoting of Employee Development

We treat new and old employees in an equal manner in light of the process of "recruitment, training, selection, incentives, fostering, and promotion". We seek to improve the staff's caliber through multidimensional and multilevel training, provide them equal career opportunities and diversified career paths under a well-established talent identification and appointment mechanism, and increase their sense of belonging and cohesion through improving corporate culture development, with an aim at mutual growths between the Company and its employees.

## 01. Recruitment

Under a recruitment model of "unified platform, rational authorization, tiered management", we adhere to the open recruitment principle to provide equal opportunities for all candidates. In 2019, 159 persons were recruited by the Company through social recruitment, including 18 fresh graduates and 141 experienced hires.



Jiama Mine held veteran forum.

## 02. Training for employees

With the concept of "Train to improve the quality for development", the Company has established a clearly structured and categorized training system supported by competent instructors and effective contents, to proceed with the quality enhancement program for the staff.

In view of the remoteness of the enterprise, the Company, cooperated with Party schools, talent training base and partners of China Gold, has established talent training system with effective coordination at different levels and clear division of labour through gold lectures and evening school for employees. In 2019, the Company provided training to 2,171 employees in total.



Jiama Mine held skill competition for workers.

### For business and management personnel

We established the training development mechanism based on the competency model and covering three levels namely leaders, senior executives and reserve talent, while encouraging the executives of regional subsidiaries to participate in training in rotation.

### For technical professionals

We focused on improving business capabilities and comprehensive quality of key technical professionals mainly in ecology, survey, mining and processing.

### For skilled workers in production

We proactively carried out pre-service training for skilled workers in newly constructed projects, certification of professional skill levels and rotated training for team and group heads, thus effectively uplifting the overall quality and capability of employees.

## Employees training at different ranks in 2019

Item	Male employee			Female employee	
	Senior management	Middle management	Others	Middle management	Others
Training ratio (attendance/annual attendance)	2.55%	6.08%	72.89%	0.58%	17.90%
Average training hours	37.88	22.2	26.06	56.82	24.14

### 03.Incentive and restraint mechanism

With a commitment to corporate performance improvement and strategy fulfillment, the Company vigorously presses ahead with performance assessment activities under an assessment framework based on the Management Requirements on Performance of Employees. The performance assessment activities were carried out to inspire employees' enthusiasm to plan, act and succeed. In light of its features and helping employees grow their potential, the Company grades the posts in accordance with the management, technical professional and worker, and formulate remuneration system, defines employee promotion channel so as to motivate the morale and achieve the harmony between the Company and employees. The Company carries out professional title appraisals every year. In 2019, 94 employees received professional titles at various levels.

Data sheet of professional title appraisals									
Year	Engineering series			Social series			Political series		
	Senior	Intermediate	Primary	Senior	Intermediate	Primary	Senior	Intermediate	Primary
2019	10	38	25	1	6	9	1	2	2
2018	8	26	28	1	4	9	0	3	6
2017	-3	26	21	0	8	5	1	0	2
2016	16	45	42	2	2	-4	0	3	-1
2015	1	5	14	0	1	0	0	0	0

### 04.Caring for employees

We highly value and care for our employees, especially female, young and retired employees, and actively help the employees in need to overcome difficulties. In Spring Festival holidays each year, we pay wish visits and provide assistance to employees in need, to help them pull through the difficulties. Meanwhile, the Company keeps a close eye on the growth of youth employees, pressing on the training to them and seeking to provide them a development platform and growth potential.



Labor union of CSH Mine held health lectures for female employees to prevent cancers.



Jiama Mine held 5th group wedding for employees.

### 05.Promoting corporate culture

The Company actively carried out positive, healthy, entertaining and educational cultural activities to promote corporate culture, which enriched employees' cultural life and enhanced the cohesion across the Company.



CSH Mine launched reading activity for employees.



CSH Mine held tug-of-war contest for employees.



1.CSH Mine held activity to celebrate the Women's Day.



2.CSH Mine held 7th basketball game for employees.



3.CSH Mine held walking contest for employees.



Jiama Mine held tug-of-war contest for employees.



CSH Mine held the second e-sports game.



Jiama Mine held basketball game for employees.



CSH Mine held 7th volleyball game for employees.



CSH Mine held ping-pong game for employees.



CSH Mine held 2nd football game for employees.



CSH Mine held 2nd chess game for employees.



Jiamao Mine held party to celebrate the Mid-Autumn Day.

# Occupational Health

In light of the firmly established concept of "human-oriented", the Company incorporates the aims to protect employees' health with sound occupational health supports and to pursue sustainable corporate development. As of 2019, the Company recorded zero occupational disease case, a good track record of no additional occupational disease cases since its establishment.

## 01.Occupational health management

Occupational safety and health work is included into the production and operation of subsidiaries, where targets and measures are defined including appointing a dedicated executive responsible for their respective efforts in occupational safety and health. Dedicated management functions with professional management personnel are established to, with reference to actual conditions of each enterprise, reinforce the monitoring, inspection and supervision on occupational hazards of the workplace, in order to effectively prevent and reduce occupational hazards. With the gradually increasing insurance coverage, improving working environment and sound labor protection, the enterprises carried out prevention of occupational diseases, health care, inspection and treatment activities under the fortified organization and leadership for employees' safety and health.

## 02.Physical examination and health records

Spiritual needs and mental health of employees should be a focus for enterprises and the society as well. The Company vigorously popularizes the knowledge of mental health, with smooth information channels to keep informed of the expectations and dynamics of employees. The psychological team provides mental health counseling to relevant employees in a timely manner, and helps them to adjust their ideas and enhance their mental regulation ability, which mirrors our human-oriented caring and satisfies the multilevel needs of employees. According to its industry characteristics, the Company arranges regular physical examinations and has established health records for employees. The company's annual physical examination and health record coverage rate is 100%.



Employees of CSH Mine accepted physical examination on screening for breast and cervical cancers.



Jiama Mine provided physical examination for employees.

## 03.Labor protection

The Company has established standard safety management systems, including the management system for labor protection supplies. The subsidiaries are required to follow such rules to provide all workers with work conditions and strict labor protection measures in accordance with national standards. The subsidiaries provide workers with labor protection supplies in strict compliance with the management system for their distribution and use, while superintending and instructing the workers for proper use.

# TECHNOLOGICAL INNOVATIONS



Adhering to the concepts of "Science and technology are primary productive forces" and "Leveraging the leading technologies to serve the country", the Company actively participates in the national researches on the difficulties in processing and refining of gold and complex polymetallic ore. The Company actively makes industrialization attempts to secure its leading position in tackling technical difficulties in processing and refining low-grade gold ore, which helps to increase the utilization efficiency of gold and nonferrous resources.

## Investment in Technological Innovation

In 2019, China Gold International Resources Corp. Ltd. actively declared all kinds of science and technology awards and newly obtained 9 patents, which laid a technological foundation for sound and rapid corporate development.

CSH Mine continuously raised intellectual property protection awareness and increased its IP filings. 20 patents have been granted, including two patents for inventions and 18 patents for utility model. The company had science and technology honors including the national high-tech enterprises, enterprise technology center and enterprise R&D center of Inner Mongolia Autonomous Region, laboratory CNAS certification.

