



TIANMA MICROELECTRONICS CO., LTD

Shen Tianma A 000050

# CORPORATE SOCIAL RESPONSIBILITY REPORT

# 2019<sup>+</sup>

TO CREATE  
COLORFUL LIFE



Tianma Microelectronics Co., Ltd.

2019 CORPORATE SOCIAL  
RESPONSIBILITY REPORT

March 2020

# ABOUT THIS REPORT

<b>Content definition</b>	This report is based on the principles of the Global Reporting Initiative(Global Reporting Initiative, "GRI" in short) substantiality, stakeholder participation as well as sustainability development background. We have identified the major stakeholders following a comprehensive analysis and evaluation of the business operating environment. We have communicated and conducted dialogues with stakeholders through a questionnaire to collect and prioritize their concerns and indicators for disclosure in this report.	<b>01</b>
<b>Scope</b>	The organizational scope of this report is consistent with that of the annual report, including the corporate social responsibility concept, practice and performance of all entities within the scope of the consolidated financial statements. Unless otherwise noted, the information disclosed in this report is a summary of all entities within the scope of the consolidated financial statements.	
<b>Preparation basis</b>	This report is prepared in reference to a core plan of Global Reporting Initiative "Sustainability Reporting Guidelines" (GRI). By means of site investigation, employee interviews and material consultations, it confirms the statistical scope of information reported and completes the collection means and computing methods.	
<b>Report statement</b>	<p>The company and all members of the board of directors guarantee that the content of information disclosure is true, accurate and complete, and there is no false record, misleading statement or major omission.</p> <ul style="list-style-type: none"><li>- Tianma Microelectronics Co., Ltd.(hereinafter referred to as Shen Tianma, Tianma, the Company or We; and the Shenzhen Production Line as the "Company Headquarter" );</li><li>- Shanghai Tianma Microelectronics Co., Ltd. ("Shanghai Tianma" or "Shanghai G4.5 " in short) ;</li><li>- Chengdu Tianma Microelectronics Co., Ltd. ("Chengdu Tianma" or "Chengdu G4.5 " in short) ;</li><li>- Wuhan Tianma Microelectronics Co., Ltd. ("Wuhan Tianma" , including "Wuhan G4.5 " and "Wuhan G6 " in short);</li><li>- Shanghai AVIC Optoelectronics Co., Ltd. ("AVIC Optoelectronics" or "Shanghai G5 " in short);</li><li>- Xiamen Tianma Microelectronics Co., Ltd. ("Xiamen Tianma", including "Xiamen G5.5 "and "Xiamen G6 " in short);</li><li>- Shanghai Tianma OLED Technology Co., Ltd. (Tianma OLED in short);</li></ul> <p>Remarks: "Five locations and seven companies in China" in this report stands for: Company Headquarter, Chengdu Tianma, Shanghai Tianma, Shanghai AVIC Optoelectronics, Wuhan Tianma, Wuhan Tianma and Tianma OLED.</p>	
<b>Reporting Period</b>	January 1 to December 31,2019	
<b>Reporting Cycle</b>	Once a year	

# ABOUT US

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# COMPANY OVERVIEW

Company Name	English Name	Legal Representative
TIANMA MICROELECTRONICS CO.,LTD.	TIANMA MICROELECTRONICS CO.,LTD.	Chen Hongliang

Main Office Address	Registered Address
深圳市南山区马家龙工业城 64 栋	Room 1918, Tianma Building, Liuxian Ave., North Station Community, Minzhi Street, Longhua District, Shenzhen City

Date of Registration	Industry Involved	Company Type
November 8, 1983	Computer, communications and other electronic equipment manufacturing	Limited liability company(listed)

Product Types	Total Market Value
Display screen and display module	As of December 31, 2019, the total market value of the company is RMB 33.364 billion

**Stock Exchange** Shenzhen Stock Exchange (Shen Tianma A; Stock Code:000050)

## Business Scope

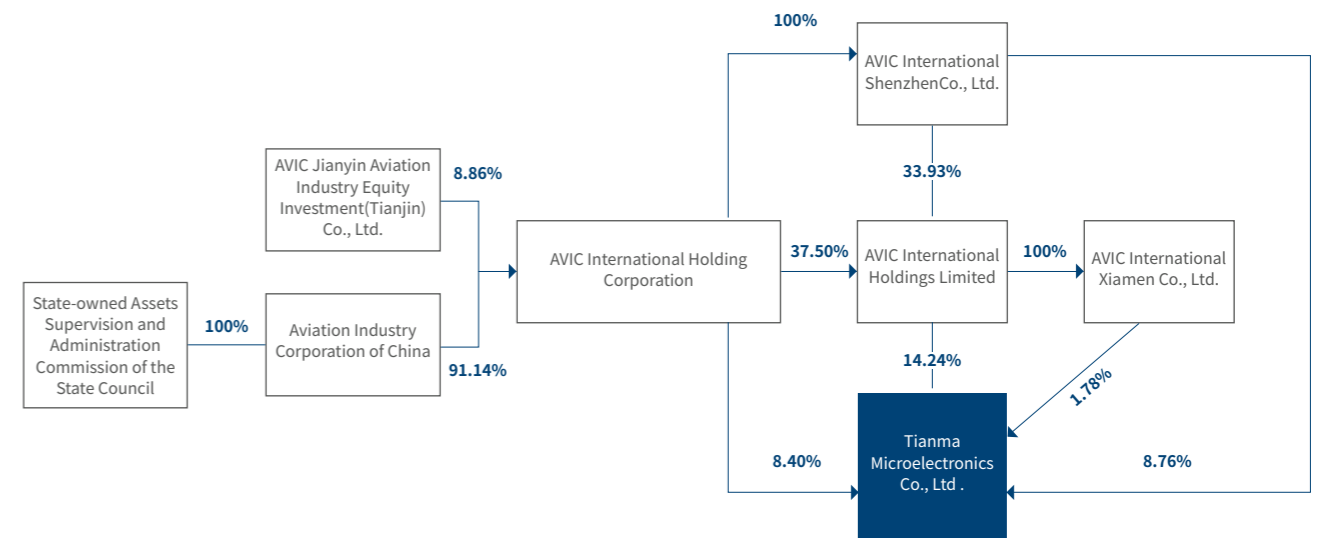
IT service, consultation service; Agent sales and procurement of displays and relevant materials(limited items excluded);rental of equipment(excluding financial rental);rental of self- owned properties; import / export business ( except items banned by the laws, administrative regulations and the State Council. Limited projects must be operated upon receiving the permission ). Design , manufacturing and sales of LCD and relevant materials, equipment and products; relevant technical development, technical consultation, technical service and technical transfer; and common freight transport.

## Main products

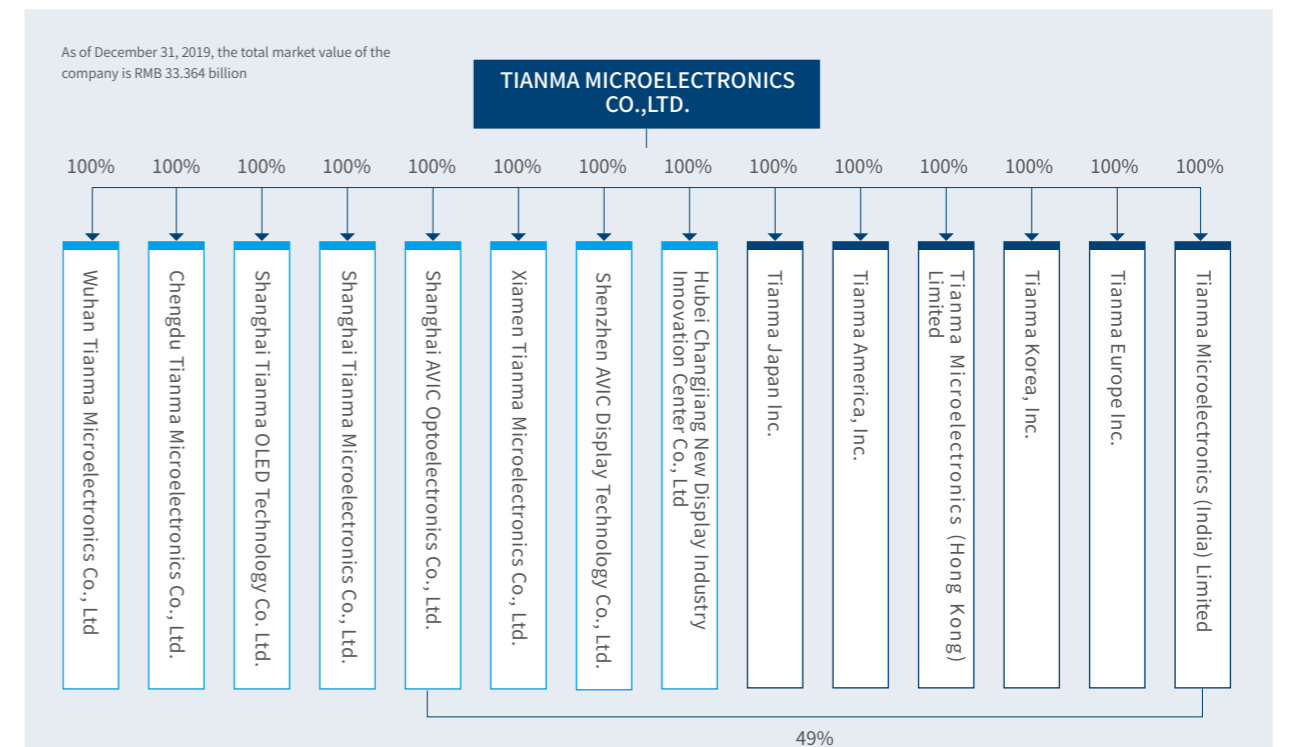
The company continues to focus on the overall arrangement of mobile intelligent terminal market represented by smart phones and tablets and professional display market represented by car, medical, POS, HMI, etc., and actively continues to develop IoT / new applications, including emerging markets such as smart home, AR / VR, UAV, charging pile, robot, etc.

## Ownership And Control Relation Between The Company And Actual Holders

(Report period up to December 31, 2019)



■ Domestic subsidiaries ■ Overseas subsidiaries



# CORPORATE GOVERNANCE

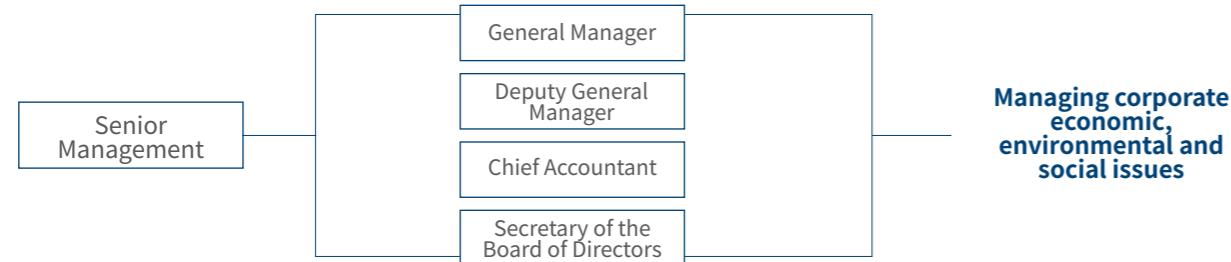
In strict compliance with requirements specified in the Company Law, Securities Law, Rules for Shares Listing on Shenzhen Stock Exchanges and other laws, regulations and normative documents, the company Shareholders' Meeting, Board of Directors and Board of Supervisors have constantly improved the legal person governance structure and rules of procedure. Make sure that the company can be managed according to the law and regulations, prevent the business risks and effectively protect the legitimate rights and interests of all shareholders. At the same time, the company have boosted the construction of a modernized corporate system and enhanced the company's normative operation level. A coordinated and balanced operation mechanism with clearly divided powers and responsibilities for the authorities, decision makers, supervisors and management has been put in place to further improve the corporate governance and enhance the company standardized operation.



The term of office of the Board of Directors of the company is 3 years. Upon the expiration of the term, the Board of Directors can be re-elected. There are 9 members of the Board of Directors of the company, all of whom are of Chinese nationality, including 8 men, accounting for 88% and 1 woman, accounting for 12%. The composition of the Board of Directors and the Board of supervisors of the company is established in accordance with the laws and regulations and the actual requirements of the company. The qualifications of the members of the Board of Directors and the Board of supervisors meet the requirements of the articles of association and other laws and regulations, and all of them have necessary professional knowledge, skills and can earnestly, faithfully and diligently perform their respective duties; the convening and holding of the Board of Directors and the Board of supervisors are legal and compliant, and strictly in accordance with the articles of association and other provisions.



The Board of Directors of the company has four special committees: Strategy Committee, Review Committee, Nomination and Compensation Committee and Risk Management Committee. According to their respective responsibilities, each special committee carefully deliberates and makes suggestions on the company's economic, environmental and social issues, which plays an important role in making scientific and reasonable decisions for the board of directors.



The senior management of the company is composed of the General Manager, Deputy General Manager, Chief Accountant and Secretary of the Board of Directors, who are appointed or dismissed by the board of directors. During the reporting period, the company employed 100% of its senior executives from home. The Board of Directors authorizes the senior management to be responsible for the daily operation of the company, manage the economic, environmental and social issues of the company, earnestly implement the resolutions of the board of directors, and consciously accept the supervision of the Board of Supervisors.

# The Location of production Lines、marketing networks and technical Service platforms

The company's production line are mainly located in Shenzhen, Shanghai, Chengdu, Wuhan, Xiamen and other places, and has global marketing network and technical service support platform in Germany, the United States, South Korea, Japan, India and other major countries, as well as Hong Kong, Taiwan and other regions of China.





## Technical Innovation And Leadership

The company continues to deepen its efforts in the overall arrangement of forward-looking technology and advanced application technology. At present, it has independently mastered many internationally advanced and domestically leading new technologies. In AMOLED, flexible display, HDR, full screen display and other technologies, as well as mobile intelligent terminal, vehicle, industrial control, medical and other fields, many positive results have been achieved, and won many domestic and foreign awards.

The company adheres to the principle of product quality first, strictly follows the new product development process and project management process when launching any product, organizes relevant personnel of technology, process and supply chain to conduct a complete development evaluation, and conducts a complete reliability test after the product is produced, and launches the product after the test is passed.

## Technological Strength

### Flexible AMOLED



The company has made early overall arrangement in the flexible product sector. At present, it has successfully developed 7.4-inch flexible display screen with a curvature radius of 3mm, which bends inward, which bends outward with a curvature radius of 5mm, and which has a fixed curvature to meet the diversified bending needs of customers.

### Rigid AMOLED



The company has successfully developed a rigid AMOLED display integrated with Force Touch capability which improves the user experience without increasing the thickness.

### FPR AMOLED



The company has independently developed a 6.1-inch Finger Print AMOLED display integrated with FOD Mapis display fingerprint identification technology. By integrating pinhole optics into the OLED display panel, the thickness of FOD sensor module is reduced and the fingerprint identification performance is improved.

### Printed AMOLED



The company has successfully developed a 403ppi, 4.92 inch AMOLED product based on inkjet printing technology in combination with Guangdong Juhua Printing Display Technology Co., Ltd. With the continuous innovation and development of this technology, the company will further impact on the higher resolution AMOLED, and the terminal application scenarios available for printing display technology will also be diversified.

### Mid-large Size AMOLED



At present, the company has successfully opened up the 13.3-inch display screen of mid-large size AMOLED mass production process, with the advantages of ultra short response time, ultra-high contrast, ultra-low reflectivity, 100% NTSC ultra wide color gamut, real RGB pixel arrangement, etc.

### AM Micro LED



The company jointly launched the world's first 7.56 "AM Micro LED display with a transmissivity of more than 60%, with a display resolution of 720 \* 480 (114PPI), transparency of more than 60%, and ultra narrow frame of 0.68mm.

### LTPS AM mini LED HDR



The LTPS AM mini LED HDR liquid crystal display product independently developed by the company has created the highest precision of local dimming in the display industry, with more than 4600 partitions. At the same time, the product realizes ultra-high contrast (>100000:1), high brightness (>1000nits), high color gamut (DCI-P3), and wide perspective etc.

### Vehicle Intelligent Integrated Technology



The company's self-developed car simulation intelligent cockpit has an amazing appearance, while achieving the high flexibility of the design, high performance of the display effect and high energy efficiency ratio of power consumption. As a product developed with six core technologies (free form display, curve display, Gate Integrated Panel, optical alignment technology, local dimming technology and four-color energy-saving technology), this display screen is an excellent proof of the company's strong strength in the field of vehicle display.

