Environmental Report

JCET Group – Jun 2022





Environmental Report

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I. EHS Policy and Environmental Goal

The company always adheres to the policy of "Safety First, Environmental Protection Priority, Prevention First, Comprehensive Management" and the concept of "People-oriented, Safe development", and continues to ISO 14001, ISO 45001 system operation and safety production standardization, clean production construction, through strengthening leadership, implementing responsibilities, strengthening education and training, deepening inspection and supervision and safety and environmental protection.

Activities are carried out, and management norms and mechanisms are improved, and the improvement and application of safety and environmental protection technologies are promoted to ensure the safety and stability of the production process.





I. EHS Policy and Environmental Goal

10 years goal from 2020 to 2030:



Reduce Energy Consumption& GHG
Emission per Unit Output Value by 15%



Reuse/ Recycle >20% of water



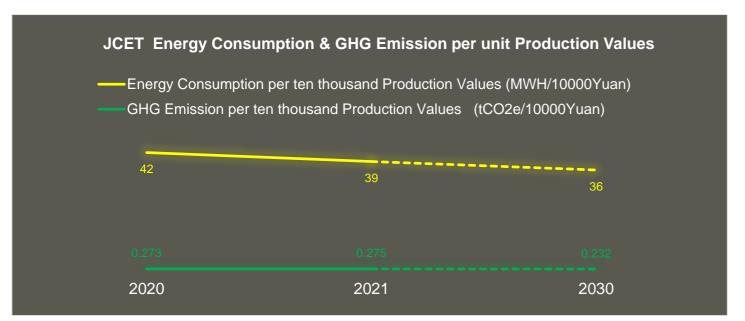
Recycle >60% of waste

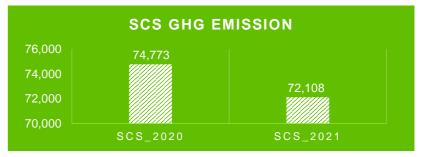
With the 7 factories (JCET-D3, D8, D9, JSCC, JCAP, JSCK/SCK and SCS) integration, using 2020 year as baseline.

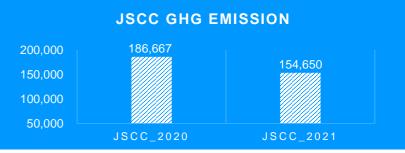
II. Energy Consumption & GHG Emission Monitoring

Carbon management is an integral part of JCET's business. Through the internal GHG summary report prepared according to ISO 14064 Standard and 2006 IPCC Guidelines for National Greenhouse Gas Inventories, we regularly calculate the GHG emission of the operating plant every year, and implement emission reduction measures in a planned way.

From 2020 to 2021, the GHG emission per unit output value of JCET Group increased from 0.273 tCO2e/10000Yuan to 0.275 tCO2e/10000Yuan. Due to the expansion and development of production, the energy consumption per unit output value decreased from 42 MWH/10000Yuan to 39 MWH/10000Yuan. Among them, SCS and JSCC plants have shown a reduction in GHG emissions as shown in the chart, SCS reduced by 4% and JSCC by 17%.









II. Energy Consumption & GHG Emission Monitoring

The following are the reduction actions taken by seven factories and the corresponding calculation results. We will proactively implement all types of energy conservation programs in all our factories and continue to comply with green building standards as we build new systems and modernize existing ones.

Reduction Efforts:

| Factories | Items | Facility Capacity (MWh/year) | CO ₂ Reduction (ton/year) |
|-----------------|---|---------------------------------|---|
| D3 | Lighting reform in Workshop mezzanine | 170.7 | 137.35 |
| D8 | Transformation of manual drain valve of centrifuge condensate tank into PNLDII pneumatic non-destructive valve; Transformation of HVAC; Reconstruction of compressed gas of back line electroplate. | 2192 | 1765 |
| D9 | Modification of zero gas consumption in compressed gas drying tower; apply LED lamp and improvement of utility condition. | 5063 | 4074 |
| JCAP | Heat recovery and cooling capacity recovery system, energy saving by separating high and low pressure compressed gas. | 8057 | 3756 |
| JSCC | Heat recovery system, reuse of nitrogen and phosphorus waste water and excess reclaimed water to supply into cooling tower. | 9405 | 4385 |
| SCS SCK/JSCK | Heat recovery system, replaced with LED lamp and improvement of utility conditions. | 9781 | 4560 |