Jiama Mine improved technicians' ability to transform technical achievements and awareness to protect patents through patent training and field visits. As of 2019, the company had declared for 49 patents and gained 18 authorized patents (4 invention patents and 14 utility model patents).



Jiama Mine was rated as a Green Mining Pilot Unit in 2012; it lodged application and successfully became a Technology Center in Tibet Autonomous Region in 2014; in 2016, it obtained CNAS laboratory certification and was evaluated and approved by the management system of Integration of Industrialization and Informatization under the Ministry of Industry and Information Technology; it applied and later was successfully rated as a national high-tech enterprise in 2015 and reapplied for this title in 2018 with great success; it won the status as demonstration enterprise for technological innovation at national level in 2018; in 2019, it was rated as Piloting Demo Project for Intelligent Manufacturing (Golden Digital Mine). In 2019, after it had lodged the application for the status as Engineering Research Center in Tibet Autonomous Region, it defended itself and was approved by third-party expert review. At the end of 2019, it was listed into the first batch of engineering units approved by the Development and Reform Commission in the Tibet Autonomous Region.

In 2019, the company published 43 scientific papers (above the provincial and ministerial level), with a year-on-year increase of 34.13%. 38 scientific papers above the provincial and ministerial level were published with Jiama Mine as the first author, among which 6 were published in Chinese core periodicals. As a backbone company in the industry, it played its role in the formulation of 14 National IT Industrial Cloud Standards and has helped published 2 national standards of GB/T 37724-2019 General Requirements for Cloud Service Capability of IT Industry and GB/T 37700-2019 IT Cloud Reference Model.



## Achievements in Technological Innovation

Since mineral resources are always the most important resources for China Gold International, it has attached great importance to overall development and utilization of mineral resources for a long time, with efforts devoted to comprehensive exploration, evaluation and utilization in Jiama Mine and CSH Mine.

In 2019, CSH Mine and an expert team from the China University of Mining and Technology signed a cooperation agreement for academician workstation with construction and operation cycle stretching into 5 years. Application materials have been submitted to and approved by science and technology bureaus at Urad Middle Banner county and Bayannur city.

### Jiama Mine carried out scientific research on the theory of geological mineralization and prospecting practice

In 2019, deep drilling at 3,000 meter was conducted in Jiama mining area under the key special demo project of Prospecting Technology and Reserve Increase of Metallogenic System in Major Mineral Resource Base on the Qinghai-Tibet Plateau within the framework of Deep Exploration and Exploitation of Land Resources, a national crucial R&D project undertaken by the Institute of Mineral Resources of the Chinese Academy of Geological Sciences. Jiama Mine in charge of the sub-project of Deep Exploration and Reserve Increase in Jiama-Qulong Copper Polymetallic Resource Base undertook the task of conventional drilling of 15,600 meters and geological cataloging, devoting a supporting fund of RMB 50 million. The project will further improve the theoretical research on Jiama metallogenic system, and tap huge prospecting potential in contact zone and periphery of the Jiama porphyry body.



Commencement ceremony for 3,000-meter deep drilling at Jiama mine.





# HARMONY AND WIN-WIN

In light of the concept of "business integrity for win-win and multi-win" and the principle of equality and mutual benefit, the Company actively promotes extensive cooperation with the stakeholders. We continuously improve customer services, strengthen supplier management, and carry forward strategic cooperation with local government, suppliers, creditors, enterprises and public sectors and other entities, striving to achieve win-win with the stakeholders.

## Corporate Governance

According to the applicable listing rules and its Articles, the Company has established a company governance structure comprising general meeting, the Board and its special committees and senior management which fulfill their respective duties in rational operations. The Company has fulfilled its responsibilities as a capital contributor to its subsidiaries according to laws. Focusing on system construction and standard decision-making process, the Company strictly follows the procedures to make decisions on its affairs. When it comes to the subsidiaries, standard company governance structure is also established in accordance with relevant laws and regulations.

In 2019, the Company held four Board meetings, four Audit Committee meetings, three Nominating and Corporate Governance Committee meetings, one Compensation and Benefits Committee meeting, and five Health, Safety and Environmental Committee meetings. The management of China Gold International also communicates informally with the Board on a regular basis, and solicits the advice of the Directors on matters falling within their special knowledge or experience. In addition, the Independent Non Executive Directors meet regularly on formal and informal basis to facilitate the exercise of their independent judgment. Details of attendance of the Directors (either in person or through telephone conferences) at Board regular meetings, meeting of Board Committees and general meetings during the Reporting Period are set out below.



Board meeting of China Gold International

### Attendance by the directors at the Board and Board committee meetings in 2019 was as follows:

Attendance	Board	Audit Committee	Nominating and Corporate Governance Committee	Compensation and Benefits Committee	Health, Safety and Environmental Committee	2019 Annual and Special Meeting	Committees (total)	Overall Attendance
Jiang Liangyou	2/4	N/A	1/1	N/A	N/A	0/1	1/1	3/6
Teng Yongqing	3/4	N/A	N/A	0/0	N/A	0/1	0/0	3/5
Guan Shiliang	1/2	N/A	N/A	N/A	3/3	0/1	3/3	4/6
Kang Fuzhen	3/4	N/A	N/A	N/A	N/A	0/1	N/A	3/5
Ian He	4/4	4/4	3/3	1/1	5/5	1/1	13/13	18/18
Shao Wei	2/2	2/2	1/1	0/0	3/3	1/1	6/6	8/8
Shi Bielin	2/2	2/2	0/1	0/0	3/3	0/1	5/6	7/8
Han Ruixia	2/2	2/2	1/1	0/0	3/3	0/1	6/6	8/8

Except for the 2019 Annual and Special Meeting held on June 25, 2019, no other general meeting was held during the Reporting Period.

Notes:

- (1) Mr. Guan was elected as a director June 25, 2019. (2) Mr. Shao was elected as a director June 25, 2019.  
 (3) Dr. Shi was elected as a director June 25, 2019. (4) Ms. Han was elected as a director June 25, 2019.



## Compliance with Laws and Regulations

In strict compliance with the national policies and laws and the local government requirements in its operations, the Company pushes on anti-corruption education and the audit and supervision to ensure healthy and smooth production and business activities.

### 01. Contract management

Contracts of subsidiaries are vertically managed and reviewed by dedicated officers in a centralized manner under the Methods for Contract Management and the Interim Provisions on Review of Contracts and other methods. In 2019, the headquarters recorded a 100% contract execution rate, and the subsidiaries also recorded a 100% major contract execution rate.



Guiding Team of China Gold launched looking-back theme-focused education and inspected the rectification.

### 02. Legal education

Regarding actual conditions of enterprises, the Company focuses on publicizing legal knowledge to employees, including the publicity and training on Chinese Constitution, the Contract Law, the Company Law, the Mineral Resources Law, the Work Safety Law, etc. Legal experts and lawyers are invited to stage law forums, together with knowledge contests, legal essay collection and other means to motivate the enthusiasm of employees to study and apply laws. The training sessions are provided in centralized and decentralized manners to cater for the Company's geographically fragmented business presence.

### 03. Internal audit

As a company incorporated in British Columbia, Canada and listed on the TSX and the HKSE, the Company has established an effective internal audit system in strict compliance with the laws and regulations governing the jurisdictions where it is listed and its business is operated. Internal audits are carried out rigorously by engaging external auditors to participate in. By 2019, the Company has prepared internal audit reports for twelve years in a row, all indicating that there is no weakness in all material aspects.