### Vehicle Touch



The 11.7-inch Omega shaped touch screen developed by the company is not only the ultimate experience of touch and visual effect brought by LTPS + TED (Touch Embedded Display) + Local Dimming triple display technology, but also more important. What's more, its "Ω" shape fully caters to the display requirements of some lightweight and stylized cars, which leads to more possibilities for interior design.

### Vehicle Curve Display



The company independently develops 12.3-inch curve display, which integrates concave instrument display and convex central control display under the same S-shaped curved cover plate, so that its surface presents a very beautiful smooth curve, which provides infinite possibilities for the application of in car display.

### SLT



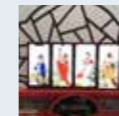
SLT Technology (super low temperature) is an ultra-low temperature display technology independently developed by the company. Its effect has reached the international leading level. The technology can realize the normal display of dynamic pictures at minus 50 degrees Celsius, avoiding the lack of response time. Drag and blur the picture. (the figure shows the picture comparison of SLT technology display screen and ordinary display screen under ultra-low temperature)

### Industrial Touch



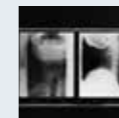
The company has independently developed a 10.4-inch tactile feedback display, which can provide a variety of forms of tactile feedback, mainly texture feedback and key feedback. Texture type feedback is applied to volume and temperature regulation in the car, while key type feedback gives users the touch of simulated mechanical keys. This product brings a new experience for human-computer interaction, and it is also a bold exploration for the interaction mode of the company.

### Full Screen Display



This product adopts the design concept of Chinese classical screen, which is composed of 6.18 inch notch screen, 6.3 inch water drop screen, 6.4 inch pole screen and 6.53 inch full view screen. Four different types of LTPS LCD full screen display products have their own characteristics, showing the beauty of technology and classically.

### Medical Display



With the promotion and popularization of telemedicine, the performance requirements of screen quality and resolution are increasingly stringent in the medical field. As the leader in the field of high-end medical display, the company has independently developed a number of medical display products.

As a national high-tech enterprise, the company has established a perfect management system to standardize the whole process of research and development projects from planning, project approval, planning, scheduling and implementation, technical cooperation with foreign projects, technical review and appraisal, project application, timely property right protection, etc., with leading software and hardware equipment in the industry, and independently mastered a-Si, LTPS, OLED key technologies of product design in the field have established a complete technological innovation system and formed a number of independent intellectual property rights.

In the future, the company will continue to focus on the field of mobile intelligent terminals and professional display, actively focus on the development of emerging markets, strive to promote the transformation and upgrading of existing technologies and achieve new technology innovation leadership, and will continue to work with partners in the industry chain to develop and design high-specification products to meet the market demand, create greater value, move towards the strategic goal of leading enterprises in the global display field.

## Company Strategy

With the mission of "Creating excellence, leading vision", the core values of "Passion, efficiency and win-win" and the vision of becoming a global leader in display field that is highly respected by the society and loved by employees.

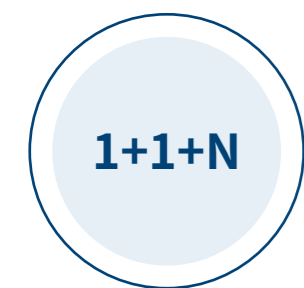
### Tianma Core Values



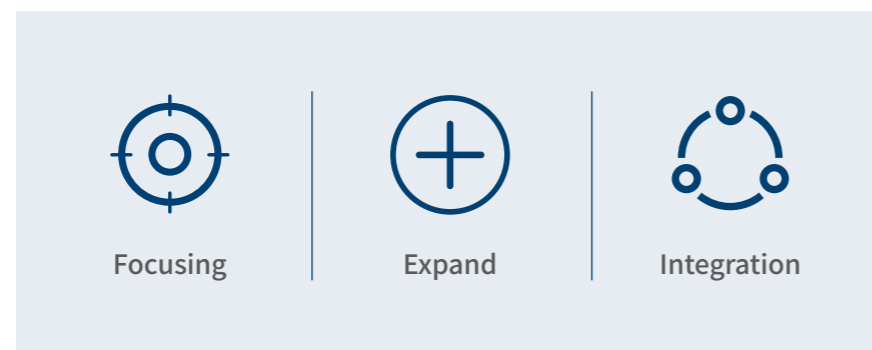
The company has a complete development planning management system, pays attention to the changes in the macro-economic situation, has insight into the development trend of the industrial chain, and conducts research on business ecology and symbiosis, identify new business model space and strategic space; hold strategic seminars, analyze market, customer, product, technology and competition pattern, and organize strategic plan update continuously, formulate strategic objectives, strategic implementation paths, business models and strategic initiatives, and decompose them into functional departments; formulate annual business plans, and focus on key points, match resources, ensure the achievement of organizational performance; at the same time, supervise and evaluate the implementation of the strategy to ensure the implementation of the company's strategy.

The company adheres to the strategic guidance of "1 + 1 + N", takes "Focus, expansion and integration" as the strategic theme, focuses on customers, and continuously focuses on the mobile intelligent terminal market represented by smart phones, tablet computer and intelligent wearable will take car as the key business of the company's transformation and growth. As the company's value-added business, such as industrial products (medical, HMI), horizontal market segmentation, upstream and downstream of vertical industrial chain, non display application, etc., we have strengthened market awareness in Germany, the United States, South Korea, Japan, India etc. and other major countries, Hong Kong, Taiwan and other regions of China have set up global marketing networks and technical service support platforms to provide customers with a full range of customized display solution and fast service support.

### Strategy leading



### Strategic theme



## Business Development

As an innovative technology enterprise providing display solutions and rapid service support worldwide, the company is deeply involved in the field of small and medium-sized display, owning or been constructing from 2nd to 6th generation TFT-LCD production lines (including a-Si and LTPS), the 5.5th and 6th generation AMOLED production lines and TN and STN production.

In 2019, the company invested and established Hubei Changjiang New Display Industry Innovation Center Co., Ltd. in Wuhan, Hubei, as the company's new display industry innovation and development platform, further strengthen the company's forward-looking technology R & D overall arrangement, create a technology innovation system, and enhance the company's technology R & D strength; set up Tianma Microelectronics (India) in India, and has further improved its competitiveness in the Indian market and its ability to respond quickly to customers. It has established a joint venture with the investors designated by Xiamen municipal government, and invested 48 billion Yuan to build the 6th generation flexible AMOLED production line project, with the design capacity of 48K/M flexible display base plate, further improving the company's status in small size high-end display, especially the market position of AMOLED.

### 2019 — The Company's Status in the Industry is Further Improved

In 2019, the company's status in the industry has been further improved. The market share of LTPS mobile phone panel was the first in the world, the shipment volume of smart machine LCD perforated screen was the first in the world, the shipment volume of vehicle TFT was the second in the world and the first in China, and multiple market segments in the field of professional display was in leading position (data source: Omdia).

### 2020 — Opportunities and Challenges Coexist

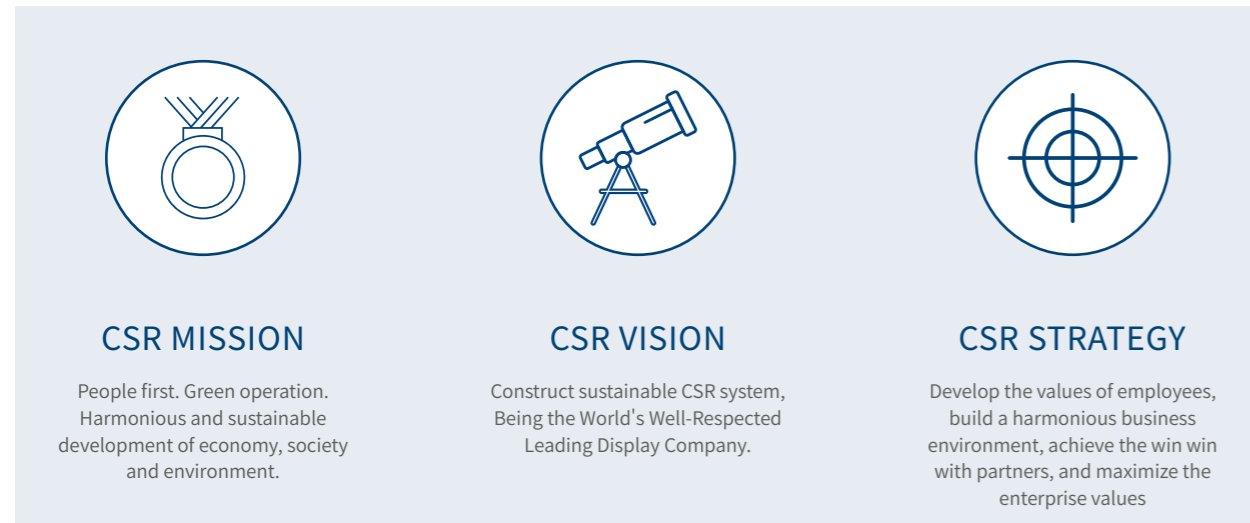
In 2020, the overall supply of small and medium-sized panel market is still greater than the demand, and the competition is more intense. With the gradual development of 5g, AI, IOT and other technologies, the market is expected to continuously booming. The market for smart phones will continue to recover, the demand for wearable products will continue to increase, and the car and industrial markets will continue to grow, with both opportunities and challenges. The company will strengthen market awareness, consolidate basic capabilities, improve technical level, stimulate team vitality, focus on key tasks, promote the implementation of strategy, and show leadership to the world, achieve the strategic goal of leading enterprises in the global display field and strive to achieve rapid development.

At SID Exhibition of 2019, the company's two new products, 7.56 inch AM Micro LED and LTPS AM Mini LED HDR LCD, rely on excellent technology and innovation, respectively won the "Best New Display Technology" and the "Best New Display Component" Award; The 7th China electronic information Expo in 2019, the company's two new products, 13.3-inch AMOLED display and 5.99-inch Mini LED HDR LCD display, respectively won the "CITE innovation Gold Award" and "CITE Innovation Award"; at the 2019 international new display technology exhibition, the company's 10.3-inch transparency OLED display won the "Annual display product innovation Application Award"; at the 2019 UDE international display Expo, the company's SLT-LCD ultra-low temperature display solution won the "2019 DSP Award".



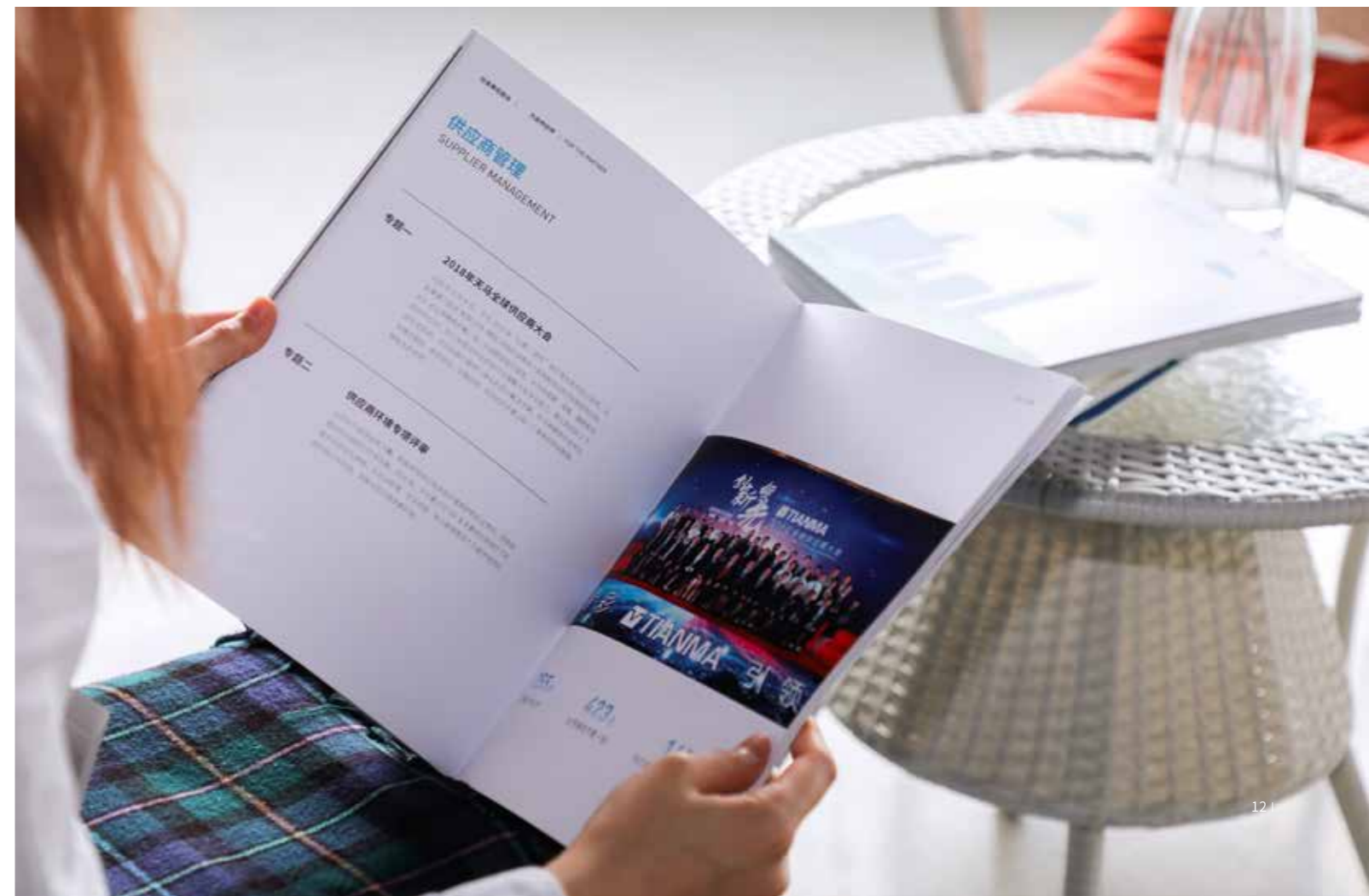
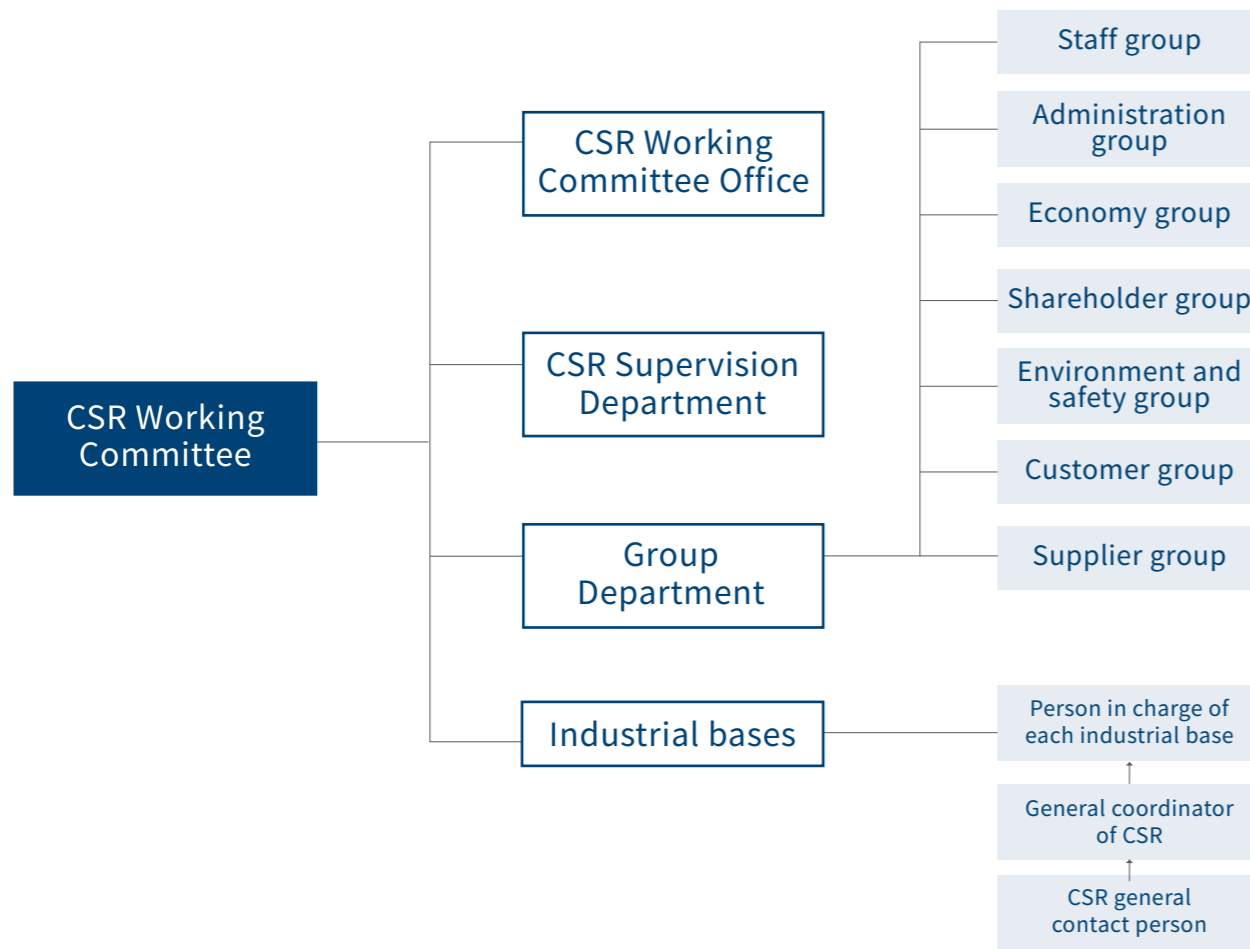
# Sustainability Development

# CSR Management



Based on international CSR standards such as RBA, ISO26000, SA8000 and relevant laws and regulations, the company has formulated 《CSR Management Manual》, 《Business Ethics Management System》, 《Stakeholder Dialogue System》, 《CSR Evaluation Procedure》 and other regulations which integrate CSR management system into all aspects of the company operation. In 2019, the number of participants in CSR training is 94608 person-time, and the proportion of new employees is 100%. The training contents include labor and human rights, environment, honest operation, information security, anti competitive behavior prevention, sustainable procurement and other CSR contents; the company gets through CSR internal audit, review the operation of CSR system of labor and human rights, EHS, business ethics, sustainable procurement, etc. in each industrial base; the company carries out CSR risk assessment, updates CSR risk database, continuously promotes improvement of CSR nonconformities and improves CSR management system.