III. Improvement Plan on Energy Consumption & GHG Emission

| Goal | Factories | Current & Future Improvement Plans | Result |
|--|-----------|---|-------------|
| | D3 | Use tap water instead of pure water in LGA cutting/ IC cutting vacuum pump Change the courtyard lamp in front of the hall to solar lamp. | In progress |
| 5 2 | D8 | Replace high energy consumption motor with energy-saving motor, which saves 5% of the rated power consumption. Dry heat recovery of centrifugal air compressor. | In progress |
| Reduce energy consumption & GHG emission per | D9 | Modification of zero gas consumption in compressed gas drying tower Use LED lamp and improvement of utility conditions Heat recovery of compressor to heat up pure water, raw water and hot water of air condition Installation of solar energy on building roof Use green electric power under the guidance of the government. | In progress |
| unit output value by 15% | JCAP | Eliminate high energy consumption nitrogen generation equipment and replace it with energy-saving equipment Replace high energy consumption motor with energy-saving motor. | In progress |
| using 2020 as baseline | JSCC | Heat recovery of compressor to heat up hot water of air condition Heat recovery of GST machine drainage. | In progress |
| | SCK/JSCK | Heat recovery of compressor to heat up hot water Use city water of DI system in winter. | In progress |
| | SCS | ➢ Building 1&2 chiller plant refurbishment ➢ Optimize 1A CDA ➢ Building 2 VSD air compressor. | In progress |



IV. Improvement Plan on Reuse / Recycle of Water

| Goal | Factories | Current & Future Improvement Plans | Result |
|---------------------------|-----------|--|-------------|
| NOW SAVE WATER | D3 | ➤ Improve the utilization rate of reclaimed water, and use for toilets water, fountains and greening water. | In progress |
| | D8 | Reuse the steam condensate Reuse the concentrated water from pure water station instead of tap water for dilution of dosing tank of sewage plant. | In progress |
| Reuse/ recycle >20% | D9 | Reuse the concentrated water from pure water station instead of tap water for dilution of dosing tank of sewage plant Reuse the concentrated water from pure water station to supply into raw water tank, increase tap water utilization. | In progress |
| of water purchased | JCAP | Reuse the concentrated water from pure water station to supply into raw water tank, increase tap water utilization Recycle scribing waste water after treatment, save water resources. | In progress |
| using 2020 as baseline | JSCC | ➤ Recycle the UF reverse washing water supply into cooling tower. | In progress |
| as basellile | SCK/JSCK | Maintain waste water recycling operating & Con`c RO operating; Reuse of effluent water as cooling tower. | In progress |
| | SCS | ➤ Waste water reclaim for new-water. | In progress |



V. Improvement Plan on Recycle of Waste

| Goal | Factories | Current & Future Improvement Plans | Result |
|--------------------------------|-----------|--|-------------|
| | D3 | Use material with less environmental impact, like use CR100 instead of alcohol to reduce the emission of VOCs; Check on the recycling rate when selecting a waste treatment supplier. | In progress |
| | D8 | Reduce chemical consumption; Check on the recycling rate when selecting a waste treatment supplier. | In progress |
| Recycle >60% of hazardous | D9 | Recycle of ribbon Reduce chemical consumption Check on the recycling rate when selecting a waste treatment supplier. | In progress |
| and non- hazardous waste | JCAP | Recycle of waste cartons Reduce chemical consumption Check on the recycling rate when selecting a waste treatment supplier. | In progress |
| using 2020 as baseline | JSCC | Recycle of ribbon, plastic packaging waste and waste cartons Check on the recycling rate when selecting a waste treatment supplier. | In progress |
| | SCK/JSCK | ➤ Check on the recycling rate when selecting a waste treatment supplier. | In progress |
| | SCS | ➤ Reduce chemical consumption. | In progress |