Jiama Mine organized activities themed with "remain true to our original aspiration and keep our mission firmly in mind".



CSH Mine offered lectures themed with "remain true to our original aspiration and keep our mission firmly in mind".

## 04. Anti-corruption and anti-commercial bribery

In pursuing reform and development, the Company has been focusing on operation that complies with laws and regulations. Guided by the principle of governing comprehensively, balancing punishment and prevention and valuing education, the company builds an anti-corruption system of "cannot corrupt, dare not corrupt, and do not want to corrupt" and constantly strengthens anti-corruption and anti-commercial bribery. According to laws and regulations, such as the current Hong Kong Company Ordinance, Hong Kong Prevention of Bribery Ordinance, Canada's Foreign Public Officials Corrupt Practices Act and United States Foreign Corrupt Practices of 1997, and international rules, such as United Nations Anti-Corruption Convention and World Bank Group Integrity Compliance Guidelines, the Company strictly implements internal control procedures and internal regulations and establish sound systems such as assignment evasion, regular rotation and accountability, laying a solid foundation for anti-corruption work on institutional level.

The Company steps up supervision over anti-corruption, unblocked reporting channels and implemented centralized management of problems and clues. It also effectively integrates cross-departmental and cross-disciplinary supervision forces. As a result, the Company builds a supervisory mechanism featuring efficient communication and rapid fruits-sharing. Having "zero tolerance" for its employees' corruption and bribery acts, the Company systematically screens the areas susceptible to corruption and bribery acts and carries out key supervision and inspection in these areas. We strictly investigate and quickly handle all kinds of corruption and bribery cases and carry out clue verification, review and investigation, and case review in accordance with regulations. We also strictly punishes those who violates the rules and disciplines and hand over those who violated the law to the judicial authority.

The Company continues to strengthen the education of honesty and practice in working and enhance the staff's awareness of integrity and ability to resist corruption and decadence through centralized training, dispersed learning, case reports, and talks. The Company organizes all employees to sign the professional code of ethics, code of conduct and clearance agreement of trading policy each year. It also advocates the building of a clean culture of observing laws and disciplines and a sound business climate.

In 2019, there existed no legal cases regarding corrupt practices among employees.

### Probity and self-disciplined education

Provide the training on compliance of listed companies for the Company's directors and senior management; provide the training on internal control mechanism at various levels.

Conduct the education on compliance, focusing on probity of key personnel in charge of human, financial and physical resources.

Promote the construction of a probity culture across enterprises.



Jiama Mine held meeting for building Party conduct and upholding integrity in the year of 2019.

## Investor Relations

### 01. Information disclosure

The Company attaches great importance to information disclosure in a timely, accurate and complete manner, addressing different informational needs and habits of investors internationally, specifically in Canada and Hong Kong in strict accordance with the regulatory requirements at the listing places. Means are adopted to improve and ensure the effectiveness of information disclosure on capital market.

In 2019, the Company completed its annual report, interim report and quarterly reports as required. In addition to results announcements made pursuant to the rules, the Company takes initiatives to publish announcements and press releases in Toronto and Hong Kong where its shares are listed, covering various operation and management issues. The information mainly includes: production & operation for CSH Mine and Jiama Mine, updates about major exploration projects and key operational data, aiming to help investors keep informed of the Company's production and management dynamics; and the announcements of resolutions passed at Board meetings and general meetings and extraordinary announcements of connected transactions that are published pursuant to regulatory requirements. In 2019, the Company issued a total of 92 announcements and press releases (in both English and Chinese language).



Cover of 2010-2018 Annual Report



Cover of 2019 Annual Report

## 02. Communications & Liaison

The Company kept active and candid communications on an ongoing basis in 2019 with investors and analysts through investor presentations, press conferences, industry conferences, trading and non-trading road shows, seeking to fully showcase its current situation and growth potential to investors. The efforts have been positively appreciated by our investors.

## 03. Dividend policy

The Company does not have a fixed dividend policy. The directors will determine future dividend policy based on, among other things, the results of operations, cash flows and financial conditions, operating and capital requirements, the amount of distributable profits and other relevant factors.

The Company is incorporated in British Columbia, Canada. Subject to the British Columbia Business Corporations Act, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable, including the amount thereof and the time and method of payment (provided that the record date for determining shareholders entitled to receive payment of the dividend must not precede the date on which the dividend is to be paid by more than two months).

As a fast-growing international emerging mining player, the Company will continue to press forward its business and management to achieve rapid and sustainable development and create more value for shareholders.



## Customer Relationship

Adhering to the concept of "business integrity and customer satisfaction" in its operations, the Company views integrity as a close linkage to its customers and a cornerstone for its development as well as keeping on improving its service capabilities to provide quality services to customers. The Company highly values long-term cooperation with customers, seeking to establish longstanding relationship and promote win-win situations with customers and thus uplift the Company's industry position and image. In 2019, sales revenue from the top five customers of the Company totaled USD 604 million, accounting for 91.92% of the total revenue.



## Supplier Relationship

The Company chooses suppliers through public bidding. In 2019, there were 177 suppliers selected by public bidding, by and large distributed in 26 provinces, municipalities and autonomous regions of China, such as Inner Mongolia Autonomous Region, Hebei and Sichuan Province.

### 01. Management mechanism for suppliers



1. The Company encourages suppliers to improve their responsibility performance by cooperating with excellent suppliers instead of those that do not meet our CSR standards.



2. Before cooperation, we examine the suppliers' compliance with local labor laws and regulations, as well as SA8000 standard. With regard to non-compliance, we require suppliers to correct within time limit. Otherwise, those suppliers have to submit bids.



3. We regularly review supplier's CSR performance, which is recorded to follow up its improvement measures. The issues are to be reviewed including child labor, forced labor, work safety, discrimination, environmental protection, energy conservation, emission reduction, and related policies and documentation. Once there exists non-compliance, we will ask the supplier to draw up a corrective plan and rectify within a time limit. We terminate the partnership with suppliers that are still unqualified after rectification.



4. Suppliers who have passed the on-site audit are included in the CSR Qualified Supplier List and be given incentives. Meanwhile, in light of the principle of negotiations on an equal footing for mutual benefits, the Company insists on building up long-term strategic partnership with the suppliers with proven qualifications, reputation and quality products and services.

The Company's total procurement of materials in 2019 amounted to RMB 638 million, of which RMB 73 million or 11.44% was procurement under social responsibility.

## 02.Promoting localized equipment procurement

The Company strives to cooperate with local suppliers in its proximity to steadily push forward localized equipment procurement. Materials and equipment featuring mature technologies in local production, reliable product quality and notable price advantages are prioritized. Such policies, while reducing procurement cost, have effectively promoted the manufacturing upgrades where the Company operates and thus achieved win-win for the Company and the local community.



Logistic group of China National Gold Group Trading Co., Ltd carried out a survey on procurement and delivery in CSH Mine.

## Creditor Relationship

Based on sound financial structure and adequate cash flows, the Company employs financial leverage to maximize the value for shareholders. The Company's major creditors are banks. In 2019, the debt repayable to the top five creditors accounted for 64% of the total debt.