In March 2019, the company released the 《2018 Corporate Social Responsibility Report》 to the public. So far, the company has disclosed its ideas and performance in win-win development with customers, employees, suppliers, shareholders, government, community and other stakeholders through the Corporate Social Responsibility Report for seven consecutive years. During the reporting period, the company did not revise the previous report.



## Communication With And Feedback From Our Stakeholders

As a listed company with a sense of social responsibility, the company not only pays attention to the performance and balance in the economic, social and environmental aspects, but also pays close attention to the voice of stakeholders, and actively gives back and improves.

### Identification of Major Stakeholders

Different stakeholders are affected by the company or have different degrees of influence on the company. According to the latest AA1000 stakeholder participation standard, the company preliminarily identifies and ranks the stakeholders, and finally selects six major stakeholders, including customers, employees, suppliers, shareholders, governments and communities.

Based on the following three aspects, identify the priority of stakeholders:

- 01 May already had an impact on the company's economy, society and environment
- 02 May have an impact on the company's economy, society and environment in the future
- 03 The company may have an impact on its economy, society and environment



## Communication and Interaction of Major Stakeholders

The company has established various and smooth communication methods for different types of stakeholders to ensure that it can understand the needs of different stakeholders in a timely, accurate and comprehensive manner and respond to them.



### Government

Inspection and self inspection, conference discussion, information disclosure, correspondence



### Shareholders

General meeting of shareholders, on-site reception, investor hotline, Shenzhen Stock Exchange "interactive" platform, investor column on official website



### Employees

Employee satisfaction survey, staff seminars, regular training, labor union activities, employee mailbox, official WeChat official account.



### Suppliers

Purchasing activities, supplier conference, supplier training, supplier audit



### Customers

Customer satisfaction survey, customer daily communication, customer research and audit, Industry Exhibition



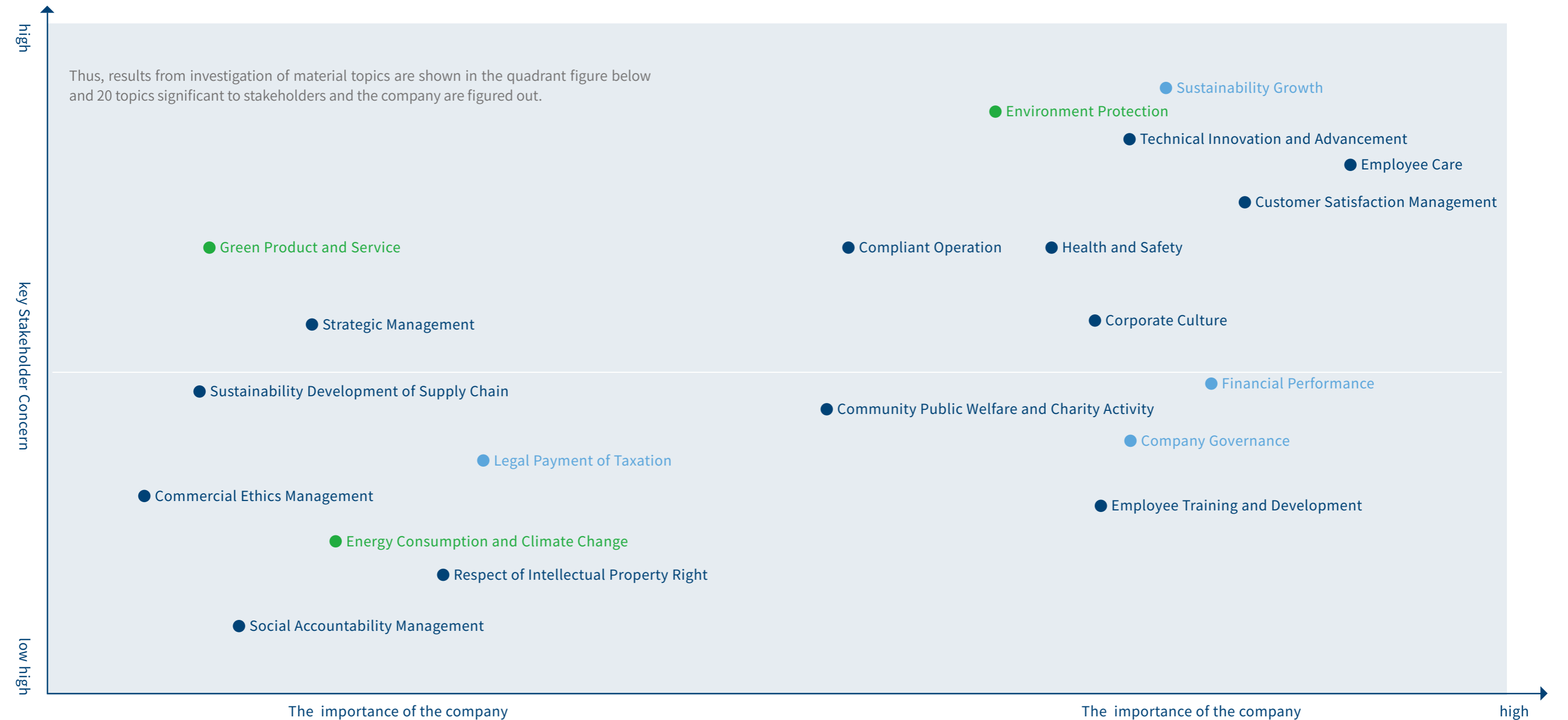
### Communities

Field visits, volunteer activities, public welfare projects, WeChat official account and other new media

## Research Results of Substantive Issues

In accordance with the effective document "Stakeholder Dialogue System", the office of CSR Working Committee of the company shall start the process of providing information to the government, shareholders, employees, suppliers, customers and other stakeholders. Through the method of online research, telephone research, on-site research, e-mail research and interviews, and according to the importance of issues to the company and the attention of stakeholders, we rank the issues.

**Remarks::** In the figure above, ● refers to the economic aspect, while ● to the environmental aspect and ● to the social aspect. Compared with the topics of 2018 Tianma CSR Report, This report remains unchanged. See specific chapter of this report for responses of the company to 20 material topics highly concerned by stakeholders and of major influence on the company.



## Affecting Boundary Of Topics With Material Impacts

As for the company's substantive consideration of important issues, it has a substantial impact on both inside and outside the company, as shown in the following chart:

Table description: the symbol "●" stands for important, substantial and informative; "—" stands for important but not substantial Industrial base

Considerations		Internal Boundary						External Boundary								
Category	Important Topics	Industrial Base						Industrial Base		Other Subsidiaries						
		Company Headquarter	Shanghai Tianma	Wuhan Tianma	Chengdu Tianma	Shanghai AVIC Optoelectronics	Xiamen Tianma	Tianma OLED	Tianma Japan	Outside the Industrial Base	Government	Shareholder	Customer	Supplier	Employee	Community
Economic Aspect	Sustainability growth	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Financial performance	●	●	●	●	●	●	●	●	●	●	●	—	—	—	—
	Corporate governance	●	●	●	●	●	●	●	●	●	●	●	—	—	—	—
	Pay taxes according to law	●	●	●	●	●	●	●	●	●	●	●	—	—	—	—
Environment Aspect	Environmental protection	●	●	●	●	●	●	●	●	●	●	●	—	—	—	●
	Energy consumption and climate change	●	●	●	●	●	●	●	●	●	●	●	—	—	—	●
	Green products and services	●	●	●	●	●	●	●	●	●	●	●	—	—	—	—
Social Aspect	Employee care	●	●	●	●	●	●	●	●	●	●	●	●	—	—	—
	Customer satisfactor management	●	●	●	●	●	●	●	●	●	●	—	—	—	—	—
	Sustainability development of supply chain	●	●	●	●	●	●	●	●	●	●	—	—	—	—	—
	Technological innovation and leadership	●	●	●	●	●	●	●	●	●	●	●	●	—	—	—
	Corporate culture	●	●	●	●	●	●	●	●	●	●	—	—	—	—	—
	Compliance operatio	●	●	●	●	●	●	●	●	●	●	●	●	—	—	—
	Staff training and development	●	●	●	●	●	●	●	●	●	●	—	—	—	—	—
	Community public welfare and charity activities	●	●	●	●	●	●	●	●	●	●	●	—	—	—	—
	Strategic management	●	●	●	●	●	●	●	●	●	●	●	●	—	—	—
	Business ethics management	●	●	●	●	●	●	●	●	●	●	●	●	●	●	—
	Health and safety	●	●	●	●	●	●	●	●	●	●	●	—	—	—	—
	Respect for intellectual property	●	●	●	●	●	●	●	●	●	●	●	—	—	—	—
	Social responsibility management	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●



# BEAR THE SOCIAL RESPONSIBILITY+

2-1

For The Government

2-2

For The Stockholder

2-3

For The Environment

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For The Emoloyees

2-5

For The Partners

2-6

For The Community





# FOR THE GOVERNMENT +

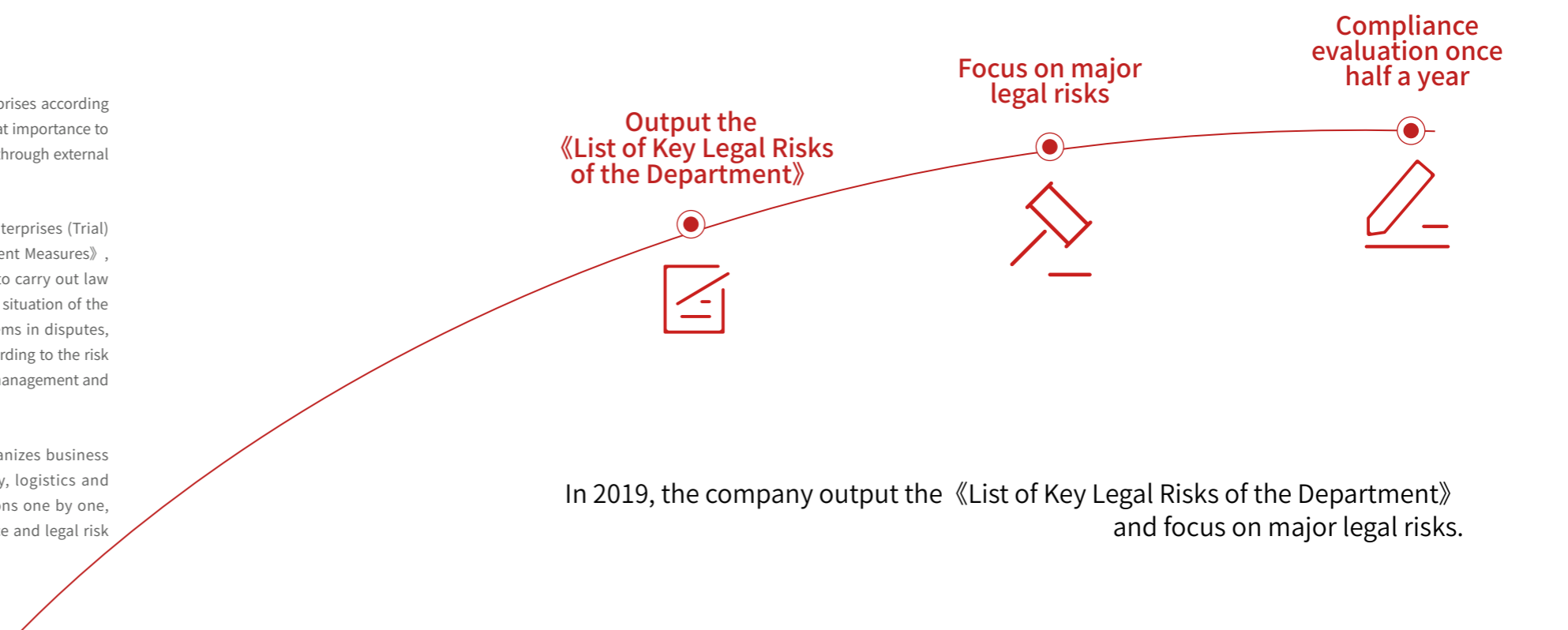
Honest and Legal Operation

## The Compliance Operations

Compliance management is the fundamental requirement of governing the country and enterprises according to law, and is the necessary condition for building a world-class enterprise. The company attaches great importance to compliance management, improves the professional level of the full-time legal team of the company through external training and internal training, and pays attention to the legal awareness of the business personnel.

In 2019, the company referred to the 《Guidelines for Compliance Management of Central Enterprises (Trial)》, and in accordance with the 《Compliance Management Procedures》 and 《Legal Risk Management Measures》, 《Legal Risk Management Process Operation Guidelines》 and other effective process documents, to carry out law risk management, and clarify the definition of regulatory risk and legal risk, combine with the actual situation of the company, improve the existing legal risk management system, that is, based on the issued problems in disputes, lawsuits and legal special projects, sort out medium and high-risk behaviors and rearrange them according to the risk related main departments, output the 《List of Key Legal Risks of the Department》, and conduct key management and control of key legal risks.

The company organizes and carries out compliance evaluation once every half a year, organizes business departments to evaluate the laws in the fields of environment and occupational health safety, logistics and transportation, labor relations, quality management, company equity and governance institutions one by one, and promotes the improvement of non-compliance, so as to continuously optimize the compliance and legal risk management system and meet the compliance requirements of internal and external stakeholders.



In 2019, the company output the 《List of Key Legal Risks of the Department》 and focus on major legal risks.



## 2019 Legal Popularization

### 「 Business Training 」

In 2019, the company carried out legal training on legal risks of orders, preservation of sales process documents, CSR standards, bidding laws, confidentiality of customer information, compliance evaluation system and process, labor and personnel, export control, lamp1 legal knowledge, Lamp2 legal knowledge and so on, totaling 31 The number of sessions covers about 2106 business personnel in related professional positions such as purchasing, sales, factory affairs, R & D, human resources, planning, bidding, as well as senior, middle and grass-roots management personnel, totaling 75 hours.

31 场次

法律培训

2106 人

培训人数

75 小时

总时长

### 「 Popularize Law 」

#### Daily popularization of law

- Publish the monthly issue of the general law through the column of the general law, publicize the construction project construction qualification, order risk, trade secret, crime of damaging production and operation, copyright and other contents. Wechat has a total of 15748 hits, of which the maximum number of hits for a single article is 5922.
- Continue to publicize compliance, CSR and secret related information through enterprise OA notice bulletin board, email, poster and other forms.