The Company has been placing emphasis on cooperation with banks, seeking to establish a diversified financing system with competitive advantages. By entering cooperation agreements and facility-based borrowing contracts with major financial institutions, the Company reinforced the indirect financing channels which secured its production and operation funding at relatively favorable financing costs. Loans were provided by the banks as scheduled, with full confidence in the Company's financial structure and sound operation. Satisfying its debt service on a timely basis, the Company has established long-term friendly cooperation with the banks based on mutual trust.

## Communication and Cooperation

Considering the concept of "win-win and all-win", the Company seeks to balance the interest relationship with the local community and the stakeholders in a legal and rational manner, building up extensive cooperation with local governments, financial institutions, research institutions, large enterprises, international and economic organizations. As a result, the Company has firmly established in the community a sound image as an adept resource integrator which is able to leverage positive factors with strong comprehensive strength.

## Community Welfare

With a commitment to "Harmonious mutual development to benefit the local community", we extend active presence in public welfare undertakings, advocate integrity and impartiality by own actions and root ourselves in the masses for return to the community and the benefit of our offspring, aiming at harmonious development with multi-win among employees, the enterprises and the society. In recent years, the Company joined the efforts of local governments for mutual development, actively participating in public welfare undertakings including local economic development, construction of new pastoral areas, environmental improvement, drought relief, poverty-relief assistance, caring for education, medical donations and tackling the difficulties in employment and potable water of herdsmen. The efforts in jointly building up "Harmonious mine area" and "Harmonious society" have been fully recognized by local governments at all levels and the public.



In 2019, the Company offered assistance to **942** persons from impoverished families and students.

### CSH Mine sent warm by taking targeted poverty alleviation and warmed people by true care

In 2019, winter has seen temperature drop to minus 20 degrees after three snowstorms. In Xinhure Sumu, Urad Middle Banner County, herdsmen were facing a severe shortage of forage for livestock, which affected family life and local economy. In order to further respond to the call of “targeted poverty alleviation” and better fulfill its social responsibility in ethnic regions as a central enterprise, CSH Mine knew exactly what herdsmen needed and instantly took action to warm people by taking targeted poverty alleviation.

On December 25, 2019, on behalf of CSH Mine, employees went to Xinhure Sumu to donate 50,000 kg of corns to help herdsmen's livestock survive in harsh weather. Township head, Zhao Ri-GeTu, expressed his sincere gratitude and said that at this critical moment, CSH Mine offered timely assistance which warmed their hearts and made them feel at ease in this winter.

Over the years, CSH Mine has borne in mind its responsibilities as a central enterprise, earnestly fulfilled social responsibility and adhered to the concept of “harmony and win-win”. With the commitment to “developing the local and benefiting the community”, the company has endeavored to build a harmonious relationship with the community, making significant contribution to the local economic and social development. In particular, the concept of “one family” formed has been well received around the Xinhure Sumu area, which reveals the responsibility as a central enterprise.



CSH Mine provided 50,000 kg of corns to help local herdsmen.

### Jiama Mine provided assistance to alleviate poverty and aid for education.

On the Children's Day, Jiama Mine donated 840 sets of school uniforms (valued RMB58,800) to five schools including Wanquan primary school in Cuobuxi Township of Shigatse Prefecture, Sibü village kindergarten in Trashigang Township, Jiama central primary school, where village-based work team of the company stayed. Besides, according to the requirements of the second-phase relocation plan signed with Maizhokunggar County for the 7 relocated families, Jiama Mine ensured that the children of farmers and herdsmen accepted national compulsory education policy, and financing their tuition and miscellaneous expenses, transportation expenses at public high schools, secondary schools, universities and vocational education. In 2019, a total of RMB 89,379 was posted to subsidize living allowance and insurance purchase of the seven relocated households.



Jiama Mine donated school uniforms to Jiama Hope Primary School.



Jiama Mine attended the Children's Day activity.



Jiama Mine donated school uniforms to village where work team of the company stayed.

## 01. Fueling the community development

The Company adheres to the win-win concept for the enterprise and the local society, considering local interests when developing its mines and supporting local economic and social development in terms of environmental protection, employment, taxation. In 2019, the Company paid RMB 273 million in tax.

### Jiama Mine further developed its “Jiama Model” to increase local people's revenue

Guided by the China Gold’s requirements of poverty alleviation, Jiama Mine endeavored to strengthen grass-roots organization and benefit local people. The company developed “Jiama Model” as an important carrier of poverty alleviation in the new era, endeavored to help local people find ways to become rich and increase revenue to improve their living conditions and consolidated the Party's governing basis at the grassroots, producing win-win results of the enterprise and the community.

The company steadily carried out the work of precision poverty alleviation. Based on local abundant resources of Xiamu Village of Cuobuxi Township and agreed by the government of local county, township, village and villagers, the company’s stay-at-village team strictly followed the requirement of “Six Precision” to help local farmers and herdsmen establish specialized aquaculture cooperative to breed cattle and sheep in an investment form of “government +enterprise +farmer”. As of 2019, stock of the cooperative fed more than 100 yaks and 1,000 goats. In addition, Jiama funded to solve the water drinking problem for two incorporated villages in Cuobuxi Township and improve living conditions for 19 unincorporated villages.



Stay-at-village work team encouraged local villagers to join the aquaculture cooperative.

## 02. Employment localization

The Company has recruited and arranged employment for a lot of local labor in Inner Mongolia Autonomous Region and Tibet Autonomous Region, which actively supports and promotes local economy. As of 2019, ethnic minority employees accounted for 9.6% and 26% respectively in the CSH Mine and Jiama Mine.

Ethnic minority employees in Jiama and CSH from 2015 to 2019

Year	2019	2018	2017	2016	2015
Jiama	385	377	346	283	257
CSH	55	58	68	72	73

Adhering to the concept of employment localization, all departments and construction unit of Jiama Mine recruited local people as far as possible. The labor and security department, besides helping HR department employ local villagers, recorded the information on local employment by the company and construction unit monthly. In 2019, 3,469 local temporary labors were employed and a total of more than RMB 710,000 were paid.

### 03. Taking targeted measures to help people lift themselves out of poverty

With the guidance of “Building a harmonious community to benefit the local”, the China Gold International is committed to developing gold industry for the people and consolidating the Tibetan regions for the benefit of local. We have adopted the strategy of industry-driven business to shake off poverty so as to share resources, results and protecting the border. The Company takes initiatives to perform the social responsibility and political responsibility, building up a positive image as a central enterprise.

In 2019, Jiama Mine was rewarded Excellent Organization Unit in the 8th batch by the Regional Development Office in the Tibet Autonomous Region. The work team dispatched by the company to be based in Renqinglin village, Zhaxigang township, Maizhokunggar county received the honor of Advanced Working Team based in Village in the 8th batch presented by Regional Development Office in the Tibet Autonomous Region. Zhong Wen from the work team based in Renqinglin village, Zhaxigang township, Maizhokunggar county, and Nie Jianping, member of Jiama Mine in Cuobuxi township, Xietongmen county, were awarded Excellent Team Member based in Village in the 8th batch by Regional Development Office in the Autonomous Region.



Jiama Mine provided medical care and medicines for the villages where the work team stayed.