Chengdu Tianma



Xiamen Tianma



Shanghai Tianma



Shenzhen Tianma



Wuhan Tianma

#### Popularization Activities of Law

- From September to October 2019, the company organized and launched the competition for general knowledge of emergency management competition activities, the outstanding performance of the activities of employees to be rewarded.
- From November to December 2019, the company organized and carried out the annual activities of popularizing law month, including: including all online questions, on-site single combat and two person challenge, universal French TV series and the total number of participants in the activities such as short film broadcast in France and France is about 1500.

## Business Secret Management



In order to strengthen the management and control of the disclosure of confidential information and effectively prevent the disclosure of confidential information exposed risks, the company has developed the approval process for the release of confidential information, and propagate on line within the company.



Special on-site training on trade secrets was carried out, involving 1031 employees in total.



Maintain and update the eight types of confidentiality agreement model, and improve the signing management of confidentiality agreement.



# Incorruptible Management

## Work Summary in 2019

In 2019, the company participated in the business chain of system establishment, process control, on-site supervision, verification and reporting, improved the system with front-end strict control, found and improved the deficiencies with back-end inspection and acceptance of reporting complaints, carried out multiple measures at the same time, promoted the work of "dare not corrupt, can not corrupt, do not want to corrupt", promoted the construction of clean government and anti-corruption, and promoted the construction of clean government and anti-corruption. The development of the project creates a working atmosphere of clean air, honesty and sunshine.

In order to strengthen internal supervision and management, strictly implement various rules and regulations, punish illegal behaviors, promote compliance with disciplines and laws, and ensure the smooth progress of operation and management, the company established a coordination group for the construction of party conduct and clean government and anti-corruption work, and coordinated the mutual support and cooperation of relevant departments to form a joint supervision force. Formulate the implementation measures for complaint reporting and supervision of discipline enforcement of Tianma Microelectronics Co., Ltd. and other documents, and publicize and guide the whole staff in various ways.

- Watch warning educational film and complete integrity test

In 2019, the discipline education publicity month will be carried out around the theme education of "Never forget your original mind and keep your mission in mind". More than 1800 members of the leading group and all Party members will be organized to watch the warning education film. In 2019, we carried out two online learning and testing of "honest and clean government knowledge", and organized more than 3300 people to test throughout the year.

- Conduct integrity training for key posts and departments

In 2019, discipline education activities will be carried out for key departments such as procurement center, process and information management center, human resources center, etc. by publicizing the company's integrity requirements, sharing integrity cases, etc., the awareness of integrity of key departments will be strengthened, and the requirements of integrity discipline will be strengthened.

- Sign integrity documents and conduct integrity talks

The newly promoted middle-level cadres and key personnel of the company signed the letter of responsibility for the construction of party conduct and clean government, the letter of commitment for integrity and self-discipline, and the self inspection report during the post tenure; the newly promoted personnel were interviewed by the Secretary of the Discipline Inspection Commission in the form of one-to-one questions and answers in Shanghai Tianma, Wuhan Tianma and other industrial bases respectively

- Regular and irregular integrity reminders

In 2019, we will carry out irregular integrity reminders and publicity for all employees of the company, and improve their awareness of integrity through posting integrity supervision cards, regular email reminders, etc.

- Establish and improve the files of incorruptible management

According to the detailed rules for management of incorruptible archives of leaders of Tianma Microelectronics Co., Ltd., the incorruptible archives in 2019 shall be updated. By collecting the relevant materials of the incorruptible government files, we will comprehensively implement the requirements of strict administration of the party and further strengthen the construction of the party's style and incorruptible government.

### Propaganda for all staff of system documents

### All staff are honest and clean to remind and publicize

**1800** person-time.

Number of people watching warning educational films in 2019 is over

**3300** person-time.

Number of online learners and testers in 2019 is over

### Strengthen the honest and incorruptible management of suppliers

- In 2019, we will carry out irregular integrity reminders and publicity to partners, and promote win-win with partners through regular holiday integrity email reminders, signing integrity agreement and other forms.
- Revise Tianma supplier's version of letter of commitment for integrity and integrity, and publicize the company's requirements for integrity and integrity to Tianma supplier in the form of letter of publicity.
- Supervise and urge suppliers to formulate corresponding codes of conduct for honesty and integrity, organize and carry out business corruption prevention and honest and incorruptible operation theme of training. Find out the construction of the supplier's integrity and integrity system, and urge the supplier to establish and complete it in time.

### Strengthen the supervision and control of daily transactions

The company has formulated the measures for supervision and management of procurement and trading activities, established a special audio-visual procurement and trading conference room in each industrial base, conducted discipline management and price negotiation process supervision on bidding, inquiry and comparison, improved procurement efficiency, reduced procurement cost, ensured the standardization of price negotiation activities, promoted fair and open procurement of the company, and reduced the risk of integrity.

### Improve the inspection of letters, visits and reports

In accordance with the implementation measures of Tianma Microelectronics Co., Ltd. for complaint reporting and supervision of discipline enforcement, we will carry out the verification of complaint reporting cases, strictly check and approve the whole process of receiving, registering, storing, transferring and handling of complaint documents. The company has released anti-corruption supervision channels such as telephone, email, wechat, etc., and made business cards for public access at the front desk of each industrial base at any time. The company has made the anti-corruption supervision contact card, which has been posted in the eye-catching position of each industrial base, so that the complaint channel is unblocked, and the case is settled in a process and approved.



## 2020 Work Plan

Two thousand and twenty In, the discipline inspection and audit department will further clarify the work idea, focus on standardizing the system and process at the front end of the business, focus on the supervision and control of integrity risk for the procurement, bidding, new projects and other businesses with high integrity risk, further improve and perfect the risk prevention and control system, promote the work of "dare not corrupt, can not corrupt, do not want to corrupt", perform their duties according to the regulations and disciplines, and conduct high-quality discipline inspection Audit work promotes Tianma to develop from strict party management to in-depth development in an all-round way, and creates a harmonious environment of clean air, integrity and sunshine for the company.



# Intellectual Property Protection

## Work Summary in 2019

In terms of intellectual property overall arrangement, we actively responded to the national "strategy of strengthening China's intellectual property", established a strategic plan of intellectual property matching the company's overall development, and comprehensively implemented the overall arrangement of high-value patents. In 2019, the company continued to improve high-value patent applications and related reserves. The proportion of invention patents continues to grow, and the proportion of invention patent applications in total patent applications reaches 100%, which is 5% higher than that in 2018; the number of authorized patents continues to increase, and the number of authorized patents in 2019 is 69% higher than that in 2018.

The company fully implements the national standard for intellectual property management 《GB / t29490-2013 enterprise intellectual property management specification》, and comprehensively controls the intellectual property risk control in the R & D stage, procurement stage, production stage and sales stage. By may 2019, Shanghai Tianma Microelectronics Co., Ltd., Shanghai AVIC optoelectronics Co., Ltd. and Xiamen Tianma Microelectronics Co., Ltd. have completed the certification of intellectual property management system to comprehensively avoid the intellectual property risks in the operation of enterprises from all levels of company management.

### In 2019, we won the honor of intellectual property:

- In January 2019, Wuhan Tianma Microelectronics Co., Ltd. won the 11th "silver award of Hubei patent award", which is the fifth provincial and municipal patent award of Tianma.
- In September 2019, Shanghai Tianma Microelectronics Co., Ltd. won the second prize of "AVIC patent award".
- In November 2019, Shanghai AVIC optoelectronics Co., Ltd. was rated as the "national intellectual property advantage enterprise", which is the highest level honor selected by the State Intellectual Property Office. So far, the number of national recognized intellectual property demonstration and advantage enterprises has increased to 3.
- In December 2019, Xiamen Tianma was selected into the 26th batch of national enterprise technology centers, becoming the only enterprise in the display field shortlisted. This is also another subsidiary of Shanghai Tianma after it was selected into the national enterprise technology center in 2013.

# 100%

Proportion of invention patent applications in 2019 is



Shanghai Tianma Microelectronics Co., Ltd.,

Shanghai AVIC optoelectronics Co., Ltd.

Xiamen Tianma Microelectronics Co., Ltd.

# 3

The number of demonstration and advantageous enterprises of intellectual property approved by the state is

# 2

The number of getting into national enterprise technology center is



2020 Work Plan



We will continue to deepen the strategy of "high-value patent overall arrangement", carry out project cooperation in key technology areas of enterprises and "high-value basic patent and important application patent application overall arrangement". At the same time, we will increase the rational use of the company's intangible assets, promote cooperation with intellectual property in the industry, and increase the use and transformation of enterprise patent licenses and technological achievements.



Continue to implement GB / t29490-2013 enterprise intellectual property management standard, and carry out intellectual property management system certification in Shanghai Tianma organic light display technology Co., Ltd., Wuhan Tianma Microelectronics Co., Ltd. and other subsidiaries. According to the actual situation of the enterprise, the intellectual property risk management and control system and process in the R & D stage, purchase stage, production stage and sales stage are constantly improved.



Through internal training, external training and other ways of training to build the growth of intellectual property talent echelon; focus on the R & D business department intellectual property related advanced course training, improve the intellectual property business processing skills of key R & D personnel.



# FOR THE STOCKHOLDER+

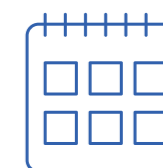
Steady Operation, Creating Value

## To Improve A Sound Internal Control System

Risk Management Committee was established under the Board of Directors of the company, and the election of the Risk Management Committee of the Ninth Board of Directors was completed in July 2019 and the members of the committee were composed of directors and senior executives of the company. The Risk Management Committee is the leading group of the company's internal control, which is responsible for reviewing and assessing the company's risk management in terms of operation, environment, society, etc., and deploying risk management and internal control implementation and supervision activities. The discipline inspection and audit department is the daily office of the Risk Management Committee, responsible for the specific implementation of the company's risk management and internal control system.

In 2019, the company improved the comprehensive risk management and internal control system, revised the 《Comprehensive risk management and internal control management measures》, further clarified the positioning and responsibilities of the "Three lines of defense" for risks, identified, analyzed, evaluated and regularly monitored various risks faced by the company as a whole, and promoted the solidification of effective control measures into systems and processes.

The company is committed to the full coverage of risk management and internal control construction, striving to integrate risk management and internal control into the important business and links of operation, such as supervision of bidding process, front-end audit of core business process, investment risk prompt, integrity publicity, etc., and through self-examination of business departments, discipline inspection and audit department to implement special internal control and management audit, and employ accounting firms to implement the audit internal control audit and other ways to ensure the effectiveness and applicability of the company's risk management and internal control system, and effectively improve the company's risk prevention ability.



## Financial Performance



Note: the above data are calculated by rounding, and the data unit is "ten thousand Yuan".



# Capital Market Responsibility

## Deepen information disclosure and improve the quality of information disclosure

In accordance with the requirements of relevant rules, the company continues to standardize the performance of information disclosure obligations to ensure that the information disclosed is true, accurate and complete. In 2019, the company disclosed 177 announcements in the designated information disclosure media. There was no selective information disclosure or disclosure of non-public information in advance, and the quality of information disclosure was constantly improved.

# 177

In 2019, the company disclosed 177 announcements in the designated information disclosure media.

# 249+

In 2019, the company actively responded to questions raised by investors on the Shenzhen Stock Exchange investor relations interactive platform for over 249 times

## Continue to strengthen the management of investor relations and unblock the channel of investors' demands

The company attaches great importance to the management of investor relations, makes full use of various channels such as investor special line, Shenzhen Stock Exchange "interactive easy" platform, on-the-spot investigation, investor mailbox, participating in institutional strategy meeting, investor open day and so on to actively communicate with investors, listen to the opinions and suggestions of investors on the company's operation and future development, and improve the investors' understanding of the company To understand and identify with the investors, and timely transfer the reasonable opinions and suggestions of the investors to the management of the company.

In 2019, the company received 13 batches of on-site investor surveys and 139 institutional investors, and actively replied to investors' questions on the investor relations interactive platform of Shenzhen Stock Exchange for more than 249 times in a timely manner.





# For The Environment +

Green Environmental Protection and Clean Production

## Protect The Environment



The company adheres to the EHS policy of "abide by laws and regulations, people-oriented, energy conservation and consumption reduction, pollution prevention, green production, sustainability development, full participation, health and safety", adheres to the green and sustainability development concept of "green water and green mountains are golden mountains and silver mountains", deeply integrating the basic national policies of resource conservation and environmental protection into the company's strategic development plan, carrying out the concept of energy conservation and environmental protection throughout all major business decisions, and constantly improving the efficiency of energy resource utilization, continuously reducing industrial pollutant emissions, and reducing energy resource consumption per unit product, we strive to build the company into an environment-friendly and resource-saving green sustainability development enterprise.

With the rapid development of the world economy, the problem of global warming is becoming more and more serious, and the impact on people's lives is also growing. As an enterprise with a sense of social responsibility, Tianma constantly tap its potential of energy conservation and emission reduction, actively invest in the introduction of new energy conservation and environmental protection technologies, promote the implementation of energy conservation and emission reduction projects, constantly improve the efficiency of resource utilization and reduce pollutant emissions. Part of the company's industrial bases belong to the national carbon trading pilot area and have joined the carbon trading market. In 2019, the company launched 16 large-scale energy conservation and emission reduction projects, with a total investment of 13 million Yuan in environmental protection funds, and the total energy-saving amount of each project is equivalent to 6853.95 tons of standard coal.

Xiamen Tianma industrial base will build a mixed acid waste liquid collection and treatment system, which will collect the waste liquid in the workshop through the mixed acid waste liquid transfer system, neutralize and pre treat the acid waste liquid with neutralizer, and then enter the fluorine-containing acid waste water treatment station for advanced treatment, and finally reach the discharge standard. The daily treatment capacity of the project can reach 72 cubic meters, which can significantly reduce the amount of acid waste liquid to be outsourced for disposal, effectively reduce the pressure on hazardous waste disposal resources, and avoid the environmental risk during the road transportation of the outsourced disposal.

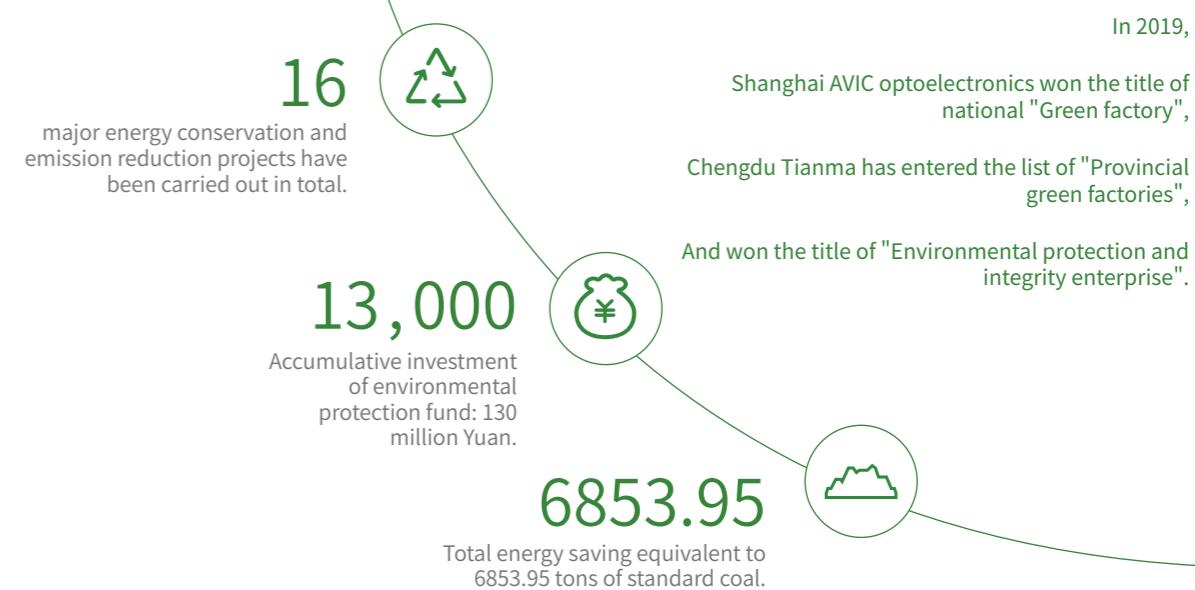
Shanghai AVIC photoelectron replaced all the original roots fans used in the wastewater treatment system with high-energy screw fans, and the energy efficiency ratio was increased by more than 30%. Through instrument monitoring and data analysis, the project saved 461500 KWH in 2019.

The company actively takes measures to promote the recovery and reuse of all kinds of reclaimed water and improve the water recovery and utilization rate. The head office of the company will build a new set of reclaimed water reuse system to treat the backwash water and primary RO concentrated water of the pure water system, which will be centralized into the water storage tank and then treated by the secondary RO membrane.