The stay-at-village team of Jiama Mine received banner from villagers “Good Village cadres, most beautiful goldman”.



Villagers received clothes from Jiama Mine.



### The 11th ceremony of dividend distribution for targeted poverty alleviation was held in Jiama.

On January 17 2019, the 11th ceremony of dividend distribution for targeted poverty alleviation of Jiama Industry and Trade Co., Ltd. in Maizhokunggar county was held in the courtyard of Jiama Industry and Trade Corporation. By the year of 2019, it had paid dividends consecutively for eleven times, with a total amount of RMB 17.2394 million (the eleventh reached RMB 2.4794 million). Jiama Mine has effectively fulfilled political and social responsibilities as an SOE to shore up the border and enrich local people. Valuable experience has been accumulated for the trilateral win-win for business development, local economic growth and benefits for people, a contribution to national unity, harmony and long-term social stability in the Jiama mining area. Representatives from villages received dividends with great joy whose gratitude went to not only the county as well as township Party committees and governments, but also the China Gold for its contribution to Jiama township. They expressed huge support to Jiama Mine and Jiama Industry and Trade Corporation in the coming new year underpinned by their concrete actions under the leadership of local governments.



The 11th ceremony of dividend distribution was held at Jiama Industry and Trade Co., Ltd.



## Actively Integrating in Overseas Markets

China Gold has always been committed to going global and highlights that importance has been attached to its social responsibilities including environmental protection and community harmony. And it is essential for China Gold to build a sound company image in the international community. Therefore, a high standard has been set for China Gold International.

As a flagship of developing overseas business of China Gold and international company registered in Canada, the rapid development enables China Gold International to win widespread recognition from all walks of society. With the strong support of China Gold, China Gold International Resources Corp. Ltd. actively fulfills its social responsibility, participating in public welfare charity and making donations to the Canadian Anti-Cancer Association every year; therefore, it has built a favorable image for the Chinese companies in the field of global mining industry .



## China Gold International held China Gold Starlight Toronto 2019

China Gold Starlight Toronto 2019, hosted by China Gold International, is the most attention-grabbing event that features China on behalf of the Chinese mining industry during PDAC 2019. The event attracted numerous participants from mining industries of the world and representatives from political, business as well as financial circles of China and Canada. They were concerned about overseas development of Chinese gold under current complex international situation.

Victor Ho, senator from the Canadian Federal, visited our booth and spoke on behalf of the Canadian Senate at the event, saying that the relationship between Canada and China was very important and that Canada should value and cherish the long-built good relationship with China. Particularly, he praised our company's efforts on researching environmental protection and promoting local development.

Ode Feng, business counselor from Consulate-General of China in Toronto, paid special attention to our company's international strategy of cooperating with other companies to integrate in overseas markets together. Confronting the current complex international situation, China Gold International actively met the challenges to seek breakthrough. The Company's future strategy of seeking common development conformed to the trend of international development, which testified to the world that Chinese enterprises would never stop going out and China's momentum of integrating into the world economy would not diminish.

The event featured a special invitation to John Ing, a prominent legend in the world gold industry, who has served for 12 years as Chairman of the Stock Board of the Toronto Exchange. In his professional address, special emphasis was placed on the current position and influence of China in the world gold industry. He also pointed out that China's gold production was still far from meeting the needs of its huge market, even if it was the world's largest gold producer. He also highlighted the increase in gold reserves by 19 international central banks in the last year, which would certainly influence the movement of gold prices.

In addition, Stockwell Day, a prominent legend in Canadian political forum, stressed that Canada and China had established good relationship since ancient time, and thus no matter what challenges we would confront, the relationship of China-Canada in the future would be friendly. Just like Canada's largest communication company has been pushing Huawei as a major product to the Canadian market, making it had a large range of consumers. In particular, he praised companies like China Gold International that actively promoted China-Canada economic cooperation, and with their efforts, China and Canada would embrace a closer future.

Keith Spence, Chairman of International Affairs at the PDAC World Mining Conference, also attended the conference, saying that he was pleased to see China Gold International expanding actively in Canada and the world over the years.

The successful holding of the China Gold Starlight Toronto 2019 sent a positive message to more international industry peers and friends of all sectors who support China to deepen reform and opening-up and further integrate into the world. All expected that next year China Gold International could cooperate with more Chinese gold industry and mining industry's peers to build a joint international platform in the future, raising the voice of China's mining industry, making the world hear the voice of China and promoting exchanges and cooperation between Chinese mining and international mining communities.



Report of China Gold Starlight Toronto 2019



Report of China Gold Starlight Toronto 2019 on the official website of Consulate-General of the People's Republic of China in Vancouver.



# Appendix I

Supporting Sustainable Development Goals of the United Nations	
Sustainable Development Goals	Framework for Action
Goal1: End poverty in all its forms everywhere	Actively employ local ethnic minorities where mines operate to alleviate local surplus labor, which solved the poverty problems from the root. Send our stay-at-village team to lift out poverty and provide assistance to the villages.
Goal2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Co-found Jiama Industry& Trade company with the local people to improve their living standard with the aim to promote the sustainable development in Jiama. Organize greenhouse vegetables project, plant grain and vegetables adapted to local condition to increase farmers' income.
Goal3: Ensure healthy lives and promote well-being for all at all ages	Provide support for the rural medical and health infrastructure to improve medical conditions. Formulate occupational health management system, including "Three simultaneous" system, hazard prevention system. Monitor mining area in terms of total dust, respiratory dust, noise and individual noise to enhance labor protection.
Goal4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Attach great importance to education through building local schools, establishing scholarships, funding college students, to provide more opportunities for students in remote areas. Launch various training activities to advance employees' further education.
Goal5: Achieve gender equality and empower all women and girls	Elevate gender equality to Company's strategic level and improve social security system. Adhere to the principle of "Men and women enjoy equal pay for equal work"; help develop the career of female employees; organize career training and health lectures for female employees; care for them in pregnancy or lactation.
Goal6: Ensure availability and sustainable management of water and sanitation for all	Adopt advanced equipment and technology. Place priority to water resources. Promote sustainable development of water resources through building recycling water facilities and using solar energy in processing plants to construct smoke free mining.
Goal7: Ensure access to affordable, reliable, sustainable and modern energy for all	Pursue green development mode, uphold sustainable development vision of environmental protection and energy saving, devote to energy conservation and emission reduction. Cut greenhouse gas emission and reduce air pollution through effective usage of solar heating system.
Goal 8: Ensure availability and sustainable management of water and sanitation for all	Adopt advanced equipment and technology. Place priority to water resources. Promote sustainable development of water resources through building recycling water facilities and using solar energy in processing plants to construct smoke free mining.
Goal9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Increase more investment in research, innovation and application of key technology through independent research, cooperation of production, research and college, and international exchanges. Tackle scientific and technical problems in geology, mining, processing, energy conservation, eco protection and other areas, and yield fruitful results.