The effluent water can reach the tap water quality and enter the pure water system and the air conditioning cooling tower for reuse. The system has a capacity of 80 cubic meters per hour and can save 200000 tons of water per year.

The company actively promotes green manufacturing. In 2019, Shanghai AVIC Optoelectronics went smoothly through the audit of the Ministry of Industry and Information Technology of the People's Republic of China, it has successfully won the title of "Green factory" at the national level; Chengdu Tianma has passed the "Green factory" audit of Sichuan Provincial Economic and Information Commission and entered the "provincial level". The company has always disclosed its environmental protection information publicly and fairly, actively respond to the requirements of the government for environmental information disclosure, and Chengdu Tianma won the title of Sichuan Provincial Department of ecological environment awarded the title of "Environmental protection and integrity enterprise" in April 2019.

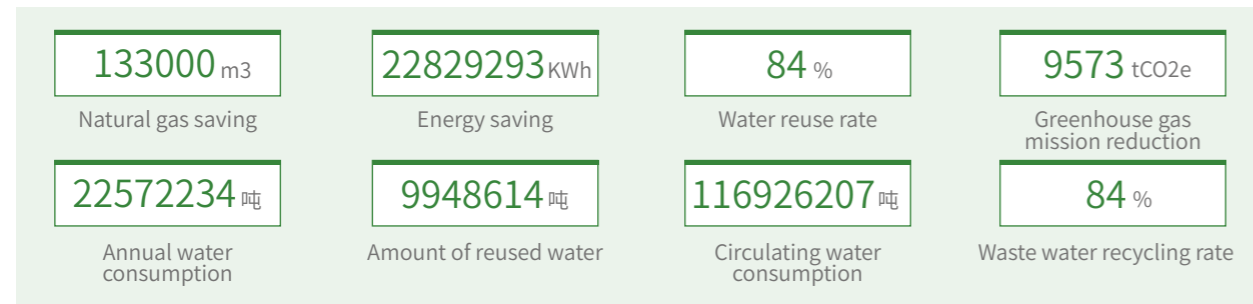
The company attaches great importance to the construction of energy conservation and environmental protection culture, organizes on-site theme training, environmental protection publicity activities, theme activity month and other activities, helps employees to deeply understand the concept of sustainability development, understand the company's energy conservation and environmental protection policies and objectives, and constantly improves employees' environmental awareness. All employees shall receive three-level safety education from the beginning of employment, learn relevant knowledge of environmental protection, safety and occupational health and the company's EHS management requirements. Every year, the Department also develops a detailed publicity plan to educate all employees on EHS; Warm environmental protection tips and green propaganda can be seen in factories, offices and all the other public areas. Organized earth hour activity day, energy conservation publicity week and environment protection theme month activities, including energy conservation and environmental protection proposals, posters, special knowledge lectures, team outdoor activities, prize contests, etc., to form full participation energy saving and environmental protection atmosphere.



The company has always attached great importance to the normalization and standardization of energy conservation and environmental protection management, built and implemented a series of important energy conservation and environmental protection standard management systems, such as ISO14001, ISO50001, ISO14064, etc., continuously explored the improvement potential through internal and external audit, promoted continuous improvement, ensured the stable improvement of energy conservation and environmental protection management level of the company, and accumulated EHS The operation and maintenance experience of the management system lays a solid foundation for the company's energy conservation and environmental protection management. The company has clear management procedures and standard systems in various fields related to energy conservation and environmental protection, effectively ensuring that the management work can be followed in accordance with the regulations and traces. In 2019, the company organized the integration and optimization of the company's management system in accordance with the version update and change of ISO international standards, and invited the lecturers from the authoritative third-party certification institutions to carry out three consecutive phases of education and training of management system version conversion, with more than 150 trainees obtained the internal auditor's certificate of the new version of the system to make sufficient preparation for the system version transfer certification; during the reporting period, each industrial base successfully passed the supervision and audit of the third-party certification body, and there was no major missing item, and there were zero major leaks, and the management system continued to operate effectively.

# Protect The Environment

## Energy saving and emission reduction data of the company in 2019



## Pollution Discharge Information of the Company in 2019

In 2019, the company strictly implemented the national, local and industrial standards, and the pollution prevention and environmental protection facilities were in good operation. According to the EIA approval, the company set up discharge outlets in the designated area of the plant area that meet the environmental protection requirements, and the wells regularly monitored the discharge according to the requirements of the laws and regulations, which can effectively ensure the stable and up to standard discharge of pollutants. The main pollutants discharged by the company are COD, ammonia nitrogen, nitrogen oxide and VOCs. Environmental impact assessment and continuous monitoring are carried out in all industrial bases. The monitoring results of each emission concentration are lower than the limit value specified in the pollutant emission standard, and the total emission does not exceed the total emission approved by the competent department

Name of company or subsidiary	Name of main pollutants and characteristic pollutants	Emission mode	Number of outlets	Discharge distribution	Emission concentration	Pollutant emission standards implemented	Total emissions (ton)	Approved total emission (ton)	Over standard emission
Tianma Microelectronics Co., Ltd	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	2	Main discharge port (1 # plant west, 2 # plant northeast corner)	18mg/L	DB 44/26-2001	1.59	17.33	No
			3	Exhaust platform (1#,2# plant north)	0.11mg/L		0.124	3.85	No
			4	Exhaust platform (1#,2# plant north)	0.7mg/m <sup>3</sup>	DB 44/27-2001	0.75	9.936	No
			4	Exhaust platform (1#,2# plant north)	0.08mg/m <sup>3</sup>		0.57	/	No
Wuhan Tianma Microelectronics Co., Ltd	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	1	G4.5 production line main discharge port (D1 Diesel storage area)	16.54 mg/L	GB 8978-1996	59.98	91	No
			4	G4.5 production line exhaust platform (M1 west)	0.19 mg/L		6.00	9.1	No
			4	G4.5 production line exhaust platform (M1 west)	2.29 mg/m <sup>3</sup>	GB 16297-1996	1.33	4.722	No
			4	G4.5 production line exhaust platform (M1 west)	16.31 mg/m <sup>3</sup>		9.47	14.643	No
Chengdu Tianma Microelectronics Co., Ltd	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	1	G6 production line main discharge port(Northwest corner of the plant)	81.00 mg/L	GB 8978-1996	156.52	466.9	No
			8	G6 production line exhaust platform(M1 roof of factory building)	3.05 mg/L		15.48	46.7	No
			9	G6 production line exhaust platform(M1 roof of factory building)	10.00 mg/m <sup>3</sup>	GB 16297-1996	4.946	43.7	No
			9	G6 production line exhaust platform(M1 roof of factory building)	0.18 mg/m <sup>3</sup>		0.75	71.81	No
Chengdu Tianma Microelectronics Co., Ltd	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	1	Main discharge port (East of the plant)	15mg/L	GB 8978-1996	17.24	301.1	No
			1	Exhaust platform (Middle of the factory)	1.3mg/L		1.54	42.27	No
			1	Exhaust platform (Middle of the factory)	8.95mg/m <sup>3</sup>	GB 16297-1996	2.35	9.65	No
Shanghai Tianma Microelectronics Co., Ltd	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	1	Main discharge port (Northwest of the factory)	26.4mg/L	GB/T 31962-2015	35.700	75.21	No
			2	Exhaust platform (West platform of the factory)	3.53mg/L		4.774	18.76	No
			3	Exhaust platform (West platform of the factory)	2.35mg/m <sup>3</sup>	DB 31/933-2015	0.413	2.55	No
Shanghai Tianma OLED Co., Ltd	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	1	Main discharge port (North of the factory)	114.45mg/L	GB/T31962-2015	6.1	8.482	No
			1	Exhaust platform (Southwest of the factory)	12.1575mg/L		2.16	3.83	No
			2	Exhaust platform (Southwest of the factory)	4.25mg/m <sup>3</sup>	DB 31/933-2015	2.534	3.3458	No
			3	Exhaust platform (Southwest of the factory)	1.901mg/m <sup>3</sup>	DB 31/933-2015	1.43	/	No
Shanghai AVIC Optoelectronic	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	1	Main discharge port(South side of wastewater treatment station in plant area) xhaust platform (West side of array plant)	81.7mg/L	GB/T31962-2015	223.84	/	No
			7	Exhaust platform (West side of array plant)	1.38mg/L		3.78	/	No
			2	Exhaust platform (West side of array plant)	0.17mg/m <sup>3</sup>	DB 31/933-2015	1.43	2.98	No
			2	Exhaust platform (West side of array plant)	0.33mg/m <sup>3</sup>		2.79	/	No
Xiamen Tianma Microelectronics Co., Ltd	COD Ammonia oxygen nitrogen oxide VOCs	Discharge up to standard after treatment	2	Main discharge port of phase I ( M1 south)	30mg/L	DB 35/322-2018	237.87	762.88	No
			10	Main discharge port of phase II ( M3 southeast)	1.5mg/L	GB8978-1996	11.89	101.72	No
			8	Exhaust platform of phase I ( M1 north)	2.29mg/m <sup>3</sup>	DB 35/323-2018	9.236	9.24	No
			8	Exhaust platform of phase II ( M3 north)	1.19mg/m <sup>3</sup>	GB14554-93	4.755	/	No



# Green Products And Services

## 「 Green Information 」

In order to keep abreast of the changing trend of the industry and to ensure that the laws and regulations and market trends are accurately grasped, Tianma green product management platform team, through the dynamic collection and management of information on major environmental protection platform websites, continues to maintain good communication with the third-party professional testing and system certification agencies to obtain the latest regulations and industry information. In 2019, it will publicize the latest regulations and industry information in the company through the company's Internal Journal green information. In 2019, it will identify environmental protection related regulations Department, customer requirements 65 copies, after internal detailed review has all been converted into the company's internal environmental protection management and control standard - 《Tianma environmental material management standard》 version 1.8 was officially released in September.

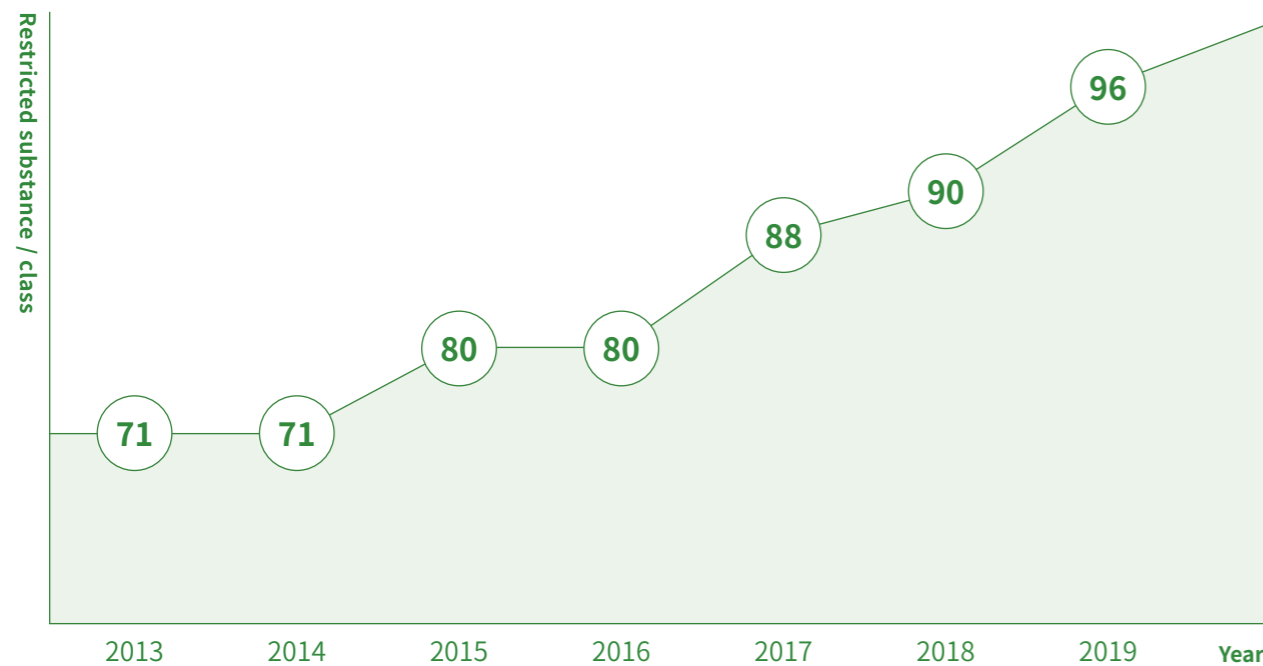


## 「 Green Design 」

In the current situation of the industry where consumers' awareness of environmental protection is constantly improving and customers' demand is increasingly strict, the company actively responds to the industry's green development trend, fully considers the environmental impact of product use and scrapping in product design, strictly checks the stage of R & D and material selection, and selects the products that meet the HSF after passing the evaluation of environmental protection requirements The policy and the raw materials required by customers, and at the same time, strengthen efforts to promote suppliers to achieve harmless materials, so as to enhance the competitiveness of enterprises. The company has continuously improved the types of hazardous substances management and control, and has established 96 standards for hazardous substances management and control.



## Harmless development Restricted substance type:



## 「 Green Supply Chain Management 」

With the change of environmental protection laws and regulations and customer requirements, in August 2019, the company revised the Tianma environmental material management standard, and simultaneously upgraded the environmental management requirements of suppliers. In September, the 2019 HSF training and publicity Conference for Tianma suppliers was held in G4.5, Wuhan, with the theme of "green production,sustainability development". The purpose of the conference is to train and publicize the management requirements for hazardous substances of Tianma, EDX testing expertise and response management of the latest environmental protection laws and regulations, improve the professional knowledge of hazardous substances management of all suppliers and enhance the ability of suppliers to independently intercept the risk of hazardous substances. 182 suppliers participated in the training and publicity conference, with a total number of 220 participants, involving 29 types of materials. In order to better master the environmental protection related knowledge of the training conference, organized the HSF special assessment was organized. For the first time, the electronic assessment was adopted in this assessment, with a pass rate of 100%, and the number of personnel with more than 80 scores reaching over 89.6%.



## 「 Green Production 」

In addition to the R & D stage, the company also pays special attention to the pollution risk of each process in the manufacturing process. Therefore, the company realizes the non halogenation control of all process auxiliary materials, strictly implements the environmental protection assessment process when the auxiliary materials are imported, and passes the internal environmental protection test of periodic auxiliary materials, tooling contacting with products, and semi-finished products& The third-party environmental protection test of finished products, incoming material verification process to prevent environmental pollution risk, and finally achieve environmental protection accident of client 0 in 2019.



## 「 Green Services 」

- In 2019, leading customers of major hazardous substance management constantly put forward update requirements (such as vivo, Huawei, OPPO, Samsung, etc.), the company actively responded to and participated in the training and promotion meeting of major customer standard change, grasped the change points of customer requirements at the first time, shared, transformed and implemented internally through the green product management platform. The company is also constantly summing up experience. In 2019, it has established and improved the experience base of hazardous substances management for 25 customers at home and abroad.
- The company has actively established a green product management system, which has been continuously recognized by customers and continuously obtained GP certification of Sony customers in all previous audits. At the same time, Xiamen Tianma has launched QC 080000:2017 system certification audit to better implement the new system requirements in all processes of the company, better serve customers, and provide customers with products that meet the requirements of green environmental protection.
- Each outgoing product of the company shall provide the third-party test report and composition information form to the customers, and the products shall be provided with ROHS identification; the products of special customers shall be provided with UL certification and UL identification. In 2019, four kinds of medium size display module products passed UL certification and obtained UL certification.

# Green Logistics

# Green IT

## Green Logistics Management

**Warehouse management:** In 2019, Xiamen Tianma finished product warehouse automation project was successfully put into use. In addition, Wuhan G6 currently has two automatic warehouses, which not only improves the utilization rate of storage space and operation efficiency, but also reduces personnel operation fatigue and improves safety guarantee in handling and stacking. By December 2019, all the warehouses of the company have completed the WMS system online, realized paperless office and effectively saved office resources through highly electronic information integration.



**Production waste disposal:** the company abides by environmental protection laws and regulations, and rings an alarm at all times in waste disposal. In 2019, the company recycled a total of 11164 tons of general waste, with a revenue of 28.65 million Yuan; reasonably disposed 1410 tons of electronic waste, with an environmental protection expense of 2.94 million Yuan.

**In terms of recycling of packaging materials:** the company used recyclable packaging materials, and recycled 47464 PP-boxes and 29563 EPP in 2019; the company began to increase the recycling of wooden pallets for end customers of consumer goods from July 2018, and in 2019, Wuhan Tianma and Xiamen Tianma recovered 19303 wooden pallets from the end customers.

## Integrated Transportation Management

At present, the transportation adopts the group management mode to integrate the transportation volume and supplier resources, share the platform information and improve the utilization of transportation resources. In 2019, TMS Wuhan Tianma pilot was launched, and resources were more reasonably planned and allocated through system integration.



In the resource allocation mode, the vehicle loading situation is shared in the front end, the order consolidation is promoted, the goods in and out of different regions are coordinated, the full load rate of vehicles is improved and the return empty rate is reduced, so as to reduce the waste of transportation resources and the carbon emission of the company; in addition, in the transportation mode, 2019 In, the company evaluated a number of routes from air to sea or land transportation, such as the American line from the original air-to-land transportation to air to land transportation, and the Taiwan line from the original air to sea transportation, which not only reduced the fuel consumption generated by air transportation, but also reduced the company's cost.

In terms of supplier CSR management, the company actively conveys CSR concept to suppliers, requires all transport logistics suppliers to sign CSR agreements and promote the construction of CSR management system. By the end of 2019, the company has signed 12 logistics suppliers, with a completion rate of 100%.

## 2020 Work Plan



The annual CSR audit rate of logistics suppliers is 100%, and CSR agreements are signed with all newly imported logistics suppliers.



Continuously optimize the air transport mode, combine air, sea, land, railway and other operation modes, reduce costs, save energy consumption and control carbon emissions



Reuse of packaging materials, change of transaction loading mode, and reduce the use of consumables (mainly including PP-BOX, EPBOX, pallet, and blister disk)



Strengthen the management of waste disposal to avoid environmental pollution caused by human

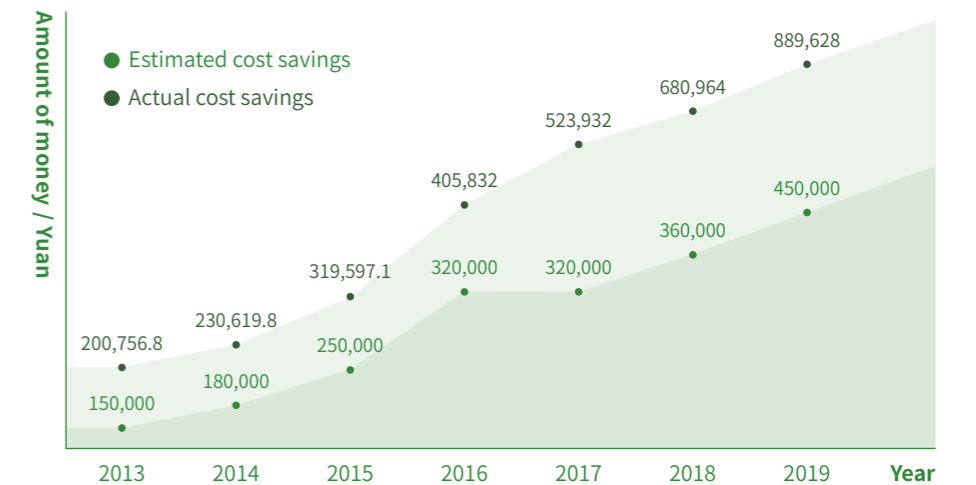
889,628 元

Saving paper printing cost

## Green IT

### IT-OA paperless

In 2019, the company increased the number of online business processes to 427 through process consolidation and optimization, paperless office promotion and other measures. So far, the number of applications in 2019 has reached 1112035 times, with a 30.6% month on month increase over the same period. The paper and printing costs saved 889628 Yuan, exceeding the target of 450000 Yuan.



40.8%

Excess rate on cost of saving paper and printing

From 2010 to 2019, the company has accumulated 4500886 OA applications, saved paper and printing costs totaling 3600708.8 Yuan, exceeding the expected target of 1860000 Yuan, and exceeded the link ratio by 40.8%.

600,000 元

Annual cost saving target not less than

In 2019, the OA system function of the company will be upgraded, and the document process card and temporary change order will be electronic. Up to now, it is estimated that the paper and printing costs will be saved by 41026 Yuan.

In 2020, we will continue to promote paperless office, reduce the number of paper sign off processes, and raise the annual goal of saving paper and printing costs to no less than 600000 Yuan.

### Virtualization

In 2019, the company achieved the green target of energy conservation and emission reduction through the desktop virtualization project (total number of virtual desktops: 11464 points), in which the annual power consumption of thin client (login terminal of virtual desktop) was reduced from 2476224KWH to 1238112KWH compared with that of traditional PC, reducing 50% of the power consumption, and the annual accumulated balance of power consumption was 940965.12 Yuan (all of the following are RMB). According to this project, the company can share the computing resources of a single server by multiple environments through virtualization technology, the utilization rate of the server has increased by 66%, the annual power consumption has decreased by 1006725.72 KWH from the original 1672070.4KWH, and the accumulated balance of the electricity fee is 505661.95 Yuan. In addition, running multiple servers will generate a lot of heat and require additional energy consumption for cooling. Through virtualization technology, multiple servers will be integrated into one, greatly reducing carbon dioxide emissions.

66%

More server utilization

Note: Unless otherwise specified, only "domestic five places and seven companies" data are disclosed for the environmental section.



# FOR THE EMPLOYEES +

People oriented and grow together



The number of employees are primarily decided by the business expansion and change in capacity



Total number of female employees are 11352

Total number of male employees are 35841

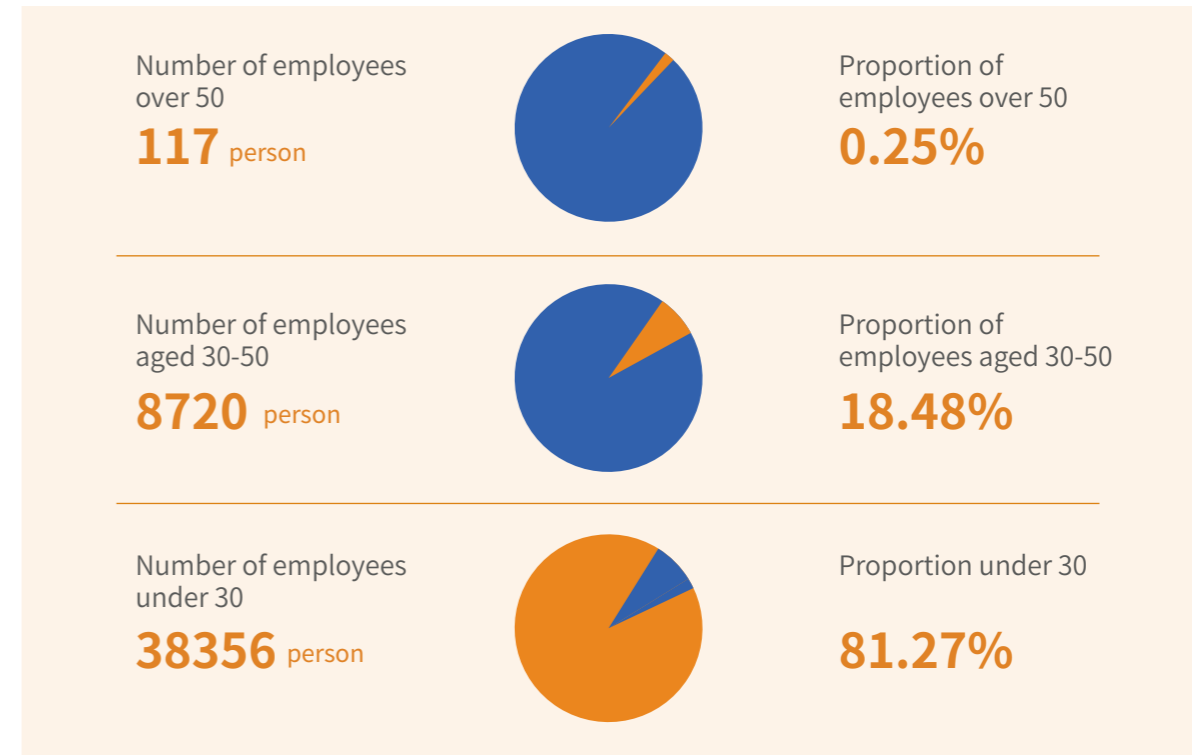
10174 female employees with fixed term  
1178 female employees without fixed term

24%



76%

33987 female employees with fixed term  
1854 female employees without fixed term



Number of ethnic minorities  
**5957**人

Proportion  
**12.62%**

**Notes:**

The total number of the above employees is the total number of regular employees, interns and dispatched workers at the end of 2019.

## Human Rights Guarantee

The company sets up a variety of communication channels to collect the opinions and suggestions of employees. Open a report hotline and email to fully accept employees' reports and complaints; set up an employee opinion box in a prominent position in the canteen, dormitory, office and other areas, and arrange a special person to be responsible for regular collection and reply; reply to employees' concerns in a timely manner through wechat platform; hold an employee exchange meeting in the company's irregular meeting, welcome employees to put forward their opinions or suggestions, and combine with the actual situation to each Answer and deal with problems. The company supports the labor union to carry out work in accordance with the law. For matters related to the vital interests of employees, such as wages, welfare, labor safety and health, the company listens to the opinions of employees through democratic forms such as employee congress and labor union meeting, and pays attention to the reasonable needs of employees.

The company supports employees to exercise the right of freedom of association and collective negotiation. Through collective contracts and special collective contracts, it makes provisions on labor contracts, labor remuneration, working hours, rest and vacation, insurance and welfare, labor safety and health, vocational training, special protection for female and minor workers, labor union and labor union activities, etc. During the reporting period, the proportion of employees covered by collective contracts of five places and seven companies in China was 100%.

In the process of recruiting employees, the company earnestly fulfills its social responsibility, pays attention to localized talent management and training, preferentially recruits local community personnel, improves localized operation efficiency, promotes employment and increases taxes, and makes contributions to local social development.

The company has formulated 《Regulations on the management of child labor and underage workers》, formulated relevant policies and perfect preventive measures in the important links of employee recruitment and employment, and put an end to the use of child labor. Since the establishment of the company, no child labor recruitment has occurred.

The company stipulates that there shall be no discrimination in terms of race, gender, nationality, age, pregnancy or disability in terms of recruitment, promotion, salary, etc., and there is no discrimination in the company.

The company explicitly prohibits the use of forced labor, debt repayment or contract labor, and has made detailed and reasonable provisions in the important links of enterprise recruitment, employment and resignation, so as to put an end to the use of forced labor in specific practice. The company has not experienced forced labor in the operation process. The company respects and safeguards human rights, and the proportion of security personnel trained in human rights during the reporting period is 100%.

**100%**  
Proportion of security personnel trained in human rights



## Health And Safety First

The company strictly follows the policy of "Safety first, prevention first, comprehensive treatment" and the scientific development concept of "People-oriented", actively carries out the construction of safety, occupational health, environmental protection system and safety production standardization, and establishes a perfect management mechanism including safety organization guarantee system, system guarantee system, risk management and control system, assessment and evaluation system and emergency response system. With the safety production responsibility system as the core, the company has set up the Safety Production Committee (hereinafter referred to as SPC), the Safety Production Committee Office and the Environmental Safety Department to guide the EHS (environmental protection, occupational health and production safety) work in an all-round way, and set up the SPC and the Environmental Safety Department in each industrial base to be specially responsible for the daily work of safety production; the company has a total of full-time safety management personnel 198 and 150 part-time safety management personnel, 34 of whom have obtained the Certificate of Registered Safety Engineer. In 2019, all industrial bases of the company passed the level II safety production standardization review and OHSAS 18001 occupational health and safety management system audit certification, and no major missing items were found.



The company attaches great importance to the identification and control of safety risks. In 2019, the company carried out the joint inspection of safety production and special remediation of key areas, organized and mobilized senior professional personnel of safety and environmental protection inside and outside the company, led by the main leaders of the SPC and carried out a comprehensive inspection of safety and environmental protection on the industrial base, totaling 43 The person in charge of the first level risk department conducted safety interviews; carried out "Looking back" on the implementation of all hidden dangers and problems found in the inspection to achieve closed-loop management of hidden danger investigation. The major leaders of Tianma business units, industrial bases and systems led a team to inspect 390 times, and found 10717 hidden dangers in total. 10488 hidden danger rectification and closure have been completed Items: for the non rectified items with great construction difficulty, the rectification plan has been formulated, the responsible organization and person for rectification have been determined, the current measures management and control have been clarified, and listed in the hidden danger account for continuous tracking and improvement.





# Health And Safety First

In 2019, the company comprehensively promoted the implementation of LOTO, organized industrial bases to carry out 9 LOTO field investigations, identified 344 hazardous energy sources and produced corresponding lock out and tag out plans, and formed a complete Tianma hazardous energy lock out and tag out management system to ensure the continuous and effective operation of LOTO mechanism. Each industrial base of the company has imported LOTO locks according to the professional scheme, held more than 10 LOTO special trainings, with 318 people participating in the trainings, and the transfer rate of internal personnel has reached 100%; meanwhile, it has organized all departments to revise the SOP of maintenance operation, and deeply integrated LOTO mechanism into the dangerous operation process.

The company strictly complies with the requirements of relevant national emergency management laws and regulations, establishes and improves the emergency plan system in accordance with the law, develops a series of perfect emergency plans for work safety from the source of various types of risks, organizes employees to maneuver the emergency plan regularly, and makes in-depth analysis on the applicability of the emergency plan. In 2019, the company revised 8 comprehensive emergency plans, 49 special emergency plans and 545 on-site disposal plans, and organized 759 emergency rescue maneuver for work safety, with a total of 56322 people participating in the maneuver.

## 56322

Total number of people participating in emergency rescue maneuver of work safety in 2019

## 100%

In 2019, all employees of occupational hazard posts

had occupational hazard physical examination, and

there were no suspected occupational cases and patients

with occupational diseases

# Health And Safety First

In terms of occupational health, the company always adheres to the principle of people-oriented and spare no effort to optimize and transform the working environment of employees. Through establishing and improving the occupational health management system, the company actively carries out occupational health training and publicity activities, regularly monitors the occupational hazard factors in the workplace according to law, develops and implements the occupational health emergency rescue plan, and provides perfect occupational health inspection for employees. Check the labor protection and put the safety and health of employees in the first place. During the reporting period, the company organizes all employees to have physical examination. Due to the particularity of the industry, the company has 27 kinds of occupational hazard factors such as welding fume, ammonia, hydrogen sulfide, etc.. In 2019, 4552 employees of the company were engaged in occupational hazard posts, and all employees of occupational hazard posts had occupational hazard physical examination, no suspected occupational cases and patients with occupational diseases.

The company actively participated in the safety production activities of community streets and safety associations, actively cooperated with the organization activities of relevant government departments, achieved excellent results and evaluation in the community joint fire maneuver and fire fighting competition, and was fully recognized by the competent department of local government, and won many awards such as "Advanced organization of safety production", "Co-construction organization of fire safety", etc.





# Employee Training

According to the ability development needs of employees, the company formulates and carries out employee training plans, improves the professional skills and general abilities of employees, and promotes the implementation of the company's talent development strategy. The average number of training hours for employees in 2019 is 21.5.

In 2019, Tianma continued to promote the training project LAMP2 for middle-level managers, and continued to improve the leadership and post competency of managers by coordinating the excellent curriculum resources of upper and lower level enterprises, selecting internal online micro courses, and further deepening and iterating the LAMP 2 project plan.

For R & D and process technology talents, we comb out the technical development channel of the post based on the qualification standards, and build the training, assessment and certification system based on the online learning platform, so as to promote the self-development of employees and improve the internal blood supply capacity of technical talents.