## Supporting Sustainable Development Goals of the United Nations

Sustainable Development Goals	Framework for Action
Goal10: Reduce inequality within and among countries	Encourage pairing assistance and helping-out activities to support the sustainable development of the local economy. Strengthen support on public welfare, launch poverty reduction program like villages team and other ways to realize sustainable development in poor areas.
Goal11: Make cities and human settlements inclusive, safe, resilient and sustainable	Use energy in a rational way and develop new energy. Fuel the career of science, education and culture; protect local environment and enhance sustainable capacity of the community.
Goal12: Ensure sustainable consumption and production patterns	Promote clean manufacture proactively, enhance environmental protection in whole process, reduce pollution starting with the source and achieve sustainable development by green procurement and environmental friendly performance. Establish the base for publicizing energy saving and environmental protection; spread the concept of low carbon and make the common sense of low carbon public.
Goal13: Take urgent action to combat climate change and its impacts	Intensify efforts on environment monitoring and inspection, reinforce awareness of environmental protection, advance green and environmental friendly performance, reduce negative influence of company performance on environment thus to realize green development. Enhance energy efficiency; fuel the industrial and architectural energy saving as well as green development; reduce the emission of greenhouse gas such as carbon dioxide.
Goal14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Strengthen environmental protection in mining area, reduce air and water pollution. Support conservation of marine eco environment, attach importance to utilization of marine renewable energy and promote sustainable development of marine resources.
Goal15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Committed to technology trails on soil fertilization in ecologically fragile area, launch water and soil conservation, drip irrigation, plant experiment, and trees, grass and flowers plantation. Carry out the business of ecological rehabilitation to promote the treatment of heavy metal pollution; increase ecological investment in engineering construction to protect biological diversity. Implement level-to-level eco management to maintain eco environment of the community.
Goal16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Stick to Company moral standards, enhance labor contract management, improve labor employment system, appreciate employees' right to know, protect their rightful interests. Exert employees' role in democratic management and supervision, establish democratic management system in primary level. Regularly disclose financial and non-financial information to enhance transparency; further strengthen the building of clean Party and government as well as the anti-corruption work; safeguard interests and proposal of employees to build a harmonious enterprise.
Goal17: Strengthen the means of implementation and revitalize the global partnership for sustainable development	With the cooperation of Chinese government, enterprises, financial institutions, universities and international organizations, we introduce and export technologies in environmental protection; establish long-term strategic cooperation and carry out comprehensive and in-depth cooperation.

# Appendix II

ESG Reporting Guide Content Index			
Subject Area	Aspects	KPI	Disclosure level
A. Environmental	A1: Emissions	General Disclosure: relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	Reported
		A1.1 The types of emissions and respective emissions data.	Reported
		A1.2 Greenhouse gas emissions in total (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Reported
		A1.3 Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Reported
		A1.4 Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Reported
		A1.5 Description of measures to mitigate emissions and results achieved	Reported
		A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Reported
	A2 : Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Reported
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ' 000s) and intensity (e.g. per unit of production volume, per facility)	Reported
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Reported
		A2.3 Description of energy use efficiency initiatives and results achieved.	Reported
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Reported
	A3: The Environmental and Natural Resources	A2.5 Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Inapplicable
		General Disclosure: Policies on minimizing the issuer' s significant impact on the environment and natural resources.	Reported
		A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Reported
B. Social	B1 Employment and Labor Practices	General Disclosure: relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. Information on: (a)the policies; and (b)compliance with relevant laws and regulations that have a significant impact on the issuer	Reported
		B1.1 Total workforce by gender, employment type, age group and geographical region.	Reported
		B1.2 Employee turnover rate by gender, age group and geographical region.	Reported
		B2 Health and Safety	Reported
		General Disclosure: relating to providing a safe working environmental and protecting employees from occupational hazards. Information on: (a)the policies; and (b)compliance with relevant laws and regulations that have a significant impact on the issuer	Reported
	B2.1 Number and rate of work-related fatalities.	Reported	
	B2.2 Lost days due to work injury.	Reported	
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	Reported	

ESG Reporting Guide Content Index			
Subject Area	Aspects	KPI	Disclosure level
B. Social	B3 Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Reported
		Information on:	
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Reported
		B3.2 The average training hours completed per employee by gender and employee category.	Reported
	B4 Labor Standards	General disclosure: relating to preventing child and forced labor.	Reported
		Information on:	
		(a) the policies; and	Reported
		(b) compliance with relevant laws and regulations that have a significant impact on the issuer	Reported
		B4.1 Description of measures to review employment practices to avoid child and forced labor.	Reported
		B4.2 Description of steps taken to eliminate such practices when discovered.	Inapplicable
	B5 Supply Chain Management	General disclosure: Policies on managing environmental and social risks of the supply chain	Reported
		B5.1 Number of suppliers by geographical region	Reported
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Reported
	B6 Product Responsibility	General disclosure: relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Inapplicable
		Information on:	
		(a) the policies; and	Inapplicable
		(b) compliance with relevant laws and regulations that have a significant impact on the issuer	Inapplicable
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Inapplicable
		B6.2 Number of products and service related complaints received and how they are dealt with.	Inapplicable
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	Inapplicable
		B6.4 Description of quality assurance process and recall procedures.	Inapplicable
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	Inapplicable	
	B7 Anti-corruption	General disclosure: relating to bribery, extortion, fraud and money laundering.	Reported
Information on:			
(a) the policies; and		Reported	
(b) compliance with relevant laws and regulations that have a significant impact on the issuer		Reported	
B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.		Not reported	
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Reported	
B8 Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Reported	
	B8.1 Focus on areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Reported	
	B8.2 Resources contributed (e.g. money or time) to the focus are.	Reported	

# Appendix III

## Social Responsibility KPI of the China Gold International

	Unit	2019	2018	2017	2016	2015
<b>Credit management</b>						
Asset	Million USD	3,197	3,216	3,230	2,966	2,780
Revenue	Million USD	657	571	412	339	340
Profit	Million USD	(3)	43	79	34	39
Net profit	Million USD	(32)	(4.2)	64	(12)	(7)
Product qualification ratio	%	100	100	100	100	100
Head office contract performance rate	%	100	100	100	100	100
Subsidiary contract performance rate	%	100	100	100	100	100
Total sales income to top five customers	Million USD	604	571	412	339	340
Proportion of total sales income to top five customers to all operating income	%	91.92	100	100	100	100
Proportion of debts to top five creditors to total debts of the Company	%	64.05	64.57	66.53	58.39	76
Asset-liability ratio	%	54.63	53.69	53.26	52.13	48
Legal audit rate of rules & regulations	%	100	100	100	100	100
Legal audit rate of economic contract	%	100	100	100	100	100
Legal audit rate of important economic decisions	%	100	100	100	100	100
Contract performance rate	%	100	100	100	100	100
<b>Environmental protection and energy conservation</b>						
Input in energy conservation and emission reduction	Ten thousand RMB	137.46	209	61.8	76.9	142.98
Nitrogen oxides emission	Ton	17.121	17.420	17.839	18.163	27.6204
Carbon dioxide emission	Ton	28357.5	19626.01	17540.8	17682.1	25381.696
Carbon dioxide emission per ton of ore	Kg/ton	1.26	0.96	0.89	0.79	0.92
Soot volume	Ton	14.255	14.580	14.955	15.294	17.567
Diesel consumption	Liter	400350.46	382823.00	746864.44	778801.28	772920.66
Diesel consumption per ton of ore	Liter/ton	0.02	0.02	0.03	0.03	0.04
Coal consumption	Ton	8750	8198	7327	7005	9088
Coal consumption per ton of ore	Kg/ton	0.67	0.40	0.37	0.33	0.38
Total energy consumption	Ton of coal equivalent	82932.63	76654.99	51956.42	36058.6	36853.7
Vehicle mileage	Km	3046011	2930065	2123830	1688525	1519269
Vehicle mileage per ton of ore	Km/ton	0.14	0.14	0.09	0.1	0.07
Vehicle fuel consumption	Ton	531.29	433.71	324.15	243.15	235.91
Vehicle fuel consumption per ton of ore	Liter/ton	0.028	0.021	0.017	0.017	0.013
Natural gas consumption	m <sup>3</sup>	0	0	0	0	0
Planted trees	Number	600150	1150070	321820	200300	601446
Harmful waste	Ton	45.93	25.11	26.04	10.18	9.91
Harmful waste per ton of ore	G/ton	2.04	1.23	1.18	0.61	0.46