Ongoing Training Programs	Key Innovative and Optimized Training Projects in 2019	Training Programs Planned in 2020
<p><b>System construction</b> Optimization and construction of training policy system</p> <p><b>Entry of new recruits</b> Social recruitment Campus recruitment training</p> <p><b>Management ability</b> LAMP1 Eyas plan</p> <p><b>Technological capability</b> TAMP1-2, Six Sigma Green Belt Black belt, DFSS</p>	<p><b>System construction</b> Introduction of mobile learning platform</p> <p><b>Management ability</b> LAMP2 Excellent course Lecturer management</p> <p><b>Technological capability</b> Research and development Process qualification project</p>	<p><b>Management ability</b> Kunpeng plan &amp; Lamp2</p> <p><b>Technological capability</b> Research and development Process qualification project</p>

## Staff training data in 2019

### 「 Domestic industrial base 」

Name	Shanghai Tianma & Tianma organic light	Shanghai AVIC	Wuhan Tianma	Company headquarters	Xiamen Tianma	Chengdu Tianma
<b>Total training hours</b>	88146	34570	302028	68134	502003	7608

### 「 Overseas subsidiaries 」

Name	Tianma Japan	Tianma Europe	Tianma USA	Tianma Korea
<b>Total training hours</b>	7974	1166	738	1136

# Salary And Welfare

The salary of the company's employees is mainly based on the labor market situation and industry/ market salary level, post value, job performance and other factors, and internal incentive and relative fairness shall be determined in combination with post value; the company shall strictly abide by the national and local minimum wage laws and regulations, and strictly increase the minimum post wage of employees in accordance with the time and amount required by the regional government. In 2019, the company will implement various national and local policies, publicize and assist employees to declare special deduction of individual income tax, and help employees fully enjoy national policy welfare while paying taxes according to law.

According to the national laws and regulations, combined with the actual production and operation and the post nature of employee differentiation, the company implements and legally declares the standard working hour system, comprehensive working hour system, irregular working hour system, etc., and implements the shift arrangement and salary payment standards according to different working hour systems, so as to ensure the rest time and labor income of employees. In addition, the maternity staff group shall be provided with maternity inspection leave, maternity leave, breastfeeding leave and other holidays, and work shifts shall be arranged according to the national regulations. In addition, the company provides visit care to employees after childbirth, and also sets up nursing rooms in the company, so as to protect the legitimate employment rights of employees and provide help within its capabilities.

In 2019, the company insists on paying endowment insurance, medical insurance, industrial injury insurance, maternity insurance, unemployment insurance and housing fund for employees in accordance with laws and regulations, as well as providing supplementary commercial insurance for employees. Implement national and local laws and regulations, provide employees with labor protection articles, marriage leave, maternity and paternity leave, breast-feeding leave, paid annual leave and other statutory holidays; set up medical rooms, staff canteens, sports venues and other facilities in the plant area to facilitate their work and life. And the company provides team building funds and holiday packages for all employees. The overall welfare coverage rate is 100%.

The company firmly implements the concept of equality between men and women, and does not take gender into consideration in salary setting, salary adjustment and incentive bonus. In 2019, the per capita basic wage and monthly compensation ratio of male and female employees in operation sequence / non operation sequence of the company are all 1.0.

100%  
overall welfare coverage

100%  
employees receiving regular performance appraisal in 2019

Domestic industrial base (by Region)	Shenzhen	Shanghai	Xiamen	Wuhan	Chengdu
<b>Total number of employees on maternity leave</b>	46	155	172	104	24
<b>Total number of employees on paternity leave</b>	21	135	295	142	15
<b>Total number of employees returning to work after maternity leave</b>	40	130	127	90	18
<b>Total number of employees returning to work after paternity leave</b>	18	117	294	133	15
<b>Return rate after maternity leave</b>	87%	83%	74%	87%	75%
<b>Return rate of paternity leave after total hours of training</b>	86%	92%	100%	94%	100%

# Employee Care Activities

## 「 Tianma Summer Care Class 」

In order to alleviate the problem of "Difficult care" for the children of Tianma employees in summer vacation, guide and help the children of Tianma employees to spend a happy, safe and meaningful summer vacation, the headquarters of the company has opened summer care classes for six consecutive years, and Shanghai Tianma and Tianma organic light have opened summer care classes for three consecutive years.



## 「 T-MAN Activities 」

In July 2019, 992 college students from all over the country gathered in various industrial bases of the company. With passion and dream, they entered Tianma In order to make t-man quickly change from students to professionals, the company has customized a half year t-plan tour for them, from pre job training, unified training, to factory rotation, and then to department setting.



## 「 Traditional Festival 」

Whether it's new year's day, Spring Festival, Dragon Boat Festival or Mid Autumn Festival, every traditional festival, the company actively organizes rich celebrations for its employees and prepares warm holiday gifts, so as to convey the company's thanks and blessings for their hard work.





# Employee Care Activities

## 「 Sports Season 」

In order to enrich the recreational and sports life of employees, give full play to the team spirit among employees, and enhance the enterprise cohesion among employees, the company will actively organize basketball, football, badminton and other activities every year.



## 「 Association 」

In order to enrich the spare time life of employees, activate the physical and mental health of all employees, strengthen the communication between employees, reflect the warmth of the collective, and enhance the cohesion of the enterprise, the company has set up a variety of associations for employees, including basketball club, badminton club, yoga club, etiquette club, guitar club, dance club, love band, outdoor sports league, fishing club, photography club, and electric competition club.



## 「 Sports Day 」

Every year, the company actively organizes sports / fun games / parent-child games / ring factory running / water carnival, etc. The combination of sports competition and fun games brings us a visual feast of entertainment sports and love dedication.





## Employee Care Activities

### 「 Talent Show 」

Every industrial base of the company holds talent show every year. After work, talented Tianma people have a platform to show themselves. The performance forms have their own characteristics. It integrates dance, sketch, opera, singing and other expressions, and perfectly combines work and life with art.



### 「 Lectures on Mental Health 」

In order to enhance the awareness of mental health care of employees, guide employees to learn how to correctly adjust their mental health, relieve psychological pressure and eliminate job burnout, the company will hold lectures on mental health for employees from time to time.

### 「The Company Won the "Outstanding Human Resource Management Award 2019"」

The company has always attached great importance to and cherished talents, adhering to the concept of "human resources is the first resource", so as to build and develop the team, providing a comprehensive salary performance system, a sound training model, warm-hearted employee care, etc., which has won recognition from all walks of life over the years, and won many honors such as "extraordinary employer" and "best employer". During the reporting period, the company stood out from 3000+ enterprises and won the "2019 outstanding human resource management award" issued by 51job.



### 「 Employee Mutual Support Plan 」

In order to alleviate the economic burden caused by the increase of medical expenses and the decrease of income due to the first diagnosis of major diseases of employees, and increase the security of major diseases of employees, Chengdu Tianma purchased mutual support for employees.



# Considerate Administrative Service

To practice the company concept of "happy work, happy life", 2019 In, the administrative service team of the company followed the policy of "Strong foundation, precise management and excellent service", aimed at providing "Service with temperature", constantly optimized the working and living environment of the company, improved and enriched the supporting facilities of the living area, and created bright and safe office environment, relaxed and pleasant dining environment and comfortable and warm accommodation environment for the employees of the company.



## 「 Dining Environment 」

Each industrial base upgraded the restaurant, captured the stomach with color, reflected the "intention" in details, replaced the design of color contrast seat and modeling top. Use different colors to show the theme of the canteen and create a pleasant and relaxed dining environment. In order to protect the staff's "safety on the tip of the tongue" administrative service meal team, the open day activity for the kitchen in the restaurant was organized, and the staff representatives were invited to enter the kitchen to experience the effect of the bright kitchen project.



## 「 Lectures on Mental Health 」

With the development and expansion of the company, the industrial bases have transformed the office buildings, re-planned the functional areas, adjusted the structure, and increased the storage space in the office area. At the same time, various industrial bases have been afforested, such as new green plant island, green plant partition and green plant wall in the office area, green small landscape in the park, etc., creating a bright and safe office environment.



## 「 Accommodation Environment 」

In order to improve the environment of the staff dormitory, improve and enrich the supporting facilities of the living area, various industrial bases have increased comprehensive activity venues, such as basketball court, badminton court, fitness room, singing hall, hair salon, staff sharing kitchen and other living facilities. At the same time, the furniture in the dormitory of the front-line staff is replaced, the iron cabinet is replaced by the wooden wardrobe to increase the storage space, the bed is replaced by the bed and the table is convenient for the staff to place, and the curtain is replaced by the blackout curtain to facilitate the day rest of the night shift staff. Add outdoor drying area around the dormitory to solve the problem of employees drying bedding and bulky items.





## Supplier Management

According to the material characteristics, the company's suppliers are divided into production suppliers and non production suppliers. The production suppliers involve 763 suppliers of direct materials for display & display module products or chemicals, gases and other materials used in the production process. The non production suppliers include 1398 suppliers of equipment, related spare parts and fixed resources. By the end of 2019, the company had 2161 suppliers, including 1643 suppliers registered in China and 518 suppliers registered abroad.

The company gives full play to its own strength and actively promotes suppliers to improve CSR management awareness and level. Since 2011, the company has formulated relevant management processes for procurement business, and put forward clear requirements for strategy formulation, resource development, supplier introduction, supplier management, etc. According to the CSR performance of suppliers, the following requirements are proposed:

In the potential supplier evaluation stage, it is required to conduct CSR evaluation on suppliers.

- After the introduction of new suppliers, all suppliers cooperating with the company are required to sign CSR agreement to jointly undertake corporate social responsibility. The CSR agreement covers human rights, labor practice, environment, occupational health and safety, business ethics and other aspects, and stipulates the elimination clause for breach of contract.

According to the annual performance of suppliers and other strategic requirements, the resource strategy makes

- the annual review plan of suppliers' CSR and supervises and reviews the implementation of suppliers' CSR. The company formulates supplier CSR Study report template, from child labor, employment, labor relations, occupational health and safety, training and education, diversity and equal opportunity, anti discrimination, freedom of association and collective bargaining, forced or compulsory labor, security practices, indigenous rights, human rights assessment, local communities, public policies, customer health and safety, marketing and labeling, customer privacy, socio-economic compliance And other aspects to evaluate the CSR risk of suppliers.

Quarterly performance evaluation shall be carried out for suppliers, including quality, cost, delivery, technology and

- key issues. Key issues refer to emergencies that may affect the company's access to new projects and opportunities for maintenance / increment of old projects, or cause in plant shutdown and major quality / environmental protection / CSR abnormalities.

By the end of 2019, the company had signed CSR agreements with 1652 suppliers. During the reporting period, the company accumulated 141 No major suppliers were found to have major child labor incidents and forced labor risks, no suppliers were found to arrange minor workers to work in toxic and harmful positions, no suppliers' employees were found to exercise their right to freedom of association or collective negotiation or to be infringed or exposed to major risks; during the reporting period, the suppliers were identified as having actual and potential major negative social effects through review The number of suppliers is 0.

## FOR THE PARTNERS +

Common Development and Win-win Situation

During the reporting period, there was no significant change in the supplier location and supply chain structure of the company. The supplier category is still dominated by high-tech (front panel materials) and labor-intensive (customized parts materials), and labor-intensive suppliers gradually reduce their dependence on labor by improving the level of automation.

2161

By the end of 2019, the company has 2161 suppliers

1652

By the end of 2019, the company has signed CSR agreements with 1652 suppliers

141

During the reporting period, the company reviewed 141 major suppliers in total





### 「 Special Topic 1 」 Tianma Global Supplier Conference 2019

On May 9, 2019, Tianma's 2019 "Innovation Leading" supplier conference was held in Xiamen. The conference invited 139 partners and 199 industry elites from all over the world to draw a new display blueprint. Tianma will develop, cultivate, motivate and support its partners, give full play to their industry understanding and professional capabilities, establish a good upstream and downstream ecosystem, and jointly provide customers with integrated display solutions. Tianma will continue to share the same philosophy with its partners, trust each other, support each other, grow together and build a better world of full connection and intelligence.

139

Invited partners

### 「 Special Topic 2 」 In 2019, Consumer Polarizers will be Localized

The company supports local procurement and seeks breakthroughs in resource expansion, material cost and tariff balance. In 2019, Tianma tried to promote the localization of polarizers in a-Si major customer project, so as to break the supply monopoly of Japanese and Korean suppliers. Since no panel factory has used the domestic polarizer in scale before, in the face of customer's doubts, all departments of the company cooperate to ensure that the task of vertically increasing the quantity of the project is successfully achieved in a short time. In the case of the shortage of Japanese materials, Tianma plan avoided the risk, won high praise from customers, and won additional order opportunities for the company.



The first panel factory in the world that has successfully mass produced polarizers for domestic consumer goods

With the high morale and efficient cooperation of the team, Tianma has finally achieved "The first panel factory in the world that has successfully mass produced polarizers for domestic consumer goods", achieved a breakthrough in medium and high-end projects for key customers, and achieved win-win results with suppliers and customers, effectively supporting the company in a-Si The development of the product line also lays a solid foundation for the next step of localization of LTPS polarizers, so as to resist the adverse impact of the complex international political and economic situation on business continuity in the future.

### 「 Special Topic 3 」 Supplier EHS special audit

The company attaches great importance to the management constraints on the supply chain, gives full play to the influence of its industry leader, actively affects and drives suppliers to assume more social responsibility for environmental protection, and encourages suppliers to make continuous improvement in environmental protection, safety, occupational health and other aspects. In 2019, the company carried out a comprehensive on-site EHS audit on 10 major suppliers, evaluated the safety and environmental protection risks of supplier enterprises from legal operation, legal emission, legal implementation and other aspects, included the findings in the audit process in the annual evaluation of suppliers, promoted the continuous improvement of suppliers, and formed a good supply chain with simultaneous progress and joint construction of green supply chain relations.

10

In 2019, the company conducted a comprehensive on-site EHS audit on 10 sub-level major suppliers



### Market promotion in 2019



**January 8th**  
Las Vegas, USA

The International consumer Electronics Show CES 2019



**January 16th**  
Tokyo, Japan

International Automobile Technology Exhibition Automotive World 2019



**February 26th**  
Nuremberg, Germany

World embedded exhibition in Germany Embedded World 2019



**March 26th**  
China International

Conference on display technology International Conference On Display Technology



**May 14th**  
Los Angeles, USA

US display week 2019 SID Display Week



**May 9th**  
Xiamen, China

"Innovation leading" 2019 global suppliers Conference Global Supply Conference 2019



**April 16th**  
Shanghai, China

2019 Shanghai International Automobile Industrial exhibition AUTO Shanghai 2019



**April 9th**  
Shenzhen, China

China electronic information Expo CITE 2019



**May 22th**  
Baoding, China

Tianma's tour of automobile enterprises Tianma Automotive Roadshow



**May 28th**  
Taipei, China

Taipei International Computer Exhibition 2019 Computer 2019



**June 26th**  
Shanghai, China

2019 international new display technology exhibition Display China



**September 25th**  
New Delhi, India

India International Electronic components and production equipment exhibition Electronica India



**December 12th**  
Shanghai, China

Tianma 2019 Industrial Roadshow activities Tianma Industrial Roadshow



**November 22nd**  
Anhui, China

2019 world display industry conference World Conference On Display Industry 2019



**November 13th**  
Wuhan, China

The 16th "China Optical Valley" International Optoelectronic Expo OVCEXPO 2019



**November 7th**  
Milan, Italy

Milan international two wheel auto show EICMA 2019

## Customer Relationship

### Customer satisfaction management in 2019



The company insists on taking customers as the center, continuously optimizes the overall business operation process, and continuously improves customer satisfaction. The company follows the principles of voluntariness, fairness, compensation for equal value and good faith, and formulates business ethics management system, customer development and management procedures and other systems. It is prohibited to conduct unfair competition, to have business relations such as trading and cooperation with non-conforming organizations that seriously violate business ethics; to separate production research and development from trading execution in the trading process, so as to ensure that all customers enjoy fair trading opportunities; to establish a Price Decision-making Committee to examine and approve the company's quotations and trading prices with customers, so as to ensure fair trading. In 2019, the company did not have legal proceedings related to the anti unfair competition law and anti-monopoly law. The company operates in accordance with the law. For the prohibited market and prohibited substances involved in the company's products, the company explicitly prohibits the sale, and has never sold the products questioned or disputed by the interested parties or the public. In 2019, there was no violation of laws and regulations related to marketing, health and safety of products / services, product / service information and logo, resulting in fines or warnings, or violation of laws and regulations related to marketing (including advertising, promotion and sponsorship) or voluntary rules.

#### Some Customer Awards in 2019

Brand name	Awards
Huawei	「Global Gold Supplier」 Award
Xiaomi	「Best Strategic Cooperation」 Award
LG	「Supplier Appreciation Award 2019」 Award
AYAYA	「Key Supplier Award 2019」 Award
RIGOL	「Gold Supplier」 Award
Schneider	Global [Quality Service Provider] Award
Panasonic	Quality Innovation Award
Wentai Technology	「Strategic Supplier」 Award
Pegatron	「Excellent Supplier of the Year」 Award
Delta	「Best Supplier」 Award
Garmin	「Excellent Partner」 Award
Keysight	「Quality Contribution and Strategic Partner」 Award
Visteon	「Best Quality in the World」 Award

#### Topic: Customer Information Security

Tianma's management of customer information security mainly focuses on the information security construction and information security management of customer's confidential projects. Customer information security and confidentiality requirements generally include 9 aspects: information security management system, physical environment management, personnel management, information asset management, it system management, customer information asset transfer process management, production area management, confidential material management, secondary supplier management. The company carries out information security construction for customer confidential projects from the above aspects.