## Social Responsibility KPI of the China Gold International

	Unit	2019	2018	2017	2016	2015
Harmless waste	Ton	135551274	78120687	91383879	92691570	98497461
Harmless waste per ton of ore	Ton/ton	6.0	3.8	4.6	4.1	4.5
Sewage emission	Ton	0	0	0	0	0
Annual office electricity consumption per capita	Degree	1392.19	1075.45	1606.14	1554.26	1604.03
Annual water consumption per capita	Ton	27.00	26.94	22	23.46	24.41
Annual paper consumption per capita	Kg	9.19	13.48	6.92	6.02	5.89
Total investment of environmental protection	100 million RMB	0.46	0.7819	0.3728	0.1722	2.41
COD (chemical oxygen demand) emission	Ton	4.1	22.029	11.056	11.459	10.9
Sulfur dioxide emission	Ton	28.868	29.814	30.999	31.745	42.95
Production power consumption of the mining area	Kwh/ton	40595.5	39061.48	28493	21219	17338
Comprehensive energy consumption per ton for mineral processing	10,000 tons	18.01	19.07	11.56	8.59	9.87
Newly added water	10,000 tons	326.18	169.057	272.561	208.629	156.76
Circulating water	10,000 tons	7470.08	6871.065	7086.646	6974.628	8602
Water consumption per RMB10,000 output	Ton per ten thousand RMB	7.2	27.09	22.84	26.33	27.63
Water consumption per ton of ore	Ton/Ton	0.14	0.08	0.31	0.24	0.25
Provision for reclamation costs	Ten thousand RMB	610.2	616.21	119.2	281.2	120
Number of environmental pollution accidents	Number of times	0	0	0	0	0
Environmental protection training coverage ratio	%	95	100	93	93	100
<b>Work safety</b>						
Safety investment	Ten thousand RMB	19609.61	17644	6234	9796	7550
Death toll of employees in production	Person	0	0	0	2 (轻伤)	0
Fatality rate for million-ton production	Person/million ton	0	0	0	0	0
Major equipment accidents	Number of times	0	0	0	0	0
Major fire and explosion accidents	Number of times	0	0	0	0	0
Major traffic accidents	Number of times	0	0	0	0	0
Number of work safety accidents	Number of times	0	0	0	0	0
Special equipment inspection rate	%	100	100	100	100	100
Special equipment inspection qualified rate	%	100	100	100	100	100
Loss accidents of explosives and hazardous chemicals	Number of times	0	0	0	0	0



## Social Responsibility KPI of the China Gold International

	Unit	2019	2018	2017	2016	2015
Serious spill accidents of explosives and hazardous chemicals	Number of times	0	0	0	0	0
Employees with safety management certificate	Person	178	157	252	120	100
Certified safety engineer	Person	26	25	15	13	11
Safety education and training sessions	Number of times	137	126	89	231	217
Safety education and training participants	Number of times	9540	7901	10205	14454	8928
Safety education and training rate for employees	%	100	100	100	100	100
<b>Employees' interests</b>						
Total employees	Headcount	2085	2124	2028	1737	1803
Female employees	Headcount	444	468	425	337	344
Employees of ethnic minority and other ethnic groups	Headcount	440	437	446	357	479
Employees at primary managerial positions and above	Headcount	476	441	381	311	290
Including: Female employees	Headcount	118	116	68	41	35
Employment of the disabled	Headcount	2	2	11	9	11
Labor contract signing rate	%	100	100	100	100	100
Social insurance coverage ratio	%	100	100	100	100	100
Proportion of workers joining in the Trade Union	%	100	71	99	99	100
Annual recruits through open recruitment	Headcount	159	389	297	216	111
Including: Hires newly graduated from universities and colleges	Headcount	18	21	13	31	18
Social Recruitment	Headcount	141	368	284	185	93
Proportion of localized employment	%	21	24	32	26	24
Annual person-time of staff training in total	Headcount	2171	1697	1319	1288	1701
Annual promotions in professional titles	Headcount	99	85	85	76	72
Annual promotions to expert-level senior engineers	Headcount	2	5	1	2	4
Physical checkup and health file coverage ratio	%	100	100	100	100	100
Occupational disease cases at year end	Case	0	0	0	0	0
Additional occupational disease cases in the year	Case	0	0	0	0	0
Proportion of employees in the Career, Health and Safety Committee	%	19.4	17.6	3.1	3.5	0
Per capita paid vacation days	Day	139	16	24	19	17
Staff satisfaction	%	99	99	97	100	96
Staff turnover	%	9.6	8.8	10.2	8.5	11
Number of staff complaints filed and resolved through the complaint mechanism	Number	0	0	0	0	0
Overtime pay	Ten thousand RMB	37.3	33.9	49.5	49.2	35.4
Aid for poverty-stricken employees	Ten thousand RMB	7.2	4.6	2.9	1.8	1.4

## Social Responsibility KPI of the China Gold International

	Unit	2019	2018	2017	2016	2015
<b>Technological progress</b>						
Total input in scientific research	Ten thousand RMB	16108	14437	9670	1588	7884
Number of new patents	Item	9	3	23	13	3
Scientific and technological achievements	Item	17	19	18	32	23
Scientific research programs undertaken	Item	20	7	12	24	12
Number/ rate of technological staff	Person/%	269/13.06%	219/10.31%	269/13.26%	265/15.26%	230/12.76%
<b>Harmony and win-win</b>						
Total tax	100 million RMB	2.73	4.27	3.17	2.22	2.39
Total procurement of materials	100 million RMB	6.38	7.19	4.16	3.95	4.89
Including: Procurement under social responsibility	100 million RMB	0.73	2.29	0.82	0.701	0.74
Proportion of procurement under social responsibility	%	11.44	31.85	19.71	17.75%	15.13
Proportion of localized procurement	%	33.04	19.19	44.87	6.19	24.5
Total donation	Ten thousand RMB	28.69	156.91	23.64	25.54	161
Assistance to impoverished families and students	Headcount	942	124	744	784	638
Employee volunteers	Headcount	257	367	239	225	187

# Rating Report on 2019 Environmental, Social and Governance Report of China Gold International Resources Corp. Ltd

Authorized by China Gold International Resources Corp. Ltd., the Chinese Expert Committee on Corporate Social Responsibility Report Rating selected experts to organize a rating panel for Rating Report on 2019 Environmental, Social and Governance Report of China Gold International Resources Corp. Ltd (hereinafter referred to as the Report).