This year's customer evaluation is good, no confirmed complaints are found, the customer information security management requirements are strictly observed in the information security construction, the internal implementation is carried out, the customer information security management process is timely communicated with the customer, according to the violation cases provided by the customer, the internal propaganda and learning are carried out, all violations are eliminated, no confidential information leakage of the customer occurs, and the customer complaint rate is 0 in summary.



# FOR THE COMMUNITY +

Positive Feedback and Selfless Dedication



## Poverty Alleviation for Labor Force

In 2019, the company actively participated in AVIC International's targeted labor employment poverty alleviation project, held special job fair activities in Henan Province, Guyuan City and Haiyuan County of Ningxia Hui Autonomous Region, Anshun County, Ziyun county and Zhenning County of Guizhou Province, and actively promoted local transfer of employment and poverty alleviation.

By the end of 2019, the company had 62 on-the-job employees from Guizhou, Ningxia Hui Autonomous Region and other places, among which, Xiamen Tianma and Xiamen Torch High tech Zone provided subsidies for 17 employees from Ningxia Hui Autonomous Region through the "Mining cooperation project".

In the future, the company will continue to carry out targeted poverty alleviation work in helping the poor households with filing cards to achieve employment, hoping to achieve the targeted poverty alleviation goal of "one person for employment and one family for poverty alleviation" through labor transfer and employment.



62

By the end of 2019, the company had 62 on-the-job employees from poor families with filing cards from Guizhou, Ningxia Hui Autonomous Region and other places.

17

Xiamen Tianma and Xiamen Torch High tech Zone, through the "Mining cooperation project", provided subsidies to 17 employees from poor families who set up file cards in Ningxia Hui Autonomous Region.



# School-Enterprise Cooperation

In January 2019, the State Council issued the 《Implementation plan of national vocational education reform》, which pointed out that by 2022, 300 high-level professional training bases with radiation leading role should be promoted. The state calls on enterprises to actively participate in vocational education to improve the vocational education system. The company actively responds to the national vocational education policy and continuously promotes the implementation of school enterprise cooperation projects. Through school enterprise cooperation, we can promote the establishment of long-term and stable cooperative relationship between school and enterprise, and provide a safe and competitive learning, internship and employment environment for students.

## Tianma and Vocational School Enterprise Cooperation Project

In 2019, the company output display and manufacture relevant training equipment to 16 vocational schools, including Henan Economic Management School, Gansu Pingliang vocational and technical college, Ningxia Haiyuan Vocational Education Center, and build a training base within the school. The training equipment and courses have been exported to the training bases of 19 schools. On the basis of the cooperation policy of minning, the company has set up two training bases in Ningxia to train students and accept students' practice and employment.



In 2019, Tianma school enterprise cooperation project team edited and printed the teaching materials for 4 training directions of school enterprise cooperation on the basis of the school enterprise cooperation curriculum catalog, and sent them to the cooperation school as the training materials for students; selected and trained 13 professional lecturers for the school enterprise cooperation project; developed the school enterprise cooperation software management platform for the management of student attendance, points, incentives, etc.



In the future, the company will continue to cooperate with the local government and the school to implement the school enterprise cooperation project. On the basis of training students in the school training base, the company will also train the local idle labor force to provide training and employment opportunities for the local unemployed.



# School-Enterprise Cooperation

## Tianma and School Enterprise Cooperation Project



### Aviation Star Program

As a special talent project for selecting excellent talents, the purpose of the activity is to strengthen mutual understanding among students, share what they see, hear, think and feel in the activity, and make more excellent students who are committed to "Aviation serving the country, aviation power the country" join in. Starting from April 15, 2019, online registration and preliminary competition, from the semi-final to the final, the activity was publicized in 42 universities. Seven teams stood out in the preliminary competition, and two teams entered the final. Finally, the "sailing team" composed of Chongqing University, Chongqing University of Posts and Telecommunications and the "Zhonghu electromechanical alliance" composed of Central South University and Hunan University won the first and second prizes.

The activity has strong repercussions in Colleges and universities all over the country, which has greatly promoted the brand of Tianma. More importantly, it has laid a solid foundation for high-quality employment and rapid social integration of college students all over the country.

### School Enterprise Conference



The purpose of the school enterprise forum is to ensure the information symmetry of talent training and employment between schools and enterprises, and to achieve complementary advantages, resource sharing and win-win cooperation. In 2019, the company increased the link of demand research in the mode of multi-year operation conference, truly found the pain points and demand points encountered by schools and enterprises, and implemented the project of the conference step by step in 2020 according to the plan through resource adjustment and work optimization, tension bar and credit.

In 2019, the company successively held 13 conferences, including Zhejiang University and Taiyuan University of Technology, with more than 200 people visiting Tianma. Through the school enterprise forum, teachers and students of colleges and universities have a more comprehensive understanding of Tianma, and at the same time more clear about the pertinence and goal of talent training, hoping that many school enterprise cooperation projects will blossom and bear fruit. Tianma will provide a more comprehensive solution for the country's high-quality employment, while increasing the social influence.



# Serve The Community

## 「 Company Home Office 」

At the 70th anniversary of the founding of the People's Republic of China, the second comprehensive branch of special display distributed red movie tickets to the masses in the dormitory to celebrate the motherland.



Traffic on duty, remind people of uncivilized behaviors such as crossing the road, and help them establish traffic safety awareness.



On the evening of August 2, 2019, the First and Third branches of Tianma Group Department, together with Secretary Wang of Majialong community party and masses Service Center and a group of staff, came to the two special families in the community to express their sympathy.



# Serve The Community

## 「 Company Home Office 」



### The First Walking and Running Around the Factory

On November 9, 2019, in order to celebrate the 36th anniversary of the founding of Tianma, Shenzhen held the first walking and ring factory running activities. This activity opened up two channels, online and offline. Through the form of running, it actively conveyed the concept of public welfare and expressed public welfare attitude with practical actions. More than 1000 employees participated in the activity, and the participation rate of front-line employees reached more than 50%. After the competition, Tianma labor union, on behalf of all the participating employees, donated 10000 Yuan to Pengcheng, the eyas of Shenzhen Charity Association, to help students from poor families realize their dreams.



# Serve The Community

## 「 Shanghai AVIC Optoelectronics 」



"You and I act together, love is warm and sunset is red" to express sympathy and warmth to the elderly.



Organize volunteers to participate in the traffic volunteer management work in the industrial park during the rush hour to maintain traffic order.



Regularly set up a stall in the community to serve the residents, and provide services for the residents, such as shoe polishing, hairdressing, and small household appliances maintenance.



Regularly organize volunteers to build 10 civilized corridors, arrange garbage classification billboards and beautify the corridors.

# Serve The Community

## 「 Wuhan Tianma 」

On March 22, 2019, Wuhan Tianma labor union, together with Wuhan Blood Center, launched the free blood donation theme activity of "Voluntary blood donation, you and I together", with 33 people contributing blood successfully, and the total amount of blood donation reached 12200ml. Tianma people show the company's sense of social responsibility to practice public welfare and care for life with actions.



On September 7, 2019, the Party Committee of Wuhan Tianma and Zuoling Xianglong Community formed a joint venture to express sympathy to the elderly who are in difficulty and widowed.





# Serve The Community

## 「 Xiamen Tianma 」

### Carry forward the red culture and remember the martyrs

On April 21, 2019, 32 party members and comrades from the second, seventh and twelfth branches of Xiamen Tianma Party Committee visited the cultural Memorial Hall of Zheng Chenggong, the national hero. After visiting the memorial hall, under the leadership of the Party Committee of Neicuo Community, Party members and comrades carried out the "happy, clean, civilized and hands-on" campaign. While walking for fitness, picking up garbage, persuading uncivilized behaviors, participating in community clean home activities, not only cultivating healthy lifestyle, but also spreading social civilization.



### Strong respect for teachers

On September 10, 2019, the Party Committee and the Labor Union of Xiamen Tianma came to Xiang'an District Maxiang Central Primary School to offer condolences to 150 teachers and sent over 60000 Yuan worth of materials. I would like to pay high tribute to the front-line teachers who have made unremitting contributions to the cause of education.



### Make waste classification a new "fashion"

On October 25, 2019, panel three branch, panel five branch, joint first branch, joint third branch, module two factory branch and love society jointly held a party day activity to make waste classification a new "fashion" theme. It is hoped that this garbage classification publicity activity can serve as a "single spark" to ignite the garbage classification awareness of colleagues in Tianma, protect our environment, clean water and green mountains, that is, invaluable asset.

# Serve The Community

## 「 Shanghai Tianma 」

### Donation to public welfare foundation

In order to better fulfill the company's social responsibilities and obligations, during the reporting period, Shanghai Tianma donated 32000 Yuan to "Pudong branch of Shanghai Charity Foundation" for relevant charity and public welfare undertakings in Heqing Town, Pudong New Area, Shanghai. In addition, Shanghai Tianma carried out the water Carnival activity of "Children's brilliant ideas, innovation horizon", in which the group competition bonus was donated to the project of "U building block house". The project established and operated a children's home space in the community where the urban floating population and families in difficulty gather, and provided education development, safety protection, social integration, etc. for children without roots in the city service.



### Huidiji's "Love life, beauty teacher" rural teacher's heart wisdom plan

Shanghai Tianma directed donation of huidiji's "love life, love beauty" rural teacher's heart wisdom plan. The project aims to cultivate rural teachers with high spiritual quality, understanding of love and sense of mission, so as to become a solid force of love around the left behind children. According to the content of the project, rural teachers from all over the country come to Shanghai to participate in three days of "love life, love beauty" life wisdom group counseling and learning. Through group discussion, sharing and exchange, case interpretation, poetry heart communication, interactive experience and other forms, they can directly face and understand their own life aspirations, and at the same time, they can sort out the family, work and other relationships, and learn to "Rose eyes" " Treat students, colleagues and relatives, flow love, spread light, so that every child can bloom like a rose.



### Voluntary service of Party members

In response to the theme education activity of "never forget the original intention and keep the mission in mind", the first & second party branch of Shanghai Tianma took the initiative to form a volunteer service team with Qingdong Housing Committee of Heqing town to carry out the volunteer service activity with the theme of "golden autumn October, warm community" on October 25, 2019. The volunteer group propagandizes the party's policies, popular science knowledge, cares for the elderly, transmits the new civilized fashion, serves the society with love, and actively promotes the formation of humanistic harmony and resident harmony between the party members of the enterprise and the community. Through voluntary activities, let Party members and comrades close to the masses, warm the masses, wholeheartedly send warmth to the residents, make services at home, and make the Party branch of Tianma into an action billboard.





## Serve The Community

### 「 Chengdu Tianma 」



#### 15 Minute Home

Chengdu Tianma has carried out the "15 minute home" project for many years in a row, providing the sanitation workers with air conditioning, water dispenser, microwave oven and other facilities as a rest place, so that the sanitation workers can have a short rest after hard work.

### 「 Overseas Company 」



In 2019, in order to serve the community, Tianma Europe company actively participated in the donation activities organized by local organizations. On Christmas day, Tianma Europe company sent Christmas gift boxes filled with delicious food to the most needed people; in order to protect animals, Tianma Europe company actively donated to local charities; in order to express love, Tianma America company donated 3.5 to charities. In order to protect the environment, 104 employees of Tianma Japan company actively participated in the local road cleaning activities.

### 「 Party Organizations Help Each Other in Pairs (Co-construction) 」

In order to better fulfill the social responsibility of the enterprise and give full play to the leading role of Party construction. In 2019, after the research and decision of Shanghai AVIC optoelectronics, Shanghai Tianma and Tianma organic light-emitting Party Committee, a pair of assistance agreement was signed with Qingfeng Village, Qingxing Village, Hongxing Village and Yonghong Village, Heqing Town, Pudong New Area of Shanghai respectively. In 2019, a total of 450000 Yuan will be spent on Party building, civilization co creation, public facilities repair and sympathy for the party members and the masses in need. Through mutual assistance and joint construction, the party organizations in urban and rural areas can share resources and complement each other's advantages, so as to promote the overall and coordinated development of urban and rural economic society and grass-roots party construction.

## Employment Guarantee For The Disabled



Chengdu Tianma

**491,904**

Shanghai Tianma

**4,249,196**

Shanghai AVIC Optoelectronics

**2,249,663**

Wuhan Tianma

**4,192,001**

Tianma OLED

**1,488,069**

Company home office

**1,206,401**

Xiamen Tianma

**2,253,831**

**16.13** million

Companies pay employment security for disabled people in 2019 (Yuan)

# Appendix

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Society  
G401-G419

## Associations and Organizations Joined

The company has been actively involved in the development and revision of relevant international standards, national industry standards and alliance standards. In 2019, the company served as the Vice Chairman organization of the National Panel Display Technology Standardization Committee (SAC / TC547) of the industry counterpart of the National Standardization Management Committee, and member organization of National Semiconductor and Material Standardization Technical Committee (SAC / TC203).

In 2019, three national standards for OLED materials and one national standard for testing methods of liquid crystal module and participated by the company have been issued and implemented by the National Standards Committee, which has enhanced the company's voice in OLED and LCD technology fields of new display industry, demonstrated Tianma's leading technology level, and further consolidated the company's industry position; In 2019, the company won the "Outstanding contribution organization of standardization work in 2019" award of National Semiconductor and Material Standardization Technical Committee.

The company supports the following associations and organizations to launch relevant conventions, principles or other initiatives related to economic, environmental and social aspects according to the business strategic objectives and in combination with the concerns of stakeholders.

Liquid Crystal Branch of China Optoelectronic Industry Association	Executive Vice President
China OLED Industry Alliance	Executive Vice President
China Electronic Chemical New Material Industry Alliance	Managing Director
China Association of Listed Companies	Member Organization
Shenzhen Association of Listed Companies	Member Organization
National Display Industry Measurement and Testing Alliance	Vice Chairman Organization
National Panel Display Technology Standardization Committee	Vice Chairman Organization
National Technical Committee for Semiconductor and Material Standardization	Member Organization
Automotive Information Service Industry Application Alliance (TIAA)	Council Members
Virtual reality Industry Alliance	Alliance Members
Shenzhen Federation of industry	Vice President
Shenzhen Federation of Enterprises and Entrepreneurs Association	Vice President
Shenzhen Flat Panel Display Industry Association	Vice President
Shenzhen Hi tech Industry Association	Ordinary Member
Member of Shenzhen Optoelectronic Display Industry Patent Union	Ordinary Member
Shenzhen Association of Listed Companies	Member
Shenzhen Advanced Manufacturing Federation	Vice President
Shanghai Optoelectronics Industry Association	Vice President
Sichuan Tablet Industry Association	Vice President
Chengdu Electronic Information Industry Association	Vice President
Second Generation Interactive Display Collaborative Research Committee of Electrics	Committee Member
SID Display Industry Award Committee	Committee Member
SID Program Committee	Committee Member
SID Asia Committee	Committee Member
IDW (International Display Workshops)	Committee Member
AM-FPD	Vice Chairman
ITC(International Thin-film transistor Conference)	Committee Member
The Laser Society of Japan	Committee Member

## Glossary of terms

Term	Notes	Chapter location
GRI	Global Reporting Initiative	Title Page
HMI	Human Machine Interface	Company overview
AR	Virtual Reality	
VR	Augmented Reality	
LCD	Liquid Crystal Display	Technological innovation and leadership
LTPS	Low Temperature Poly-silicon	
HDR	High-Dynamic Range	
PPI	Pixels Per Inch	
AMOLED	Active Matrix/Organic Light Emitting Diode	Sustainability development
CSR	Corporate Social Responsibility	
EHS	Abbreviation of Environment, Safety and Health	Care for the environment
COD	Chemical Oxygen Demand	
HSF	Hazardous substances free	Green products and services
EDX	Energy dispersive X-ray fluorescence spectrometer	
GP	Green product	
WMS	Warehouse Management System	Green Logistics
LAMP	Leadership And Management Program	Staff training

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Report evaluation	Balance	Comparability	Accuracy	Timeliness	Reliability	Definition
About company						
Social responsibility and responsibility						
Appendix						

Notes: Each evaluation index is divided into 5 levels, with 1 as the lowest score and 5 as the highest score.

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