## I. Rating Basis

CASS-CSR 4.0 for General Mining Industry by Chinese Academy of Social Sciences and Rating Standards for CSR Report of Chinese Enterprises (2020) by the Chinese Expert Committee on CSR Report Rating.

## II. Rating Procedure

- 1.The rating panel reviews Process-oriented Confirmation Letter for CSR Report and confirms related supporting materials submitted by the writers;
- 2.The rating panel makes comments on the compilation process of the Report and the disclosure information as well as draws up the rating report;
- 3.The vice president of the Chinese Expert Committee on CSR Report Rating, the supervisor and experts of the panel examine and sign the rating report.

## III. Rating conclusion

### Process (★★★★★)

The group for report preparation, mainly led by Strategic Investment and Business Management Department, has been organized. The Chairman and CEO is responsible for the final review. Manager of the leading Department takes in charge of overall control and timeline. The Company has regarded the Report as an important tool for disclosing compliance information, improving responsibility management, communicating with stakeholders and enhancing corporate image. Its functional position is explicit. Essential topics are identified in accordance with national macro-policy, international and domestic social responsibility standards, industrial benchmarking, major corporate issues. The Company guides its two subsidiaries, CSH and Jiama, to prepare and release the corporate social responsibility report, which enhances its vertical integration of social responsibility. The Company plans to publish reports on the official website and the Hong Kong Stock Exchange website. And the Report will be presented in electronic form, printed copy, H5 version, etc. The Report takes the lead in process.

### Substantiality (★★★★★)

The Report systematically discloses the key issues of general mining industry, such as the implementation of macro-policy, construction of digital mine, management of occupational health, assurance of work safety, system of environmental management, R&D and application of environmental technology and equipment, conservation of land resources, reduction of “three wastes” emission, recovery of residual ore, conservation of mining area, disposal of tailings and protection of eco-environment in mines. The Report is detailed and sufficient in description, and it has an outstanding substantive performance.

### Integrity (★★★★★)

The Report discloses 90.67% of core indicators of general mining industry from “responsibility management” “environmental protection and energy conservation” “work safety” “employees’ interests” “technological innovation” “harmony and win-win” . And it performs very well in integrity.

### Balance (★★★★★)

The Report discloses the negative information, such as major equipment accident, serious spill accidents of hazardous chemicals, fatality rate for million-ton production, additional occupational disease cases in the year and staff turnover. The Report also gives a brief description of transport vehicles with incomplete certificate and license or unqualified competence. It takes the lead in balance performance.

### Comparability (★★★★★)

The Report discloses 106 key performance indicators for more than 3 years, such as profit, product qualification ratio, input in energy conservation and emission reduction, comprehensive energy consumption, employment of the disabled and proportion of localized procurement. It has a great comparability performance.

### Readability (★★★★☆)

Building framework structure in line with key topics, the Report systematically discloses the practice and performance in economic, social and environmental responsibility, which responds to expectations and appeals of stakeholders. The Report cover with mining elements presents a vector style to build virtual scenes, which improves its vividness and recognizability. Besides, it is simple in style, rich in cases and statistics, and complements words with pictures, enhancing readability. It performs excellently in readability.

### Innovativeness (★★★★)

The Report responds to the SDGs and shows the Company's responsibility practices, which highlights the Report advancing with the times and its leading responsibility performance. And the Report focuses on responsibility performance by answering to the current affairs including targeted poverty alleviation, demonstrating the Company's accountability to comply with macro-policy. It possesses excellent innovative performance.

### Overall ranking (★★★★★)

Evaluated by the rating panel, 2019 Environmental, Social and Governance Report of China Gold International Resources Corp. Ltd gets 5 stars, and this Report takes the lead among other reports.

## IV. Suggestions for improvement

Improve Report framework and design style to enhance readability.



Vice President of the Expert Committee



Head of rating panel



Expert of rating panel

Process assessor Ren Jiaojiao

June 23rd, 2020



Scan the QR to check the file of rating report

## Editorial Team

Editor-in-chief:	Jiang Liangyou
Associate Editor:	Zhang Lisheng, Teng Yongqing, Tong Junhu, Huang Shaofeng, Xie Quan, Zhang Yi, Guan Shiliang, Guo Zhongxin, Zhang Weibin, Su Zhiyuan, Ma Guangyu, Wu Xiaogang, Wang Yan, Cui Yang, Wang Wanming, Wang Chunhong, He Shuiqing, Wang Fenglong, Ren Zhaohua
Expert Panel:	Huang Qunhui, Zhang En, Liu Gang, Ren Jiaojiao, Tao Minghao, Zhu Nianrui, Li Dawei
Responsible Editor:	Han Chao, Shen Bingjie, Li Zhiyuan
Art Editor and Translator:	Li Jin, Liu Hongmin, Xu Lili, Fu Yixiao, Peng Jiamin, Liu Cong
Participants:	Yu Bo, Ma Zihe, Ma Liying, Wang Haijun, Wang Chen, Wang Zheng, Wang Bo, Wang Lu, Yin Kun, Lu Yuehe, Tian Na, Fu Chong, Fu Qiang, Zhu Weiye, Liu Yu, Liu Mingshi, Liu Xuanyao, Xu Wei, Xu Xinqi, Sun Wenxue, Sun Jing, Li Ya, Li Yang, Li Guofeng, Li Qiang, Li Cong, Yang Tao, Xiao Yiran, Xiao Xiao, Gu Zhijun, Shen Xin, Song Ze, Zhang Zhongkun, Zhang Shun, Zhang Chen, Zhang Dianren, Fan Chong, Zhou Baoqin, Zheng Tingting, Hu Peng, Bai Linzuo, Fei Yang, Dunzhu Yuzhen, Yin Weiqiang, Gao Xinzhu, Gao Liang, Gao Hailong, Yi Jialing, Yan Meng, Huang Yuhan, Cao Jun, Han Runing, Xie Zhao, Cai Huan



Dear readers:

Thank you for taking time to read this report. To improve our practices and capabilities in fulfilling corporate social responsibility, we sincerely invite you to take some time to evaluate this report and to provide your valuable comments and suggestions, so as to support its continuous improvements. Please kindly complete the following questionnaire and send the feedback to us.

1. Overall evaluation of the report (please mark "√" in appropriate position)

(1) Does it give a complete and accurate view of the status of Company's corporate social responsibility work? ( )

(2) Does it address and disclose the issues of concern of the stakeholders? ( )

(3) Does it disclose clearly organized, accurate and complete information and data? ( )

(4) How about its readability, namely the logic of main line, content structuring, wording and layout design? ( )

2. In your opinion, which parts/aspects are you most satisfied with?

3. In your opinion, which parts/aspects are you most satisfied with? ?

4. Do you have any suggestions on our social responsibility report and its issuing in the future? ?

If convenient, please leave your contact information.

Name: Occupation:

Employer: Contact address:

Post code: Fax:

Tel: E-Mail:

Contact us

Correspondence address: No. 9 An Ding Men Wai Street, Dongcheng District, Beijing, China

Postal code: 100011

Tel/Fax: 86-10-56353622

Email: [info@chinagoldintl.com](mailto:info@chinagoldintl.com)

Website: [www.chinagoldintl.com](http://www.chinagoldintl.com)